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To Appropriate
District Office
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P.O. Box 1980, Hobbs, NM 88240

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811 South First, Artesia NM 88210

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1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised 1-1-89

WELL API NO.	30-045-32734
5. Indicate Type of Lease	STATE ■ FEE □
6. State Oil & Gas Lease No.	17036
7. Lease Name or Unit Agreement Name:	ROSA UNIT
8. Well No.	185B
9. Pool name or Wildcat	BLANCO MV/BASIN DK

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS

1. Type of Well:
   Oil Well □ Gas Well ■ Other

2. Name of Operator
   WILLIAMS PRODUCTION COMPANY

3. Address of Operator
   P O BOX 3102, MS 25-2, TULSA, OK 74101

4. Well Location (Surface)
   Unit letter F : 1725 feet from the NORTH line & 2155 feet from the WEST line Sec 16-31N-06W SAN JUAN, NM

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
    6428' GR

Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WORK	ALTERING CASING
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILLING OPNS.	PLUG AND ABANDONMENT
PULL OR ALTER CASING		CASING TEST AND CEMENT JOB	
OTHER:		OTHER: Drilling Complete	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103.

06-10-2005 Drill rat & mouse hole. Spud well @ 1700 hrs, 06/09/05. Drill 12 ¼" pilot hole with mud motor from 0' to 40'. Pull up & lay out 12 ¼" bit & MM. PU 14 ¾" bit & sub. RIH, drill out 12 ¼" pilot hole w/ 14 ¾" bit from 0' to 40', drilling ahead in surface hole with 14 ¾" bit from 40' to 54'.

06-11-2005 Drill 14 ¾" surface hole from 54' to 188', TOOH for new bit. PU new bit, TIH to 188'. Drill 14 ¾" surface hole from 188' to 444'.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Tracy Ross TITLE: SR. Production Analyst DATE: July 22, 2005

Type or print name TRACY ROSS Telephone No: (918) 573-6254

(This space for State use)

APPROVED BY Charlie Perrin TITLE SUPERVISOR DISTRICT # 3 DATE JUL 27 2005

Conditions of approval, if any:

06-12-2005 Drill 14 ¾" surface hole from 444' to 550' (TD surface hole). Circulate hole clean, TOOH, stand back BHA in derrick. RU csg crew. RIH w/ 10 ¾"40.5#, K-55, ST&C, Steelco surface csg, land @ 529' as follows: shoe jt on bottom, 1 jt csg, baffle, 10 jts csg & 13' landing jt. Circulate csg, RD csg crew, RU cementers. Cmt 10 ¾" surface csg as follows: 100% excess cmt, 410 sxs (578 cu.ft.) Type III + 2% CaCL + .25# Cello Flake + 67 bbl mix wtr = 103 bbl slurry @ 14.5 ppg (yield = 1.41 / WGPS = 6.84). Displace w/ 48 bbls wtr. Plug down @ 17:30 hrs. Bump plug to 170 psi. 57 bbls cmt to surface, good cmt job. WOC, prepare for directional section of well.

06-13-2005 LD landing jt, BU BOP, test BOP & all related equipment & lines, test 250 psi low @ 5 min, 1500 psi high @ 10 min, test csg 1500 psi @ 15 min, good BOP test. RIH w/ BHA, LD to PU directional BHA.

06-14-2005 Finish laying out surface BHA, PU directional BHA, orient & test tools, TIH & tag cmt @ 485'. Drill cmt & baffle from 485' to 503' (shoe), CO from 530' to 550'. Directionally drill 9 ⅞" hole from 550' to 929'.

06-15-2005 Directionally drill 9 ⅞" hole from 929' to 1375. TOOH to csg shoe, rig down for repairs on both pumps.

06-16-2005 Complete repairs on rig pumps. TIH to bottom. Resume directionally drilling 9 ⅞" section of well from 1375' to 1820'.

06-17-2005 Directionally drilling 9 ⅞" hole from 1280' to 2270'.

06-18-2005 Directionally drilling 9 ⅞" hole from 2270' to 2521'. TOOH to change bit & motor. LD motor & bit, PU new motor & bit. TIH w/ DC's & test motor & MWD.

