

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires, March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
**Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.**

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF 1078771
2. Name of Operator Williams Production Company, LLC		6. If Indian, Allottee or Tribe Name
3a. Address PO Box 640 Aztec, NM 87410		7. If Unit of CA/Agreement, Name and/or No. Rosa Unit
3b. Phone No. (include area code) 505-634-4208		8. Well Name and No. Rosa Unit #634B
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1485' FNL & 645' FEL, sec 22, T31N, R6W		9. API Well No. 30-039-30937
		10. Field and Pool or Exploratory Area Basin Mancos
		11. Country or Parish, State Rio Arriba

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	_____
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	_____

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Williams Production Company is submitting this sundry to incorporate slight changes in our drilling plan. Setting depths have changed slightly on our casing design.

CONFIDENTIAL

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

RCVD JUN 2 '10

14 I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Larry Higgins	Title Permits Supervisor OIL CONS. DIV. DIST. 3
Signature <i>Larry Higgins</i>	Date 5-26-10

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Troy L. Sellers</i>	Title <i>PE</i>	Date <i>6/1/2010</i>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon	Office <i>FFO</i>	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

NMOCD

**Rosa Unit 634B
Drilling Program
Williams Production Co. LLC**

WELL NAME:	Rosa Unit 634B
COUNTY, STATE:	Rio Arriba County, New Mexico
AFE #	WT22933-62294915
LOCATION – Surface:	1485' FNL & 645' FEL of Sec 22, T31N, R6W
TD at Bottom Hole:	1980' FNL & 20' FEL Sec 23, T31N, R6W
API #:	30-039-30937
Surface Csg Size / Depth	13-3/8" at 500' MD
PROPOSED TD:	Hor. 12,824 MD/ 6,749' TVD at Incl. 91.55°, Azi. 90.06°
ZONES OF INTEREST / OBJECTIVES:	Black zone base 6,891' TVD/ 7,587' MD top 6,749' TVD/12,824' MD
GLE / RKB-ML:	6,260' GL ungraded KB – GL=19'
DHC /D&C / WI% TOTAL:	

Coordinates: X_{SL}: 2,837,124.61 E Y_{SL}: 2,142,899.85 N

Entry Point 6,891' TVD / 7,587' MD, 91.55° Incl. 90.06° Azm X_{BHL}: 2,837,796.22 E, Y_{BHL}: 2,142,410.12 N
TD/PBHL 6,749' TVD / 12,824' MD, 91.55° Incl. 90.06° Azm X_{BHL}: 2,843,031.27 E, Y_{BHL}: 2,142,426.08 N

Directions:From Bloomfield, NM: Travel East on US-64 for 37.5 miles, turn North onto NM-527 towards Sims Mesa Recreation Area, Drive 7.9 miles turn right on Rosa Road/County Road 362 (look for rig sign), Drive 11.5 miles look for rig sign and wildlife gate on left, Turn left on lease road, Rig is ~1 mile down lease road. **IF WILDLIFE GATE IS LOCKED CONTACT DALE BAKER AT (XXX)XXX-XXXX ENSURE GATE CLOSES BEHIND ALL VEHICLES AVOID STOPPING ON FIRST 3 MILES OF ROSA ROAD**

Drilling Rig: Frontier Drilling Rig 7 **KB Elevation:** 6,282'

Geology: Formation

The referenced surface elevation is 6,260' ungraded. KB to GL: 22'

Name	TVD	MD	Name	TVD	MD
Ojo Alamo	2,345	2,345	Menefee	5,350	5,364
Kirtland	2,445	2,445	Point Lookout	5,585	5,640
Fruitland	2,945	2,945	Mancos	5,880	5,962
Pictured Cliffs	3,120	3,120	Top of Black Zone	6,749	7,022
Lewis	3,410	3,410	Bottom of Black Zone	6,891	7,587
Cliff House	5,295	5,304	TD	6,749	12,824

Proposed Casing Program:

	<u>Hole Size</u>	<u>Casing</u>	<u>MD/TVD</u>	<u>TOC</u>
Conductor:	Pre-Set	20" , 94ppf,J55,Buttress, Rge 1-2	80'/80'	Surface
Surface:	17-1/2"	13-3/8",54.5ppf,J55, Buttress,8rd thrd,Rge 3	500'/500'	Surface
Intermediate:	12-1/4"	9-5/8",40ppf,HCP110, LT&C, 8rd thrd, Rge 3	6,462'/6,348'	Surface
Drlg. Liner:	8-1/2"	7", 23ppf, N80, LT&C, 8rd thrd, Rge 3 Top	4,800'/4,800'	TOL
			7,587'/6,891'	
Production Liner	6-1/4"	4-1/2", 11.6 #/ft, HCP110,LT&C Top	4,700'/4,700'	TOL
			TD/Btm 12,824/6,749'	

Coring: None Planned

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Drilling Program
Williams Production Co. LLC**

Evaluation: Mud Logging: Andy Choquette – 2 Man Unit from 500' – TD
505-793-5334
Weatherford XRD/SRA Ryan King – 2 man unit from top of Lewis(3,410' TVD/MD)–TD
720-497-8251

Electric Logging: Company: Weatherford

Intermediate: From 13-3/8" surface csg. shoe at 500' to 6,462'
Log with a GR/Triple Combo
Drilling Liner (thru the Curve): GR/Triple Combo-
7,587'MD(shoe of 7") to 7,587' MD (shoe of
9-5/8")
Production: GR/HMI – Lateral section 12,824' MD (Toe of
Lateral) to the 7,587' MD (Heel)

Major Service Providers:

Cement: Halliburton
Drilling Fluids: Baroid Drilling Fluids
Directional: Weatherford
Logging: Weatherford
Fuel: Fraley's
Fresh Water: SSS Trucking

Drilling Procedure:

1. After building location accommodate drilling rig, pre-set 20" conductor at 80' and drill 65' 16" rotating mouse holes as per rig lay out. Confirm location dimensions prior to mobilizing rig, in particular well center.
2. Mobilize and RU Frontier Drilling Company Rig #7. Install flowline as to minimize the need to reposition flowline after every casing string. Once rig is rigged up, perform pre-spud inspection with Williams/IADC pre-spud inspection form. **Contact Virgil Lucero at BLM Farmington FO prior to spud to schedule BLM Rig Inspection**
 - Confirm conductor pipe is set vertical and rat/mouse holes are positioned correctly prior to mobilization.
 - Install riser system from Antelope Sales and Service on top of conductor prior to spud.
 - Install Stream-Flo HE BOP Quick Connect Adapter on bottom of BOP prior to spud.
 - Install Cameron Variable Diameter Pipe Rams in 13-5/8" BOP 5K prior to spud.
 - Ensure adequate freshwater supply prior to spud.
 - Review surface use agreement included with drilling program. Review same with Toolpushers and rig crews to ensure compliance with regard to trash pick up and lease road speed limits.
 - Record beginning and ending diesel readings for Rig tank and Camp tank in daily report. Monitor and document daily fuel usage in IADC and daily reports. Fuel is to be charged out on a daily basis. Diesel used in the mud should be tracked as a separate line item so that an accurate estimate of diesel usage for fuel and OBM can be made at the end of the well. All diesel fuel and lube supplies from Fraley Company (505-327-7474 – Sean - District Manager) Red Diesel – 2.60 \$/gal, Clear diesel – 3.00 \$/gal, Unleaded fuel -2.75 \$/gal, all fuel tanks are from Fraley's at no charge.

