

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

DISTRICT II
811 South First, Artesia NM 88210

DISTRICT III
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

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)		WELL API NO. 30-039-26579
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator WILLIAMS PRODUCTION COMPANY		6. State Oil & Gas Lease No. SF-078769
3. Address of Operator P O BOX 3102, MS 25-4, TULSA, OK 74101		7. Lease Name or Unit Agreement Name: ROSA UNIT
4. Well Location (Surface) Unit letter <u>D</u> : <u>570</u> feet from the <u>NORTH</u> line & <u>515</u> feet from the <u>WEST</u> line Sec 17-31N-5W RIO ARRIBA, NM		8. Well No. 31B
10. Elevation (Show whether DF, RKB, RT, GR, etc. 6315' GR		9. Pool name or Wildcat BLANCO MV/BASIN DK

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐

☒ OTHER: COMMINGLE

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

CASING TEST AND CEMENT JOB ☐

OTHER: DHC 2902 AZ

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.

OBJECTIVE: REMOVE FAILED PACKER. COMMINGLE MV/DK.

- 1) MIRU, kill, ND tree, & NU BOP's.
- 2) POOH with tubing on both strings.
- 3) Mill out packer.
- 4) Clean out fill to PBTD @ 8025' MD.
- 5) RIH and hang-off commingled string @ 7900'MD.
- 6) ND BOP's & NU tree.
- 7) Test well to make certain tubing is not plugged.
- 8) Release rig.
- 9) Return to production.

RCVD JUN 25 '08
OIL CONS. DIV.

DIST. 3

66

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)

- i. Pre-approved Pool Division Order R-11363.
- ii. Pools to be commingled: Blanco MV 72319, Basin Dakota 71599.
- iii. Perforated intervals: Blanco MV 4887' – 5910', Basin Dakota 7868' - 7936'.
- iv. Fixed percentage allocation based upon production data of 61.2% Blanco MV and 38.8% Basin Dakota. See attached information for details.
- v. Commingling will not reduce the value of reserves.
- vi. All interest owners in the spacing unit have been notified of the intent to downhole commingle.
- vii. The BLM has been notified and has approved the work 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 Rachel Lipperd TITLE: Engineering Technician DATE: June 23, 2008

Type or print name Rachel Lipperd Telephone No: (918) 573-3046

(This space for State use)

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector DATE JUN 30 2008
Conditions of approval, if any: District #3



Exploration & Production

Production Allocation Recommendation
ROSA UNIT #31B
BLANCO MV/BASIN DK

WELLNAME: Rosa Unity #31B

LOCATION: NW/4 NW/4 Section 17(D), T31N, R5W

API No.: 30-039-26579

FIELD:

San Juan

COUNTY:

Rio Arriba

Date:

June 9, 2008

Current Status: The Rosa #31B is currently a dual completion well producing from the Dakota and Mesaverde formations. The packer unit at 6100' has failed. Packer repair would be mandatory. The Production Optimization and Enhancement Team recommends commingling this well instead.

Commingle Procedure:

- Mesa Verde tubing will be pulled
- Dakota tubing will be pulled
- Production packer will be removed
- Well will be cleaned out to PBTD
- A single string of 2-3/8" tubing will be run to ~7900'
- One set of wellhead facilities will be removed
- Well will be produced as a MV/DK commingle

Allocation Method: Historic production data from both zones on this well was gathered and analyzed. Monthly production data from April 2006 through March 2008 was considered as this represented a time when both zones appear to be free from loading problems and each zone was producing optimally. During this time the Mesa Verde contributed approximately 61.2% of the total production of the well, while the Dakota accounted for the remaining 38.8% during the same time span.

