



DEPARTMENT OF NATURAL RESOURCES

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Williford Resources, LLC
Attn: Mr. Hearne Williford
6506 South Lewis Avenue, Suite 102
Tulsa, OK. 74136

February 3, 2011

Dear Mr. Williford,

This letter is in reference to the six (6) Mechanical Integrity Test (MIT) forms Glenn Stevens sent to the Colorado Oil and Gas Conservation Commission (COGCC) from La Plata County Colorado. Please see the enclosed spreadsheet.

All the wells need to have a Global Positioning System (GPS) reading taken. This was supposed to have been done by the end of 2010. Please see the last paragraph of the COGCC [AS-BUILT Location Policy](#) on our web page.

You can file the GPS data on the Sundries outlined below. Remember to specify to the person responsible for taking the readings that they will have to provide (on the Sundry) the decimal degrees for latitude and longitude in NAD83 (North American Datum 1983), the PDOP (Precision Dilution of Position), the measurement date, and instrument operator.

Mr. Stevens said that the bridge plugs cited on the MIT forms were all covered by 2 sacks of cement or were composed of cement. This means that the well status for each well has switched from Shut-In to Temporarily Abandoned. You are therefore required to file a Form 5A for each well changing the interval and well status to Temporarily Abandoned per our definition. Please see Form 5A in Appendix I again under [RULES](#) on our webpage. We would like you to include a borehole diagram for each well.

You are also required to file a Form 4-Sundry Notice requesting Continued Temporarily Abandoned Status (the Form unfortunately still says "Notice of Continued Shut-In Status"). Fill out both the panel for "Continued Shut-In Status" on page 1 and page 2 the Technical Information Page. The "Tech Info" page must include a brief explanation of Williford Resources' future plans for each well and a statement of how the well is closed to the atmosphere (i.e. the bridge plugs (depth), cement (number of sacks), and surface valves if any).

The charts supplied for the MITs are being accepted with the provision that any future MITs be run for at least an hour. Mr. Stevens said the rotation rate on the recorder Williford Resources purchase for these MITs cannot be adjusted. This means that the 15 minute interval recorded on the charts is very narrow. COGCC believes that these charts cannot be precisely interpreted because of the narrow recording. In discussing the problem with Mr. Stevens he agreed to run any future MIT's where this particular recording instrument is used for an hour. This will expand the time scale sufficiently for precise interpretation. COGCC does appreciate that the pressure range used on the Williford MITs was reasonable. COGCC has rejected MITs where the test

was run at +/- 300 psi on a chart where the pressure range was 0 to 15,000 psi and even 0 to 20,000 psi.

I approved three (3) of the six (6) MITs submitted with a correction or two. The remaining three (3) MITs need to have the perforated or open hole intervals sorted out. Please refer to the enclosed spreadsheet. The Form 5As we require will officially clear up these inconsistencies. Rather than hold up the remaining MITs you can send me an email with the correct information and I will approve them, the 5As can be processed later (but don't delay submitting them either).

Thank you for your attention to these matters. Please feel free to contact me if you have any questions or I can be of help.

Sincerely,

Robert P. Koehler
Engineering/Environmental Technician

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Well	API	Qtr	Qtr	Sec	Twn	Rng	As Built GPS	Form 5A	Form 4 Sundry Continued TA Status*	Perfs MIT Form	Perfs COGCC Records	Comments
Angelina-Menefee #1	067-06143	SESE	1	33N	12W	Need	Switch well to TA status, include BP + cement at 1000'.	Need	Perfs 1270' - 1290'	Perfs 1270' - 1290'	MIT OK. Approved. Want Borehole Diagram. Bridge plug should be moved down closer to perf zone, within 100 feet for next MIT. The MIT form is incorrect, says 250 feet from perfs, the rule [326.b.1(A)] says 100 feet.	
M&M #5	067-06718	NWNW	1	33N	12W	Need	Switch well to TA status, include cement retainer/plug at 3338' (see Sundry, Doc # 676618, for plug reference)	Need	Perfs 3384' - 3404'	MIT OK. Approved. Want Borehole Diagram.		
Long & Schluter Menefee #3	067-07661	NWSW	7	33N	11W	Need	Switch well to TA status, include BP + cement at 1000'.	Need	Perfs 1000' - 1270'	MIT not approved till Perfs/Open Hole sorted out. Want Borehole Diagram.		
Long & Schluter Menefee #1	067-07164	SWNW	7	33N	11W	Need	Switch well to TA status, include BP + cement at 1000'.	Need	Perfs 1000' - 1270'	MIT not approved till Perfs/Open Hole sorted out. Suspect just copied wrong.		
Cinco De Mayo #1	067-06917	SESW	22	33N	12W	Need	Switch well to TA status.	Need	Perfs 1000' - 3000'	MIT not approved till Perfs/Open Hole sorted out. Want Borehole Diagram.		
Dye Hard #4	067-06834	SWNW	13	33N	12W	Need	Switch well to TA status, include cement plug at 3360'.	Need	O. H. 3478' - 3549'	O. H. 3478' - 3549'	MIT OK. Approved. Want Borehole Diagram.	

*Initial Sundry good for 6 months: after initial Sundry expires, subsequent Sundries to be filed annually good for 1-year