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- Inventory and visually inspect all tubulars and downhole tools on location. Record all dimensions, serial numbers, etc, of all downhole equipment. Maintain a file of all relative inspection reports.
- BHA inspection will be conducted every 300 hours or as needed.
- Gauge all BHA tools and stabilizers prior to and after running, record in IADC and daily reports.
- Advise the New Mexico OCD and BLM of spud within 24 hours of spud. Advise 24 hour prior to cementing all casing strings. All conversations are to be documented in the IADC reports as well as the daily reports. Include all pertinent information, including date, time, person contacted, details of the discussion/exception, etc. in the reports.
- Confirm KB elevation prior to spud and document same in the IADC and daily reports.
- Ensure a copy of the approved drilling permit are posted in doghouse prior to spud of the well.
- All drill pipe tallies, casing tallies, and BHAs are the responsibility of the drilling supervisor. Confirm drill pipe tallies prior to TD.
- It is the drilling supervisor's responsibility to check and confirm calculations with regard to rig operations including cement volumes, pressure tests, etc.
- Maintain a rental tool log of all tools delivered to location. Ensure daily totals match the figures reported in PA. Include delivery dates, condition, damage if any, etc.
- All wellhead equipment (Stream-Flo HE) is to be measured prior to spud and all cut-off heights are to be discussed with drilling engineer prior to running surface casing as to minimize/eliminate the need to reposition the BOP stack/flowline after each casing string.
- Record liquid mud and tangible equipment movements on IADC and daily reports. On equipment moved between wells or third party yards, ensure the proper paperwork is completed (William's – MT forms).
- All accidents are to be reported as soon as practical to drilling supervisor and Ronnie Shorter (Williams EH&S) and detailed in the daily reports as well on the Williams accident form. A copy of the contractor's incident investigation report should also be included with Williams accident form.
- Pipe rams are to be function tested weekly (if not otherwise tested during well control drills) and prior to all trips. Blind rams are to be functioned after all trips. All function tests are to be documented in daily reports.
- BOP and associated well control equipment are to be inspected prior to nipple up. Ensure bottles are properly charged and all equipment is in working condition.
- BOP pressure tests are to be conducted after the BOPs have been installed, after each casing string or anytime a pressure seal has been broken and/or every 30 days.
- Well control drills are to be conducted as necessary to ensure crews are familiar with shut-in procedures. Once crews are familiar with the proper well control procedures, drills may be conducted once per week per crew. All drills and shut-in times are to be documented in IADC and daily reports.

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- Ensure familiarity of Stream-Flo HE Wellhead Installation Procedures. Ensure all crew members are instructed as to exactly how wellhead will be installed. This includes the welder for proper cut-off heights and weldless base plate installation. A detailed procedure for this operation is included in with this program.
- Slow pump rates are to be recorded and documented on the daily reports daily or when the mud weight has changed more the 0.3 ppg.
- All trips are to be conducted using pump strokes and trip sheet to monitor for proper fill-up and displacement.
- The following reports are to be sent every morning by 06:00 hrs:
 - ◆ WellEZ Daily Drilling Report
 - ◆ Mud Logs/Show Reports
 - ◆ BHA, Casing Tallies etc as they become available
 - ◆ Directional Survey Reports
 - ◆ Mud Reports
- The following items need to be recorded daily in the PA morning reports.
 - Daily fuel consumption/cumulative use
 - Topic of Tailgate safety meeting for both crews
 - Accidents/Injuries if any are reported
 - Crew status (crews full, etc)
 - Repair time for an event/Cumulative Repair time
 - Rotating hours and cumulative hour on BHA & Jars, etc.
- The attached drilling program is intended to act as a guide and is NOT a substitute for common sense.

SURFACE HOLE: 13-1/2" Hole , 9-5/8" Casing

3. Prepare to spud well by picking up the following BHA:
- ◆ 17-1/2" Milled Tooth jetted with 3x18 nozzles
 - ◆ 8" OD Float sub w/float installed
 - ◆ 3 - 8" Drill Collar
 - ◆ X-over Sub
 - ◆ 6-1/2" Drill Collars as needed to reach 500'

Spud well. Drill ahead using, surveying well every 200' below conductor and at interval TD

Interval Mud Properties:

Interval (Feet)	Mud Weight (ppg)	Funnel Vis. (sec/qt)	Plastic Vis. (cp)	Yield Point (lb/100ft ²)	Fluid Loss (ml/30 min)	HTHP Fluid Loss (ml/30 min)	Total Solids (%)
0 - 500'	8.4 - 8.7	As needed	N/A	N/A	N/A	N/A	< 3

- ◆ Spud well with 8.3 ppg fresh water.
- ◆ Control seepage losses with the addition of drilling paper and other LCM as needed.

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- ♦ Use PHPA polymer as needed for sweeps
- ♦ Use high viscosity sweeps containing freshwater gel to clean hole as required. Frequency will be dictated by holes conditions and previous results of sweeps pumped.
- ♦ Spot high viscosity/weighted pills on bottom prior running casing as needed.

Continue drilling ahead with the above mud properties to the planned TD/Casing Point. Planned surface casing point is 500' MD.

- ♦ Casing tally should be completed prior to TD, adjust TD of this hole section accordingly to allow for casing collar to be at floor level during cement job.
4. Upon reaching TD, circulate and sweep hole clean. Wiper trip will be at the discretion of well site supervisor and New Tech Drilling Superintendent. Spot a high viscosity pill on bottom (as necessary), drop survey and strap out of the hole, confirm pipe figures and joint count.
5. Hold pre-job safety meeting regarding casing running equipment, discuss shoe and collar locations as well as centralizer placement with rig and casing crews. RU PU/LD machine. RU casing running equipment and run casing as follows:
- ♦ 13-3/8" Buttress Cement Nose Guide Shoe (Baker Lock on threads)
 - ♦ 1 jt – 13-3/8" 54.5#, J-55 Buttress (Baker Lock Connections)
 - ♦ 13-3/8" 54.5#, J-55 Buttress Float Collar (Baker Lock Connections)
 - ♦ 13-3/8" 54.5#, J-55 Buttress LTC Casing to surface.