06-19-2005 TIH, tag bridge @ 1861'. Wash & ream from 1861' to 2521'. Bridges & tight hole from 1861' to 2521'. Directionally drilling 9 ⅞" hole from 2521' to 2812'.

06-20-2005 Directionally drilling 9 ⅞" hole from 2812' to 3085'.

06-21-2005 Directionally drilling 9 ⅞" hole from 3085' to 3372'.

06-22-2005 Directionally drilling 9 ⅞" hole from 3372' to 3856'.

06-23-2005 Directionally drilling 9 ⅞" hole from 3856' to 4136'.

06-24-2005 Directionally drilling 9 ⅞" hole from 4136' to 4428'.

06-25-2005 Directionally drilling 9 ⅞" hole from 4428' to 4660'. Circulate & condition mud & hole to trip out. Note: drilled 84' deeper than well plan called for to reduce inclination in hole to less than 5°. Well plan = 4576', drilled to 4660'.

06-26-2005 TOOH, strap drill string to confirm correct depth, drill book & strap match up. LD directional tools. PU 9 ⅞" RR bit & bit sub, RIH to 4509', bridged off @ 4509'. Wash & ream from 4509' to 4650', 7.73° inclination in hole @ 4509', no chance of sidetracking while reaming due to low inclination.

06-27-2005 Wash & ream from 4650' to 4660'. Drill from 4660' to 4670' to fit csg. Drilled from 4670' to 4690' due to pipe miscount. Drilling the extra hole was the result of a pipe miscount while picking up DP to MU for the directional tools LD. Also, a pipe miscount of DP on locationi. TOOH w/ DP, rack back in derrick, count stds, discover DP miscount. LD BHA, HWDP, DC's & bit. Change over to csg rams, RU csg crew. Run 7 ⅝" csg, break circulation @ 50 jts, 70 jts & 90 jts.

06-28-2005 Ran 7 ⅝" csg, break circulation @ 90 jts, 105 jts & bottom. Land csg @ 4656' as follows: 105 jts 7 ⅝", 26.4#, K-55, ST&C, USS csg = 4645' + 11' landing jt = 4656' @ shoe. Circulate csg, RD csg crew. RU cementers. Cmt 7 ⅝" csg in 2 stages as follows. Lead: 130% excess cmt. 1094 sxs (2308 cu.ft.) Premium Light + 8% gel + 1% CaCl + 2% Phenoseal + .25#/sx Cello Flake + 300 bbls mix water = 411 bbls slurry @ 12.1 ppg. (yield = 2.11 / WGPS = 11.52). Tail: 0% excess cmt. 100 sxs (139 cu.ft.) Type III cmt + 1% CaCl + .25#/sx Cello Flake + 16 bbls mix water = 25 bbl slurry @ 14.5 ppg. (yield = 1.39 / WGPS = 6.8). Displace with 218 bbls fresh water. Bump plug to 1836 psi = 500 psi over. 20 bbls cmt returns to surface. Float did not hole, bump plug to 1500 psi and shut csg in with 1500 psi. WOC, prepare for next section of well, air drilling. PU air bit & hammer – 8 x 4 ¾" DC's, air hammer BHA. RIH w/ drill string, unload hole @ 1500' – 3000' – 4000'. Note: test pipe rams @ 1500' with rig pump, 1500 psi, 15 mins, good test.

06-29-2005 TIH with air hammer, tag cmt @ 4610'. Drill cmt, float, cmt, shoe from 4610' to 4670', CO from 4670' to 4690'. Air hammer drill 6 ¾" hole from 4690' to 5793'.

06-30-2005 Air hammer drill 6 ¾" hole from 5793' to 6967'.

07-01-2005 Air hammer drill 6 ¾" hole from 6967' to 8020'.

07-02-2005 Air hammer drill 6 ¾" hole from 8020' to 8300', pull out & LD DP.

