

From: Caplis, Chris [mailto:Chris.Caplis@Williams.com]
Sent: Wednesday, August 04, 2010 4:26 PM
To: Andrews, David
Cc: Conger, Jeremy; Tannehill, Julie; Fischer, Alex
Subject: RE: SP 411-14 and SP 13-14 Low TOC

Dave,

All reasonable requests, we will move forward with operations with the following COA's:

- **SP 411-14** – Approved to complete the Iles test (~6 weeks) then well immediately remediate cement.
- **SP 13-14** – Approved to complete the MVRD interval; however, top perf will be at least 200' below TOC (6,100' TMD).

Regards,

Chris Caplis
Completions Engineer
Williams Production Co.
Ofc: 303-606-4041
Cell: 303-601-4884
chris.caplis@williams.com

From: Andrews, David [mailto:David.Andrews@state.co.us]
Sent: Wednesday, August 04, 2010 4:14 PM
To: Caplis, Chris
Cc: Conger, Jeremy; Tannehill, Julie; Fischer, Alex
Subject: RE: SP 411-14 and SP 13-14 Low TOC

Chris,

These wells are in the Rulison Tier II area, and I realize that they have federal jurisdiction. However, I have the following comments:

I advise you to complete cement remediation on SP 411-14 as soon as practicable following the Iles completion. COGCC Rule 317.i. requires production casing cement (200) feet above the top of the shallowest known producing horizon (MVRD), whether or not Williams completes the MVRD formation.

I would prefer to see the top perforation no higher than 200' below the TOC (as opposed to 158', which is proposed in your email below) on SP 13-14 to comply with Rule 317.i.

Thanks,

David D. Andrews, P.E., P.G.
Engineering Supervisor - Western Colorado

State of Colorado
Oil and Gas Conservation Commission
707 Wapiti Court, Suite 204
Rifle, Colorado 81650
Office Phone: (970) 625-2497 Ext. 1
Cell Phone: (970) 456-5262
Fax: (970) 625-5682
E-mail: David.Andrews@state.co.us

Website: <http://www.colorado.gov/cogcc>

From: Caplis, Chris [mailto:Chris.Caplis@Williams.com]
Sent: Wednesday, August 04, 2010 10:26 AM
To: Andrews, David
Cc: Conger, Jeremy; Tannehill, Julie
Subject: SP 411-14 and SP 13-14 Low TOC

Mr. Andrews,

It's been a busy few days!

We have low TOC on the following two wells in the South Parachute Field. Data is listed below:

· **SP 411-14 – Iles test well**

1. This well is a new drill and initial **Iles** completion operations are scheduled for Aug. 27th, 2010.
2. Cement top on the production casing substantially covered the Iles formation, but did not cover all of the MV. We request permission to move forward with Iles completion operations but understand remediation will have to take place before MV completions are performed. We will also monitor bradenhead pressure while completing the Iles, if approved.

Sec	Tw	Rng	Well	API	CBL TOC	Top of MVRD	Short*	Top of Gas	Top Perf	Cmt over Perf	Bradenhead Press Before Completion
14	7	95	SP 411-14	05-045-18828	6600	4842	1958	6048	n/a	n/a	0

*Note: I'm assuming 200' above MVRD for cement coverage

· **SP 13-14 – MV well**

1. This well is a new drill and initial **MV** completion operations are scheduled for Aug. 27th, 2010.
2. Cement top on the production casing covers our gas zone but does not cover the MV. The BLM has agreed to allow us to proceed without remediation but we must monitor bradenhead pressure during stimulation operations. I plan to stay ~150' from the TOC with my top perf to prevent fracture growth up into un-cemented formation. We do have good isolation at 5,855' so I don't anticipate any bradenhead pressure.

Sec	Tw	Rng	Well	API	CBL TOC	Top of MVRD	Short*	Top of Gas	Top Perf	Cmt over Perf	Bradenhead Press Before Completion
14	7	95	SP 13-14	05-045-18829	6100	4994	1306	6170	n/a	n/a	0

*Note: I'm assuming 200' above MVRD for cement coverage

I have not generated completion procedures for these wells; that is why I can't give you a top perf depth.

Also, we gauged bradenheads and found zero psi on all 4 wells on this pad. I've posted a copy of each CBL on our FTP for your review under the respective well name folder.

As mentioned above, the current plan is to move forward with operations with certain caveats. Please advise if this plan is acceptable.

Regards,

Chris Caplis
Completions Engineer
Williams Production Co.
Ofc: 303-606-4041
Cell: 303-601-4884
chris.caplis@williams.com