Casing Specifications:

13-3/8" 54.5#, J-55 Buttress

Collapse:	1,130 psi
Burst:	2,730 psi
Tension:	514,000 lbs
Make-up:	5,140 Ft-lb

Estimated Cost: \$ 42.30/ft (Includes inspection)

All casing is to be drifted prior to running. Threads are to be visually inspected by drilling supervisor for dirt/sand and should be cleaned as necessary.

Centralizers are to be placed as follows:

- ♦ 1 standard bowspring centralizer every other joint beginning with shoe joint (approx. 13 - 17-1/2"x13 3/8" bow type centralizer placed over casing collar area.)
- ♦ ***Notify BLM Casing/Cement hotline and New Mexico Oil Conservation District 24 hrs prior to running and cementing casing.***
- ♦ *Have casing swage on location*

Be prepared to wash casing to bottom as necessary with rig pumps. Circulate a minimum 1-1/2 times the casing annular volume with rig pumps prior to cementing well.

6. Make up landing joint, Stream-Flo HE wellhead, and running tool on final joint of casing as instructed by Antelope Sales and Service technician. Land out baseplate on conductor.

<p style="text-align: center;">Rosa Unit 634B Drilling Program Williams Production Co. LLC</p>

7. RU Halliburton. Hold safety/procedure meeting regarding cement job. Pressure test lines to 2M# and cement surface casing with the following:

10 bbls	Freshwater
255 sks	Halliburton VariCem + 0.25 #/sk Poly-e-Flake + 1% Cal-Seal 60 mixed @ 12.7 ppg and 9.13 gps mix water with a yield of 1.78 ft ³ /sk.
150 sks	Premium Plus (Type III) + 0.25 #/sk Poly-e-Flake + 0.3% Versaset + 2% Econolite + 6% Salt mixed @ 13.5 ppg and 9.26 gps mix water with a yield of 1.77 ft ³ /sk.

The above volumes are based on 100% excess on lead cement and 0% excess on the tail.

Release top plug and displace with fresh water using the Halliburton pumps. Monitor and note cement returns in daily reports. Bump plug with 500 psi over final circulating pressure. Do not over-displace more than ½ the volume of the shoe joint. Release pressure and ensure floats are holding. RD cementing equipment from rig floor.
8. RD cementing equipment and breakout and RD riser system. Wash off wellhead and associated equipment to remove remaining cement. Begin WOC.
9. Off critical path operations while WOC:
 - ◆ Back out Stream-Flo HE running tool and landing joint from wellhead
 - ◆ Connect BOP to wellhead with Stream-Flo HE quick connect
 - ◆ NU BOP and related equipment
 - ◆ Pressure test BOP and related equipment as follows:
 - 250 psi (low) for 5 minutes
 - 2,500 psi (high) for 10 minutes
 - Utilize BOP testing unit with recording chart and appropriate test plug
 - **Notify BLM Farmington FO and NMOCD of BOP pressure test 24 hours prior to testing**
 - ◆ Mix fresh water based Baroid EZ-MUD system in pits to specifications per Baroid fluid engineer on location.
10. After completion of BOP pressure testing or WOC for 12 hours **WHICHEVER IS GREATER** pressure-test surface casing to 600 psi for 30 minutes prior to tripping in to drill out. Utilize BOP testing unit with recording chart.

INTERMEDIATE HOLE: 12-1/4" Hole , 9-5/8" Casing

11. PU the following Weatherford Directional BHA and TIH to drill float equipment:
 - ◆ 12-1/4" Smith MDi716PX PDC Bit - 6x16's
 - ◆ 1- 8" 7/8 lobe 2.5 Stage Mud Motor bend at ?°(discuss w/Weatherford Directional people)
 - ◆ Float Sub
 - ◆ Double pin sub
 - ◆ MWD Tool Carrier w/Directional only MWD
 - ◆ Emitter Sub
 - ◆ 2 x 8" - Monel Collar
 - ◆ 3 x 8" rig Drill Collars
 - ◆ 15- 6-1/2" drill collars as needed to tag plug

TIH and tag cement, note cement top in daily reports.

<p align="center">Rosa Unit 634B Drilling Program Williams Production Co. LLC</p>
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12. Displace fresh water in 13-3/8" casing with WBM.
13. Cautiously continue drilling ahead until DC's have cleared casing shoe and WBM mud has been treated and conditioned. Drill ahead taking surveys every connection with MWD. **DO NOT ALLOW WELLBORE TO DRIFT MORE THAN 15' TOWARDS PLANNED WELLPATH OF ROSA UNIT 634A**

Use all solids control equipment to remove cuttings from mud. Place water based mud cuttings in cuttings pit on location.

Bit selections are to be based on offset well performance, rock strength analysis as well as dull grades from previous bit runs. Discuss potential bit selections with Drilling Engineers prior to running bit.

Interval Mud Properties:

Interval (Feet)	Mud Weight (ppg)	Funnel Vis. (sec/qt)	Plastic Vis. (cp)	Yield Point (lb/100ft ²)	Fluid Loss (ml/30 min)	HTHP Fluid Loss (ml/30 min)	LG Solids (%)
500' to 6,462'	8.5 – 9.0	60-70	7-15	25-35	<10	NA	<4

14. Drill to Kick Off Point of 4,933' MD/TVD. Pick up 6-1/2" drill collars until 15 have been picked up, switch to 4-1/2" HWDP until 18 jts have been picked up. Drill ahead picking up rig's 4-1/2" drill pipe. POOH for directional equipment
15. PU Weatherford directional tools. Preliminary BHA as follows:
- ◆ 12-1/4" Smith GF30BVCPS TCI Rock Bit - 3-16's
 - ◆ 1- 8" 7/8 lobe 2.5 stages Mud Motor bend motor as recommended by Weatherford directional team.
 - ◆ Float Sub
 - ◆ Double pin sub
 - ◆ MWD Tool Carrier w/Directional only MWD
 - ◆ Emitter Sub
 - ◆ 2 x Monel Collar
 - ◆ 3 x 8" rig Drill Collars
 - ◆ 15 x 6-1/2" Drill Collars
 - ◆ 18 jts 4-1/2" HWDP
16. Drill 12-1/4" curve according to directional plan **DO NOT ALLOW DOGLEG SEVERITY TO EXCEED 10°/100**. TD intermediate hole 500' MD below top of Mancos Shale. Treat for lost circulation as necessary, use air injected at stand pipe if necessary. **CONTACT ENGINEERING IMMEDIATELY IF YOU ENCOUNTER LOST CIRCULATION**
17. Circulate and condition hole at TD, Short trip to surface shoe at discretion of drilling supervisor.
18. POOH, stand 4-1/2" drill pipe, 4-1/2" HWDP and 6-1/2" drill collars in derrick. Lay down 8" drill collars, and Weatherford directional tools.
19. Hold PJSM regarding wireline logging. RU Weatherford Logging Services log from TD to surface shoe with GR/Triple Combo. RD Weatherford Logging Services.

