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Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SEP 01 2011

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

Farmington Field Office
Bureau of Land Management

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		5. Lease Serial No. SF-078888
<input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator Williams Production Company, LLC		7. If Unit of CA/Agreement, Name and/or No Rosa Unit
3a. Address PO Box 640 Aztec, NM 87410		8. Well Name and No Rosa Unit #600
3b. Phone No. (include area code) 505-333-1806		9. API Well No 30-039-29783
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2320' FNL & 2600' FWL, sec 11, T31N, R4W		10. Field and Pool or Exploratory Area Basin MC/Basin DK
		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 checked="" type="checkbox"/> Other Commingle _____
	<input 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 recomple 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 recompletion 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 plans to commingle the Basin Mancos and Basin Dakota on this well as per attached procedure. Commingle authorization has been filed with the NMOCD. (copy attached)

RCVD SEP 6 '11
OIL CONS. DIV.

DHC 3654 AZ

DIST. 3

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Ben Mitchell	Title Regulatory Specialist
Signature <i>B Mitchell</i>	Date 08/31/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Joe Henrich</i>	Title GCD	Date 9-2-11
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 FFO	

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 A



Exploration & Production

Production Allocation Recommendation Rosa Unit #600 (DK/MC)

WELLNAME: Rosa Unit #600
LOCATION: Sec.11, T31N,R04W
API No.: 30-039-29783

FIELD: Rosa Unit
COUNTY: Rio Arriba, NM
Date: 08/31/2011

Current Status: Williams is currently completing the Rosa Unit #600 in the Dakota and Mancos formations. Williams recommends commingling the well after the proposed completion work has been completed.

Commingling Procedure:

1. Acidize & fracture stimulate the DK and MC formations
2. Flow back and clean up each formation prior to completion.
3. TIH w/ work string and remove CIBP
4. Clean out to PBTD
5. Complete with single string 2-3/8" tubing, land below DK perfs
6. NDBOP. NUWH.
7. Turn well over to production as a commingle

Allocation Method: Williams has assembled historic production data used to forecast Mancos production. Williams used this production data to come up with an initial allocation for this commingle. Williams recommends that a spinner survey be performed after production has stabilized, so that allocation percentages can be corrected if need be.

After 18 months of production:

Total Production from well = 222,608 Mcf
Total Production from DK = 86,405 Mcf
Total Production from MC = 136,202 Mcf

DK allocation = DK prod / Total prod = 86,405 Mcf / 364,108 Mcf = **39%**

MC allocation = MC prod / Total prod = 136,202 Mcf / 364,108 Mcf = **61%**

Submit 3 Copies
To Appropriate
District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

DISTRICT II
811 South First, Artesia NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	7. Lease Name or Unit Agreement Name: Rosa Unit
2. Name of Operator WILLIAMS PRODUCTION COMPANY	8. Well No. Rosa Unit 600
3. Address of Operator P.O. Box 640, Aztec, NM 87410	9. Pool name or Wildcat BASIN MC//BASIN DK
4. Well Location (Surface) Unit letter <u>F</u> : 2320 feet from the <u>NORTH</u> line & 2600 feet from the <u>WEST</u> line Sec 11 -31N-4W RIO ARRIBA, NM	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 7018' 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	
X OTHER: <u>COMMINGLING AUTHORIZATION</u>		OTHER: _____	

- 1) Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). Data below to satisfy NM OCD Rule 303.C.3 (b) (i)-(vii)
- Pre-approved Pool Division Order R-13122.
 - Pools to be commingled: Basin MC 97232, Basin Dakota 71599.
 - Perforated intervals: Basin MC 7445'-8495', Basin Dakota 8545'-8922'.
 - Fixed percentage allocation based upon production data of 61% Basin MC and 39% Basin Dakota. This is based on the historic production of all wells that have MC/DK production. See attached recommendation for details. This allocation may be adjusted at a later date based on a spinner survey after production has stabilized.
 - Commingling will not reduce the value of reserves.
 - Interest owners in the spacing unit have not been notified of the intent to downhole commingling per order R-12991.
 - The BLM has been notified on sundry notice form 3160-5.

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

SIGNATURE Ben Mitchell TITLE: Regulatory Specialist DATE: 8/31/11

Type or print name Ben Mitchell Telephone No: (505) 333-1806

(This space for State use)

APPROVED

BY _____ TITLE _____ DATE _____

Conditions of approval, if any: