	State of New Mexico s and Natural Resources Department	Form C-10: Revised 1-1-8!
DISTRICT I OIL CONS	SERVATION_DIVISION	WELL API NO.
P.O. Box 1980, Hobbs, NM 88240	2040 South Pacheco Santa Fe, NM 87505	30-039-31047
DISTRICT II 811 South First, Artesia NM 88210	RECEIVED S	5. Indicate Type of Lease STATE FED
DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410	9255 ML CONS DW 2 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	6. State Oil & Gas Lease No.
SUNDRY NOTICES AND REPO (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL O DIFFERENT RESERVOIR. USE "APPLICATION FOR P	RTS ON WELLS OR TO DEEPEN OR PLUGBACK TO A	Lease Name or Unit Agreement     Name:      Rosa Unit
PROPOSALS  1. Type of Well: Oil Well  Gas Well	Other	Rosa Citi
2. Name of Operator		8. Well No.
WILLIAMS PRODUCTION COMPANY		Rosa Unit 009D
3. Address of Operator		9. Pool name or Wildcat
P.O. Box 640, Aztec, NM 87410		BLANCO MV//BASIN DK
4. Well Location (Surface)		
Unit letter C: 1285 feet from the NORTH line &	<u>x 2210</u> feet from the <u>WEST</u> line Section with the Section Se	: 11 -31N-6W RIO ARRIBA, NM
To. Elevation (Show	6427' GR	
Check Appropriate Box to NOTICE OF INTENTION TO: PERFORM REMEDIAL PLUG AND ABANDON WORK	o Indicate Nature of Notice, Repo SUBSEQUENT REMEDIAL WORK	ort or Other Data  F REPORT OF:  ALTERING CASING
TEMPORARILY ABANDON CHANGE PLANS	COMMENCE DRILLING OPNS.	PLUG AND ABANDONMENT
PULL OR ALTER CASING  X OTHER: COMMINGLING AUTHORIZATION	CASING TEST AND CEMENT JOB OTHER:	
1) Describe proposed or completed operations. (Clearly sof starting any proposed work). Data below to satisfy NM  i. Pre-approved Pool Division Order R-13122.  ii. Pools to be commingled: Blanco MV 72319, Basin iii. Perforated intervals: Blanco MV 5508'-6296', Basin iv. Fixed percentage allocation based upon production production of all wells that have MV/DK production later date based on a spinner survey after production v. Commingling will not reduce the value of reserves.  vi. Interest owners in the spacing unit have not been not vii. The BLM has been notified on sundry notice form.  I hereby certify that the information above is true and complete to	n Dakota 71599. In Dakota 71599. In Dakota 8118'-8190'. In Dakota 71599. In Da	kota. This is based on the historic This allocation may be adjusted at a per order R-12991.
. incress, sectory that the information above is true and complete to	TITLE: Parmit Sunv. DATE: 8/2	

Type or print name Larry Higgins
(This space for State use)
APPROVED Telephone No: <u>(505) 634-4208</u>

BY\_

Deputy Oil & Gas Inspector, District #3 TITLE

\_DATE\_AUG\_ 1 1 2011

Conditions of approval, if any:



## Production Allocation Recommendation Rosa Unit #009D (DK/MV)

WELLNAME: Rosa Unit #009D FIELD: Rosa Unit

**LOCATION:** Sec. 11, T31N,R06W COUNTY: Rio Arriba, NM

**API No.:** 03-039-31047 **Date:** 8/2/11

Current Status: Williams is currently completing the Rosa Unit #009D in the Dakota and Mesa Verde formations. Williams recommends commingling the well after the proposed completion work has been completed.

## **Commingle Procedure:**

- 1. Acidize & fracture stimulate the DK and MV 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, landed below DK perfs
- 6. NDBOP. NUWH.
- 7. Turn well over to production as a commingle

Allocation Method: Williams has assembled historic production data from MV and DK wells that have been drilled after Jan 2003. 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 = 227,905 Mcf Total Production from DK = 86,405 Mcf Total Production from MV = 141,500 Mcf

DK allocation = DK prod / Total prod = 86,405 Mcf / 227,905 Mcf = 38%MV allocation = MV prod / Total prod = 141,500 Mcf / 227,905 Mcf = 62%