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20. Hold pre-job safety meeting regarding casing running operations and equipment, discuss shoe and collar locations as well as centralizer placement with rig and casing crews. All casing running equipment is to be visually inspected for adequate capacity as well as condition. Review wellhead installation procedures with casing and rig crews. RU casing running equipment and run casing as follows:

- ◆ Float shoe (Baker Lock on threads)
- ◆ 2 jt – 9-5/8" 40# HCP-110 LT&C (Thread-Lok Connections)
- ◆ Float Collar (Thread-Lok Connections)
- ◆ 9-5/8" 40# HCP-110 LT&C to Surface

Make-up mandrel/landing joint to casing. Ensure all lock downs are backed out in wellhead and prepare to land casing.

Land out casing in wellhead with landing joint and running tool.

Use swage to fill 9-5/8" casing. No fillup tool required.

Casing Specifications:

9-5/8" 40# HCP-110 LT&C

Collapse:	5,600 psi
Burst:	8,700 psi
Tension:	1,106,000 lbs
Make-up:	11,050 ft-lb

Estimated Cost: \$38.95/ft

All casing is to be drifted to 8-1/2" prior to running. Threads are to be visually inspected by drilling supervisor for dirt/sand and should be cleaned as necessary.

Monitor make-up torque and check periodically as needed.

Centralizers are to be placed as follows:

- ◆ 1 – Bowspring centralizer on each shoe joint (2 centralizers)
 - ◆ 1 – Bowspring centralizer on every other joint from float collar to 5,000' MD (18 centralizers)
 - ◆ 1 – Bowspring centralizer on every 3rd joint from 5,000' MD to surface (42 centralizers)
 - ◆ Grand total centralizers 62 - 12-1/4" x 9-5/8" bow spring type centralizers.
- ◆ ***Notify BLM Casing/Cement hotline and New Mexico Oil Conservation District 24 hrs prior to running and cementing casing.***

Be prepared to wash casing to landing point (10-12' off bottom to assure mandrel will land in head) as necessary with rig pumps. Circulate a minimum of 2 casing annular volumes with rig pumps prior to cementing well.

WHILE RUNNING CASING TRANSFER WBM FROM PITS TO STORAGE TANKS, CLEAN TANKS AND TRANSFER BAROID OIL BASED MUD FROM STORAGE TANKS TO RIG MUD TANKS.

21. Land casing with mandrel in wellhead and test packoff prior to cementing.
22. Hold pre-job safety/procedure meeting prior to RU Halliburton cementing company. RU cementing company while circulating. Cement 9-5/8" casing as follows:

<p style="text-align: center;">Rosa Unit 634B Drilling Program Williams Production Co. LLC</p>

20 bbls	Freshwater
20 bbls	SUPER FLUSH 101
20 bbls	Freshwater
1280 sks Lead	Halliburton FILLSEAL + 0.2% Versaset + 0.1% HALAD-766 + 2% ZoneSeal 4000 mixed at 13 ppg with 6.76 gps mix water and a yield of 1.43 ft ³ /sk. Use N ₂ to foam cement slurry to 9 ppg
275 sks Lead	Halliburton FILLSEAL + 0.2% Versaset + 0.1% HALAD-766 + 2% ZoneSeal 4000 mixed at 13 ppg with 6.76 gps mix water and a yield of 1.43 ft ³ /sk. Use N ₂ to foam cement slurry to 9.5 ppg
215 sks Tail	Halliburton HALCEM + 0.2% Versaset + 0.1% HALAD-766 + 2% ZoneSeal 4000 mixed at 13 ppg with 6.76 gps mix water and a yield of 1.43 ft ³ /sk. and CEMENT SLURRY WEIGHT OF 13 PPG THIS SLURRY IS NOT FOAMED

The above cement volumes are based on a TOC @ surface with 80% excess applied to open hole volumes. Actual volumes will be based on caliper log plus 10% excess.

Use Halliburton choke manifold (connected to 2" wellhead valve) to maintain back pressure and ensure proper foam expansion. Direct WBM returns to storage tanks. When cement returns are seen direct returns to slop tank and sugar treat the cement slurry to slop tank. Manifold slop tanks together so that returns can be distributed between them.

Release top plug and displace with oil based mud from storage tanks using the cement pumps. Monitor and note returns in daily reports. Bump plug with 500 psi over final circulating pressure. Do not over-displace more than 1/2 the volume of the shoe joint. Release pressure and ensure floats are holding. RD cementing equipment from rig floor. **Immediately contact engineering if cement is not circulated to surface**

Note: Displace plug with oil based mud

23. WOC 12 hours. Operations while WOC:

- ◆ Transfer remaining water based mud from pits to storage tanks
- ◆ Clean remaining mud pits
- ◆ Transfer oil based mud from storage tanks to mud pits
- ◆ Move Weatherford 6-1/4" directional tools onto pipe racks
- ◆ Strap and caliper directional tools
- ◆ Back out landing joint
- ◆ Pick up remaining 4-1/2" IF HWDP and stand back in derrick
- ◆ Install and rig up ZECO cuttings dryer to solids control equipment
- ◆ Have lined rollaway dumpsters from Dawn Trucking placed near cuttings pit

24. Pressure test intermediate casing to 1,500 psi for 30 minutes. Utilize BOP testing unit with recorder chart.

CURVE: 8-1/2" Hole , 7" Liner

25. PU the following BHA and TIH to drill float equipment:

- ◆ 8-1/2" Smith GFI10GVCR TCI Rock Bit - 3-20's

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- ◆ 6-3/4" 7/8 lobe stage 3.0 Mud Motor bend as Weatherford directional team recommends)
- ◆ Float Sub
- ◆ Double pin sub
- ◆ MWD Tool Carrier w/Directional only MWD
- ◆ Emitter Sub
- ◆ 2 x Monel Collar
- ◆ 3 x 6-1/2" Drill Collars
- ◆ 36 jts 4-1/2" IF HWDP

26. Drill ahead per directional plan using oil based mud to landing point. Land well at 6,891' TVD, -496.58' N/S, 663.63' E/W with 91.55° inclination and 90.06° azimuth. Make wiper trip to 9-5/8" shoe.

