

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

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

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)		WELL API NO. 30-039-30692
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"/> FED <input checked="" type="checkbox"/>
2. Name of Operator WILLIAMS PRODUCTION COMPANY		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 640, Aztec, NM 87410		7. Lease Name or Unit Agreement Name: Rosa Unit
4. Well Location (Surface) Unit letter <u>B</u> : <u>850</u> feet from the <u>NORTH</u> line & <u>1980</u> feet from the <u>EAST</u> line Sec 8-31N-5W RIO ARRIBA, NM		8. Well No. Rosa Unit #41C
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6348' GR		9. Pool name or Wildcat BLANCO MV/BASIN MANCOS/BASIN DK

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: COMMINGLING AUTHORIZATION

OTHER: _____

RCVD SEP 2 '09
OIL CONS. DIV.

- 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: Blanco MV 72319, Basin Mancos 97232, Basin Dakota 71599.
 - Perforated intervals: Basin Mancos 7135'-7895', Basin Dakota 8494'-8636'. Blanco Mesaverde will be completed at a later date.
 - Fixed percentage allocation based upon production data of 61% Basin Mancos, 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.
 - All interest owners in the spacing unit have not been notified of the intent to downhole commingle per order R-12991.
 - The BLM has been notified on sundry notice form 3160-5.

DIST. 3

OHC 3227AZ

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

SIGNATURE Larry Higgins TITLE: Drlg COM DATE: 8-31-09

Type or print name Larry Higgins

Telephone No: (505) 634-4208

(This space for State use)

APPROVED

BY [Signature] TITLE Deputy Oil & Gas Inspector, DATE SEP 09 2009
Conditions of approval, if any: District #3



Exploration & Production

Production Allocation Recommendation Rosa #41C (DK/MC)

WELLNAME: Rosa #41C
LOCATION: Sec. 8, T31N,R05W
API No.: 30-039-30692

FIELD: Rosa Blanco
COUNTY: Rio Arriba, NM
Date: 8-31-09

Current Status: Williams is currently completing the Rosa #41C in the Dakota and Mancos formations. Williams recommends commingling the well after the proposed completion work has been completed. Williams intends to return at a later date to complete and commingle the Blanco Mesaverde formation.

Commingle 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 = $\text{DK prod} / \text{Total prod} = 86,405 \text{ Mcf} / 364,108 \text{ Mcf} = 39\%$

MC allocation = $\text{MC prod} / \text{Total prod} = 136,202 \text{ Mcf} / 364,108 \text{ Mcf} = 61\%$

In Lieu of
Form 3160
(June 1990)

UNITED STATES
DEPARTMENT OF INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No 1004-0135
Expires: March 31, 1993

SUNDRY NOTICE AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION TO DRILL" for permit for such proposals

RECEIVED

SEP 01 2009

SUBMIT IN TRIPLICATE

Bureau of Land Management
Farmington Field Office

1. Type of Well Oil Well Gas Well X Other	5. Lease Designation and Serial No NMSF-078763
2. Name of Operator WILLIAMS PRODUCTION COMPANY	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No PO Box 640 Aztec, NM 87410-0640	7. If Unit or CA, Agreement Designation Rosa Unit
4. Location of Well (Footage, Sec., T, R, M, or Survey Description) 850' FNL & 1980' FEL SEC 8 T31N 5W 945' FSL & 1110' FEL SEC 5 T31N 5W	8. Well Name and No. Rosa Unit 41C
	9. API Well No 30-039-30692
	10. Field and Pool, or Exploratory Area BLANCO MW /BASIN DK/BASIN MC
	11. County or Parish, State Rio Arriba, New Mexico

CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
X Notice of Intent	Abandonment
Subsequent Report	Recompletion
Final Abandonment	Plugging Back
	Casing Repair
	Altering Casing
	X Other <u>Commingle</u>
	Change of Plans
	New Construction
	Non-Routine Fracturing
	Water Shut-Off
	Conversion to Injection
	Dispose Water
	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Williams Production plans to commingle the Basin Mancos and Basin Dakota on this well as per attached procedure. Williams intends to return at a later date to complete and commingle the Mesaverde formation. Commingle authorization has been filed with the NMOCD. (copy attached)

RCVD SEP 8 '09

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct

Signed Larry Higgins
Larry Higgins

Title Drilling COM Date 8-31-09

(This space for Federal or State office use)

Approved by Joe Hewitt

Title Geo

Date 9-3-09

Conditions of approval, if any.

Title 18 U.S.C. Section 1001, makes 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

NMOCD