From April 2006 to March 2008

Total Production from well = 123330 Mcf

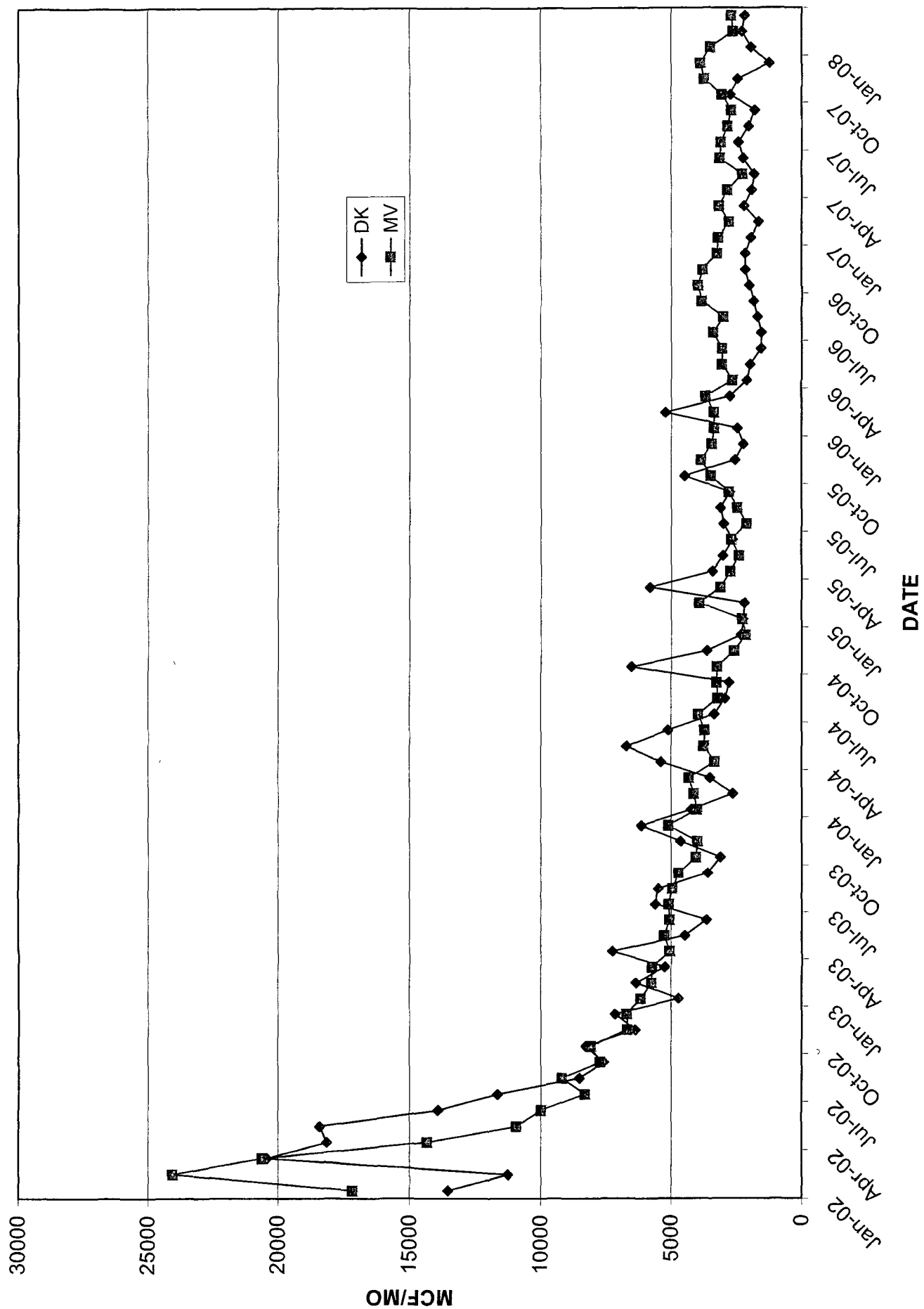
Total Production from MV = 75494 Mcf

Total Production from DK = 47835 Mcf

MV allocation = MV production / Total production = 75494 Mcf / 123330 Mcf = 61.2%

DK allocation = DK production / Total production = 47835 Mcf / 123330 Mcf = 38.8%

MONTHLY PRODUCTION



ROSA UNIT #31B BLANCO MV/BASIN DK

Location: 570' FNL, 515' FWL
NW/4 NW/4 Section 17(D), T31N, R5W
Rio Arriba Co., NM