Use all solids control equipment to remove drilled solids from mud and minimize retained oil on cuttings. **Place all oil based mud cuttings in lined rollaway dumpsters. When dumpsters are full have them hauled to Envirotech for disposal. TEST ALL LOADS OF CUTTINGS USING BAROID CHLORIDE TITRATION TO ENSURE CUTTINGS ARE BELOW 1,000 PPM CHLORIDES. DILUTE WITH COARSE GRIND BENTONITE AS NECESSARY.**

Interval Mud Properties:

Interval (Feet)	Mud Weight (ppg)	Funnel Vis. (sec/qt)	Plastic Vis. (cp)	Yield Point (lb/100ft ²)	Electric Stability	HTHP Fluid Loss (ml/30 min)	WPS (ppm)
6,462' to 7,587'	8.6 – 9.0	60-70	15-25	8-15	>400	≤15	250k- 300k

- ◆ Diesel based invert emulsion fluid system with Oil Water Ratio of 75:25

27. POOH standing back drill pipe. LD directional tools.
28. Hold PJSM regarding wireline operations. RU Weatherford Logging Services. Log from TD to 9-5/8" csg shoe with Gamma Ray and Triple Combo. RD Weatherford Logging Services
29. Make up 8-1/2" bit on slick BHA and trip in hole to TD. Circulate and condition well. POOH stand back drillpipe and HWDP in derrick
30. Hold pre-job safety meeting regarding casing running operations and equipment, discuss shoe and collar locations as well as marker joint and centralizer placement with rig and casing crews. All casing running equipment is to visually inspected adequate capacity as well as condition. RU casing running equipment and run casing as follows:

- ◆ Davis Lynch Casing Shoe (Baker Lock on threads)
- ◆ 2 jt – 7" 23# N-80 LT&C (Baker Lock Connections)
- ◆ Smith services Landing Collar (Thread-Lok Connections)
- ◆ Approximately 2,687' 7" 23# N-80 LT&C (bring above KOP)
- ◆ Smith 7" x 9-5/8" Pocket Slip Rotating Liner Hanger with 10' tieback receptacle and buttress box to LT&C pin crossover
- ◆ Smith rotating pocket slip liner hanger setting tool
- ◆ Drill pipe to surface

Casing Specifications:

7" 23#, N-80 LT&C

Collapse: 3.830 psi

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Burst: 6,340 psi
Tension: 532,000 lbs
Make-up: 4,420 ft-lb

Estimated Cost: \$18.29/ft (includes inspection)

Threads are to be visually inspected by drilling supervisor for dirt/sand and should be cleaned as necessary.

Monitor make-up torque and check periodically as needed.

Centralizers are to be placed as follows:

- ♦ 46 – Solid body turbolizer style positioned every joint through KOP.

♦ ***Notify BLM Casing/Cement hotline and New Mexico Oil Conservation District 24 hrs prior to running and cementing casing.***

31. Hang liner per Smith procedure. Circulate a minimum 3 casing annular volumes with rig pumps prior to cementing well.
32. Hold pre-job safety/procedure meeting prior to RU Halliburton cementing company. RU cementing company while circulating. Cement 7" liner as follows:

20 bbls	Mud Flush III spacer with 0.1 gal/bbl SEM-7 + 0.1 gal/bbl Musol A.
10 bbls	Fresh Water Spacer
325 sks	Halliburton HalCem premium cement + 0.4% Halad-9 + 0.4% Halad-413 + 0.3% D-AIR 3000 + 0.05% HR-5 + 2.5 #/sk Kol-Seal mixed at 13.50 ppg with 5.52 gps mix water and a yield of 1.30 ft ³ /sack.

The above cement volumes are based on a TOC @ 4,900' with 30% excess applied to open hole volumes. Actual volumes will be based on caliper log plus 30% excess.

Release drill pipe dart and displace to liner wiper plug. Once sheared, continue displacement with oil based mud using the cement pumps. Monitor and note returns in daily reports. Bump plug with 500 psi over final circulating pressure. Do not over-displace more than 1/2 the volume of the shoe joint. Release pressure and ensure floats are holding.

Note: Displace plug with oil based mud

33. After bumping plug. Pull up and set liner top packer. Reverse circulate 2 drill pipe volumes. POOH with drill pipe and liner setting tool. Stand HWDP back in derrick and LDDP
34. WOC 12 hours. Operations while WOC:
 - ♦ Move 4" XT-39 drillpipe and 4-1/2" XT-39 HWDP onto pipe racks
 - ♦ Strap and caliper same
 - ♦ Pick up 4" XT-39 drillpipe and 4-1/2" XT-39 HWDP
 - ♦ Stand back in derrick such that pipe can be run in following order:
 - ♦ 4" XT-39 drillpipe
 - ♦ 4-1/2" XT-39 HWDP
 - ♦ 4-1/2" IF HWDP
 - ♦ 6-1/2" Drill collars
 - ♦ Move Weatherford 4-3/4" directional tools onto pipe racks
 - ♦ Strap and caliper directional tools

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35. Pressure test liner top to 1,500 psi for 30 minutes utilize BOP testing unit with recording chart.

PRODUCTION HOLE: 6-1/4" Hole , 4-1/2" Liner

36. PU the following BHA and TIH to drill float equipment:
- ◆ 6-1/4" Smith Mi613PX PDC Bit - 6-16's
 - ◆ 4-3/4" 7/8 lobe 5 Stages Mud Motor 250 type rubber bend as per Weatherford Directional team
 - ◆ Float Sub
 - ◆ Double pin sub
 - ◆ MWD Tool Carrier w/Directional only MWD
 - ◆ Emitter Sub
 - ◆ 2 x Monel Flex Collar
 - ◆ 45 stands 4" XT-39 drillpipe
 - ◆ 12 stands 4-1/2" XT-39 HWDP
 - ◆ XT-39 to 4-1/2" IF Crossover
 - ◆ 12 stands 4-1/2" IF HWDP
37. TIH with 4-1/2" DP to drill out shoe

Interval Mud Properties:

Interval (Feet)	Mud Weight (ppg)	6 RPM	Plastic Vis. (cp)	Yield Point (lb/100ft ²)	Electric Stability	HTHP Fluid Loss (ml/30 min)	WPS (ppm)
7,587' to 12,824'	8.8 ~ 9.0	6-8	15-25	8-12	>800	≤10	250k- 300k

- ◆ Diesel based invert emulsion fluid system with Oil Water Ratio of 80:20

38. After drilling out shoe, drill ahead according to directional plan to ~9,134' MD, ream every connection and sweep hole as necessary