07-03-2005 POOH, LD DC's. RU csg crew, run 5 ½" csg & land @ 8274' as follows: 209 jts, 17#, N-80, LT&C, Stelco 5 ½" csg. RD csg crew, install cmt lines, blow well clean, RU cementers. Cmt 5 ½" csg as follows. Lead: 20% excess cmt, 50 sxs (131 cu.ft.) Premium LT HS cmt + 1% FL52 + .2% CD32 + .1% R3 + 3#/sx ces + .25#/sx Cello Flake + 4% Phenoseal + 17.54 bbl mix water = 23.23 bbl slurry @ 11.6 ppg (yield = 2.61 / WGPS = 14.74). Tail: 20% excess cmt, 205 sxs (441 cu.ft.) Premium LT HS cmt + 1% FL52 + .2% CD32 + .1% R3 + 3#/sx cse + .25#/sx Cello Flake + 4% Phenoseal + 55.09 bbl mix water = 78.39 bbl slurry @ 12.3 ppg (yield = 2.15 / WGPS = 11.29). Displace w/ 191.4 bbls FW. Bump plug to 1330 psi = 500 psi over, float held. No cmt to surface as calculated. TOC (calculated) = 2719' = 1937' overlap, good cmt job, BLM notified. WOC.

07-04-2005 WOC, release 500 psi held on csg, LD landing jt, change over to 2 ⅞" pipe rams, function test pipe & blind rams. PU & TIH w/ 4 ¾" bit, 3 ½" BHA, 2 ⅞" drill string.

07-05-2005 Finish running in w/ 2 ⅞" DP, tag cmt @ 8241'. RD power tongs, PU kelly. Break circulation, blow well down, unload hole with air. Drill cmt from 8241' to top of float @ 8254', bit stopped drilling @ 0145 hrs, TOOH to inspect bit.

07-06-2005 TOOH to inspect bit, bit is good. Drilling problem was from rig kelly being to big to fit into 5 ½" csg. PU 3 ½" kelly & bushing, kelly & bushing were from 2 different rentals & will not go together. TIH w/ BHA & DP to 8241', 3 ½" float @ 8254', 3 ½" shoe @ 8274'. Wait on 3500 series power swivel & equipment to arrive.

07-07-2005 Wait on 3500 series power swivel & equipment to arrive. RU power swivel, tag up on float @ 8254', drill float, cmt shoe @ 8274', CO from 8274' to 8200'. Drill 4 ¾" hole section (new formation) from 8300' to 8425'. MD @ TD = 8542', TVD @ TD = 8192'.

07-08-2005 Drill 4 ¾" hole from 8425' to 8506', pull into csg shoe, change over from air to mist, back in hole to 8452', lost air circulation. Pull back into shoe, air package is down, attempt to circulate, no luck. Set swivel back, pull 17 stds DP. Swivel up and try to circulate, no luck. Set swivel back & TOOH for plugged bit.

07-09-2005 TOOH for plugged bit, TIH to 8400', swivel up to ream possible under gauge hole from 8400' to 8506'. Attempt to break circulation @ 8400', unable to circulate. Pull back into 5 ½" shoe @ 8274', break circulation, unload water from mist @ 8274'. Stage in from 8274', wash & ream to 8506', drill 4 ¾" hole from 8506' to 8540'.

07-10-2005 Attempt to drill from 8540', unable to turn drill string, TD well @ 8540', pull into 5 ½" chow @ 8274', lay out 9 jts, wash & ream from 8274' to 8547', circulate, blow hole clean & dry. Pull into 5 ½" shoe, lay out 9 jts, set swivel back. RIH w/ 14 jts 3.5", 9.3#, N-80, Stelco csg (375.72'), RU power swivel to wash csg deeper than 8506'.

07-11-2005 Work csg down to 8520', set hanger shoe @ 8518', TOL @ 8076', overlap = 198'. RU cementers, cmt 3 ½" production liner as follows: 75 sxs (160 cu.ft.) Premium Light cmt + 1% FL52 + .2% CD32 + .1% R3 + 3#/sx CSE + .25#/sx Cello Flake + 2% Phenoseal + 20.25 bbls fresh mix water = 28.5 bbls slurry @ 12.3 ppg (yield = 2.13 / wgps = 11.34). Displace w/ 40.1 bbls FW @ 2895 psi. Bump plug @ 4100 psi, hold 4100 psi for 10 min, release pressure, float held. Displace hole w/ FW, 12 bbls cmt returned to surface, good cmt job. RD cementers, TOOH, stand back in derrick. LD hanger landing tool, RIH w/ DP, POOH, LD DP.

07-12-2005 POOH, LD DP, ND BOP & all related lines, clean mud pit. Release rig @ 2359 hrs, 07/11/05.