Elevation: 6315' GR

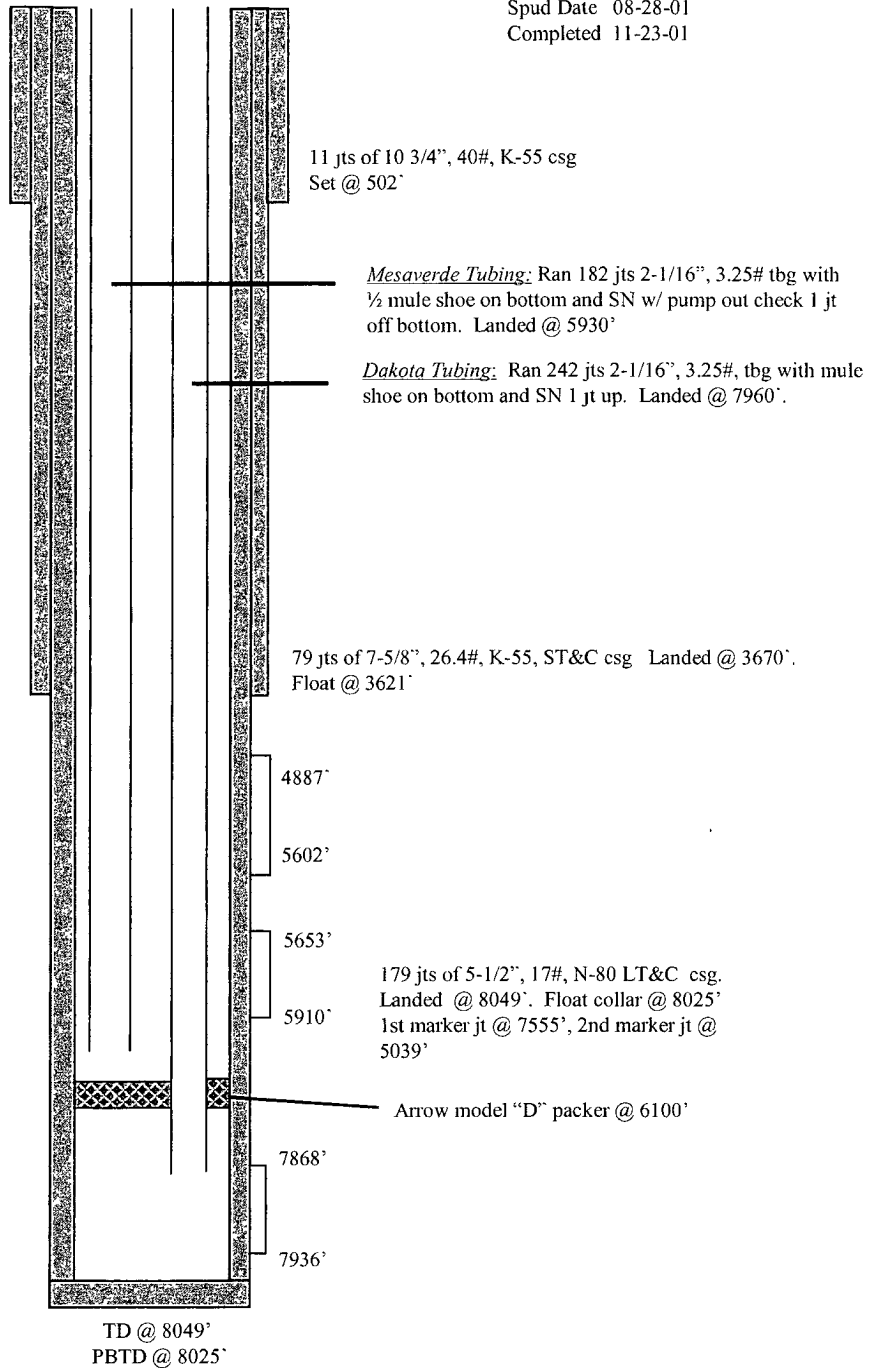
Spud Date 08-28-01
Completed 11-23-01

<i>Tops</i>	<i>Depth</i>
Kirtland	2557'
Pictured Cliffs	3183'
Cliff House	5353'
Point Lookout	5652'
Mancos	6137'
Dakota	7869'

CliffHouse/Menefee 4887' - 5602' (34, 0.38" holes)
80,000# of 20/40 sand in 1983 BBI's slick water

Point Lookout 5653' - 5910' (26, 0.38" holes)
80,000# of 20/40 sand in 1893 BBI's slick water.

Dakota 7868' - 7936' (17, 0.38" holes)
80,000# of 20/40 Acfrac SB Excel resin coated proppant



HOLE SIZE	CASING	CEMENT	VOLUME	CMT TOP
14 3/4"	10 3/4"	460 sx	640 cu.ft.	surf
9 7/8"	7 5/8"	835 sx	1573 cu.ft	surf
6 3/4"	5 1/2"	290 sx	578 cu.ft.	3100'