Use all solids control equipment to remove drilled solids from mud and minimize retained oil on cuttings. **Place all oil based mud cuttings in lined rollaway dumpsters. When dumpsters are full have them hauled to Envirotech for disposal. TEST ALL LOADS OF CUTTINGS USING PROVIDED CHLORIDES TESTING KIT TO ENSURE CUTTINGS ARE BELOW 1,000 PPM CHLORIDES BEFORE LOADS LEAVE LOCATION. DILUTE WITH COARSE GRIND BENTONITE AS NECESSARY.**

39. POOH to bottom of 4-1/2" XT-39 HWDP
40. Add 16 stands 4" XT-39 drillpipe below HWDP and place agitator/shock tool approx. 1200 to 2000' behind bit. Place left hand torque type safety joint directly below agitator.
41. TIH
42. Drill ahead according to directional plan to 10,574' MD, ream every connection and sweep hole as necessary
43. POOH to bottom of 4-1/2" XT-39 HWDP
44. Add 28 stands of 4-1/2" XT-39 drillpipe below HWDP
45. TIH
46. Drill ahead according to directional plan to **estimated TD of 12,824' MD/6,749 TVD (PBHL: - 502.01' N/S, 5898.71' E/W, VS = 5,920' (94.86°))**, ream every connection and sweep hole as necessary
47. At TD sweep hole twice with low vis/weight (0.2 ppg below current mud weight) followed immediately by high vis/weight (0.2 ppg above current mud weight)
48. Circulate minimum of 4 hours before POOH, short trip to 7" shoe at discretion of drilling supervisor

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49. Hold PJSM regarding wireline operations. RU Weatherford Logging Services. Log from TD to 7" csg shoe with Gamma Ray and HMI imaging log on downhole tractors. RD Weatherford Logging Services
50. TIH to TD
51. Sweep hole with low vis/weight (0.2 ppg below current mud weight) followed immediately by high vis/weight (0.2 ppg above current mud weight)
52. Circulate minimum of 4 hours before POOH, short trip to 7" shoe at discretion of drilling supervisor
53. POOH stand back 12 stands 4-1/2" IF HWDP and enough 4-1/2" XH drillpipe in derrick to set 4-1/2" liner hanger 100' above top of 7" liner (estimated at 4,800' MD)
54. Lay down remaining HWDP, drillpipe and directional tools
55. Hold pre-job safety meeting regarding casing running operations and equipment, discuss shoe and collar locations as well as marker joint and centralizer placement with rig and casing crews. All casing running equipment is to visually inspected adequate capacity as well as condition. RU casing running equipment and run casing as follows:

- ◆ Davis Lynch Casing Shoe (Baker Lock on threads)
- ◆ 2 jt – 4-1/2" 11.6# P-110 LT&C (Baker Lock Connections)
- ◆ Smith services Landing Collar (Thread-Lok Connections)
- ◆ Approximately 7,942' 4-1/2" 11.6# P-110 LT&C (bring 100' above top of 7" liner)
- ◆ Smith 7" x 9-5/8" Pocket Slip Rotating Liner Hanger with mechanical set packer, 10' tieback receptacle and buttress box to LT&C pin crossover, 7" LT&C to 4-1/2" LT&C crossover bushing and polished bore receptacle
- ◆ Smith rotating pocket slip liner hanger setting tool
- ◆ 12 stands 4-1/2" IF HWDP
- ◆ Drill pipe to surface

Casing Specifications:

4-1/2" 11.6# HCP-110 LT&C

Collapse:	8,830 psi
Burst:	10,710 psi
Tension:	279,000 lbs
Make-up:	3,020 ft-lb

Estimated Cost: \$10.25/ft (includes inspection)

Threads are to be visually inspected by drilling supervisor for dirt/sand and should be cleaned as necessary.

Monitor make-up torque and check periodically as needed.

Centralizers are to be placed as follows:

- ◆ 180 – Solid body turbolizer style positioned every joint through KOP.

- ◆ ***Notify BLM Casing/Cement hotline and New Mexico Oil Conservation District 24 hrs prior to running and cementing casing.***

56. Hang liner per Smith procedure. Circulate a minimum 1-1/2 annular volumes with rig pumps prior to cementing well.
57. Hold pre-job safety/procedure meeting prior to RU Halliburton cementing company. RU cementing company while circulating. Cement 7" liner as follows:

20 bbls

Diesel

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370 bbl	9 ppg water based mud
20 bbls	Mud Flush III spacer with 0.1 gal/bbl SEM-7 + 0.1 gal/bbl Musol A + 0.1 gal/bbl ZoneSeal 4000
20 bbls	Foamed Mud Flush III spacer with 0.1 gal/bbl SEM-7 + 0.1 gal/bbl Musol A + 1% ZoneSeal 4000.
410 sks	Halliburton FRACSEAL cement + 0.2% Versaset + 0.1% HALAD-766 + 1% ZoneSeal 4000 mixed at 13 ppg with 6.76 gps mix water and a yield of 1.43 ft ³ /sk. Use N ₂ to foam cement slurry to 9 ppg.
25 sks	Halliburton FRACCEM cement + 0.2% Versaset + 0.1% HALAD-766 + 1% ZoneSeal 4000 mixed at 13 ppg with 6.76 gps mix water and a yield of 1.43 ft ³ /sk. Use N ₂ to foam cement slurry to 9.5 ppg

The above cement volumes are based on a TOC @ 4,800' with 30% excess applied to open hole volumes. Actual volumes will be based on caliper log plus 30% excess.

Use Halliburton choke manifold (connected to 2" wellhead valve) to maintain back pressure and ensure proper foam expansion. Direct OBM returns to storage tanks.

Release drill pipe dart and displace to liner wiper plug. Once sheared, continue displacement with fresh water using the cement pumps. Monitor and note returns in daily reports. Bump plug with 500 psi over final circulating pressure. Do not over-displace more than ½ the volume of the shoe track. Release pressure and ensure floats are holding.

Note: Displace plug with fresh water

58. After bumping plug. Pull up and set liner top packer. Reverse circulate with freshwater to circulate out any remaining drilling mud from wellbore (minimum 2 drill pipe volumes). POOH stand back DP and HWDP in derrick
59. TIH with tandem mill on bottom of HWDP to dress off polished bore receptacle
60. POOH LDDP and HWDP
61. LD any remaining equipment in derrick
62. ND BOP and install Antelope Sales and Service wellhead spool
63. Hold pre-job safety meeting regarding casing running operations and equipment, discuss shoe and collar locations as well as marker joint and centralizer placement with rig and casing crews. All casing running equipment is to visually inspected adequate capacity as well as condition. RU casing running equipment and run casing as follows:
 - ♦ Smith Services seal assembly
 - ♦ Approximately 4,700' of 4-1/2" 11.6# P-110 LT&C (use pup joints to ensure proper spacing to place seal assembly in PBR and land casing in wellhead)

Casing Specifications:

4-1/2" 11.6# HCP-110 LT&C

Collapse:	8,830 psi
Burst:	10,710 psi
Tension:	279,000 lbs
Make-up:	3,020 ft-lb

Estimated Cost: \$10.25/ft (includes inspection)

Threads are to be visually inspected by drilling supervisor for dirt/sand and should be cleaned as necessary.

**Rosa Unit 634B
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Williams Production Co. LLC**

Monitor make-up torque and check periodically as needed.

Spring centralizers are to be placed as follows:

NO CENTRALIZERS ON THIS PART OF STRING

64. Transfer remaining OBM in pits to storage tanks and clean pits.
65. Secure well. RD Frontier Rig #7 in preparation of moving to the Rosa Unit #634A.

**Rosa Unit 634B
Drilling Program
Williams Production Co. LLC**

Company Contact Information:

Company	Role	Name	Office Phone	Cell Phone	Email
Williams	Drilling Supervisor	Dale Baker		(432)661-6508	dalebaker777@yahoo.com
Williams	Drilling Engineering	Brian Alleman		(719)330-1052	Brian.Alleman@Williams.com
Williams	Drilling Engineering	Bruce Patterson		(303)941-7751	bpatterson@newtecheng.com
Williams	Geology	Laura Wray	(303)606-4090	(303)250-9362	Laura.Wray@Williams.com
Williams	Completons/Project Manager	Bob Brooks	(303)606-4264		Bob.Brooks@Williams.com
Williams	Safety	Ronnie Shorter	(505)634-4245	(505)486-2109	Ronnie.Shorter@williams.com
Williams	Procurement	Ron Cochran	(505)-634-4231	(505)320-7065	Ron.Cochran@Williams.com
Williams	Contracts	Robin Voiles	(505)634-4224		Robin.Voiles@Williams.com
Williams	Regulatory	Larry Higgins	(505)634-4208	(505)320-4314	Larry.Higgins@Williams.com
Williams	Exploration Management	Steve Natali	(303)606-4297	(303)882-3814	Steve.Natali@Williams.com
Williams	SJB Management	Ken McQueen	(918)573-2889	(918)232-3081	Ken.McQueen@Williams.com
Antelope Sales and Service	Wellheads	Brian Wimbish	(505)327-0918	(505)860-7999	wimbishbriang@qwest.net
Halliburton	Cementing Engineer	Hap Pinkerton	(918)581-5213	(918)645-1715	Hap.Pinkerton@Halliburton.com
Halliburton	Mud Supervisor	Matt Jensen		(505)486-3049	Matt.Jensen@Halliburton.com
Weatherford	Directional Coordinator	Damien Tarpley	(432)561-8892	(806)549-0900	Damien.Tarpley@Weatherford.com
Weatherford	MWD Coordinator	Luke Schnell	(432)561-8892	(713)492-7120	Luke.Schnell@Weatherford.com
Weatherford	XRD/SRA Coordinator	Ryan King	(720)497-8251	(303)249-1474	Robert.King@WeatherfordLabs.com
Weatherford	Rental Tools				
BLM	Cement Hotline		(505)599-8907		
NMOCD	Kelly Roberts		(505)334-6178 x16		
Fraley's	Fuel		(505)327-7474		
Knight Oil Tools	Rental Tools	Ben Reese	(505)632-6666	(505)330-0347	breese@knightoiltools.com
Choquette Well Logging	Mud Logging	Andy Choquette			
Smith International	Liner Hangers	Pat Miser	(303)623-8195	(303)514-4193	pmiser@smith.com
Smith International	Drill Bits	Terry Kerr	(303)623-9185	(303)887-6807	tkerr@smith.com
K&C RV	Potable Water and Sewer		(505)334-4088		

**Rosa Unit 634B
Drilling Program
Williams Production Co. LLC**

Invoice Processing/Accounts Payable Address:

Invoices are to have the following information:

Rosa Unit Well 634B

AFE# WT22933-62294915

Routing Code: NXEKK334711

All invoice shall have PO# on them if Applicable

The following regulations are to be followed by all personnel and visitors entering the lease:

General Conduct and Requirements

Daily rig site safety meetings must be attended.

No drugs, alcohol, or firearms are allowed on Williams leases.

Do not litter. All trash is to be disposed of in designated bins on location. Do not dispose of material of any nature in the reserve pit other than the water base cuttings and mud effluent for which it was intended.

Do not exceed the lesser of the posted speed signs or 25 MPH while on lease roads.

Mud logging, electric logging, and all other geologic information are to be considered confidential. Bit and mud information can be released to the respective suppliers of those services.

Smoking is allowed only at designated areas on location.

Relief for supervisors is @ 7:00 am – 2:00 pm.

Williams rig supervisors are not allowed to leave the location during normal working schedules except in the case of special circumstances. In these cases, they are to follow the 10:30 am/pm curfew rule unless the Williams Drilling Engineer grants permission.

All visitors, with No Exceptions, must check in with the drilling supervisor. If a person does not check in at the office, they will be informed of the policy and their home office notified that all future visitors are to check in immediately upon arrival to location.

No visitors are to stay overnight on locations except in special circumstances and are asked to inform the Williams Drilling Engineer in those cases.

GENERAL SUPERVISION REQUIREMENTS

THE WELLSITE SUPERVISOR WILL:

Hold daily safety meetings with all rig personnel each tour and before each stage of operation. Safety meetings must discuss the ongoing and future operations and contingency plans, and be recorded in detail on the daily drilling reports.

**Rosa Unit 634B
Drilling Program
Williams Production Co. LLC**

GENERAL SUPERVISION REQUIREMENTS - CONTINUED

THE WELLSITE SUPERVISOR WILL:

Setup and maintain an active operations well file system that includes IADC reports, operational data accumulated while drilling and completing each well, delivery / invoice tickets, pipe tallies with running details, and an end of well analysis report. This file is to be hand delivered to the Williams Drilling Engineer at the rig site prior to spudding the next well. In case there is not an additional well to be drilled and the rig is released, the well file will be hand delivered to the nearest Williams office with instructions to send it to the drilling engineer.

Measure and record the description and quantity of all tubulars on location. Williams E&P Company material transfer forms must be filled out for all tangible equipment (tubulars, wellhead equipment, bits) arriving or leaving location. Copies of these forms should be faxed with the morning reports on the day they are recorded and included in the End of Well Report.

Insure all tubulars with thread protectors installed and maintained in neat order on location.

Maintain inventory sheets on all tubulars, rental tools, casing and bits.

Record the quantity of diesel on hand at beginning and end of well, and include this data in the End Of Well Report.

Record fuel received, fuel price, fuel on hand, fuel used last 24 hours and cumulative fuel used in the IADC and Pogo reports. Maintain separate records of rig and drilling fluid used.

Bid out diesel requirements for each well to approved vendors. Award bid to the lowest priced vendor and include bid sheets in the End Of Well Report.

Visually inspect all deliveries to any particular location to confirm completeness and condition. It is imperative that any delivery of equipment with threaded connections such as rental tools, float equipment, wellhead, etc., be closely checked for proper threads and dimensions.

Witness the release of all parts, rental tools, materials, etc with the service company representative and sign off on the release. Quantity and condition of all parts, rental tools, materials, etc will be verified. This includes the release of oil or water base drilling fluids.

Indicate receipt of equipment, supplies and services by signing all field delivery tickets. Only field delivery tickets ***with vendor purchase order number and*** signed by the wellsite supervisor will be paid. Field tickets that ***do not have a routing code and/or are signed by rig contractor personnel will not be accepted for payment.*** All tickets must be billed to Williams Production LLC and include well name, AFE, and Routing Code.

Personally check the drilling tally book for correctness each day to insure accuracy. Wellsite Supervisor will personally count the drill pipe on location during each trip to insure an accurate pipe count at all times.

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Drilling Program
Williams Production Co. LLC**

GENERAL SUPERVISION REQUIREMENTS - CONTINUED

THE WELLSITE SUPERVISOR WILL:

Complete a Trip Sheet report for each short/wiper trip performed and insure that the choke manifold is properly aligned to allow for bottoms up gas to be routed through the hydraulic choke and/or flare bloey line in the event that a gas bubble reaches surface.

Calculate fill-up volumes for each pipe size in the drill string. Insure rig personnel record fill up volumes on trips after each 5 stands using the trip reports provided and submit the completed fill up charts by fax with the daily morning report. **Rig supervisor will be present on the rig floor when pipe is being pulled while in the open hole below intermediate casing and/or while pulling the first 30 stands in the intermediate hole section. Pump strokes will be counted for proper fill-up and/or displacement, with trip tank calibrated in accordance to pump strokes prior to each trip.**

Personally record the dimensions, part and serial numbers of all downhole tools and assemblies. In the event directional tools (MWD, motors, LWD, etc) are run, insure that insurance has been purchased prior to picking up the tools.

Inspect each BHA at end of well. Monitor operating hours on stabilizers, shock subs, downhole motors, jars, etc.

Inspect all subs and tubulars (bit subs, crossovers, drill collars, stabilizers, etc) that will be utilized in drill string. If repairs are required, instruct the machine shop to insure each will meet minimum API specifications after machining. In the event that the report is negative, do not machine but order replacement equipment from the rental equipment provider.

Check inspection records for BHA inspection from previous job. Submit reports of Inspection via fax to Williams Tulsa office. Visually inspect all drill pipe connections and report the general condition of the drill string.

Order welded blade stabilizers for use in the surface hole and oblique integral blade stabilizers below surface. The Williams Drilling Engineer must approve the ordering of shock subs.

Measure KB height from above ground level and record in the Williams drilling and IADC reports.

Record the make, model, liner size, and stroke length of each mud pump on the mud volume forms. Also calculate and record pump output volumes indicating pump strokes from 50 to 120 in increments of 10 spm. These Sheets will include pump specifications and be issued to the tool pusher and the mud logger as well as posted on the rig floor.

Insure that the BOP equipment has been installed and tested in accordance with Williams well control requirements. Hydrostatic pressure testing of the BOP equipment will be performed every 14 days.

**Rosa Unit 634B
Drilling Program
Williams Production Co. LLC**

GENERAL SUPERVISION REQUIREMENTS - CONTINUED

THE WELLSITE SUPERVISOR WILL:

Personally witness all testing operations involving rig, wellhead, and blowout preventer equipment as well as any additional equipment that requires pressure integrity testing.

Ensure tubulars are tallied and run correctly by:

- Upon receipt of pipe at the well location, verify the bill of lading against the number of joints delivered
- Place the pipe on the pipe racks with the first joint to be run closest to the v-door.
- With the help of the rig tool pusher or his representative, measure each joint of pipe. The #1 joint will be the first joint to be run etc. Using a chalk stick, record the number and length clearly on the each joint.
- As the pipe is measured and numbered, enter the joint number and length of each in the Rig supervisor's pipe tally book in groups of ten joints, with a double space between each grouping of ten joints.
- Upon completion of the tally process and using a calculator, add each grouping of ten joints. Finally, add the totals of the groupings of ten to establish the total footage of pipe tallied.
- At this point, the daylight rig supervisor, the night rig supervisor and the rig tool pusher will each independently re-add each grouping of ten joints and the total groupings and compare the totals. Repeat process until all three agree.
- Compare the figures established by the prior step to the bill of lading totals. These should be reasonably close.
- The daylight rig supervisor will recount the pipe on the racks to ensure two joints do not have the same number recorded on the pipe.
- Upon verifying the total number of joints on location, multiply that total by 42 to establish an approximate total footage of pipe on the racks.
- The daylight rig site supervisor will then compare the totals that were agreed to by the three supervisors to the bill of lading total and the total obtained by multiplying the total number of joints by 42. If these figures do not reasonable compare, call the drilling engineer for guidance.
- Enter the tally into the PA computer system and compare that total to the agreed to total reached when all three supervisors added the tally.

**Rosa Unit 634B
Drilling Program
Williams Production Co. LLC**

GENERAL SUPERVISION REQUIREMENTS - CONTINUED

THE WELLSITE SUPERVISOR WILL:

Reporting requirements include complete reporting of the previous 24 hours activities including operational costs by e-mail or fax before 7:00 each morning. The following should be included in the morning report:

- Production Access Reports.
- Mud check reports, including mud and LCM usage reports.
- Mud log report to include show reports and 1" mud log.
- Trip sheets for each trip.
- Bit records to be maintained and submitted after each bit run.
- Completed BHA sheets.
- BHA inspection reports.
- BOP pressure test results.
- BOP / well control drill results.
- FIT / LOT results.
- Kill sheets as required.
- Material transfers will be submitted for all tangible equipment movements including pipe, wellhead equipment and bits.
- Rental tool sheets.
- Accident / Near Miss Reports.
- Wellbore schematic after each size casing is installed.
- Casing detail sheets including tallies.

Care is to be taken when using Production Access to insure complete data input is utilized for Tulsa Office's operational use.

At the end of each well after the rig has been release, the wellsite supervisor(s) are responsible for assembling the field well file. That file is to include all drilling reports, properly folded IADC reports, delivery tickets from all vendors, test reports, trip sheets, rental/bit/mud records, etc. and most importantly, a Post Well Report.