

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



*Williams
 Rosa Unit #166B
 5681*

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- [D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name	Signature	Title	Date
		e-mail Address	



RECEIVED
2007 AUG 7 AM 9 28

P. O. Box 640
Aztec, NM 87410
(505) 634-4222
(505) 634-4205 (fax)
Heather.riley@williams.com

August 6, 2007

Mark E. Fesmire
NEW MEXICO OIL CONSERVATION DIVISION
1220 South Saint Francis Drive
Santa Fe, NM 87505

*Re: Request for Administrative approval for non-standard Dakota Location
Rosa Unit #166B
API # 30-039-29841
NE4 Sec. 30, T31N, R5W
2,305' FNL & 2,305' FEL*

Dear Mr. Fesmire:

Williams Production Co., LLC, is requesting administrative approval to construct the Rosa Unit #166B as a dual Mesaverde/Dakota with the Dakota being non-standard. Section 30, T31N, R5W was established as a non-standard spacing unit by Order No. R-2046-B dated July 18, 2007. Pursuant to Order No. R-10987-B(2), spacing requirements allow for up to 4 Dakota wells in a standard GPU and they shall be located not closer than 660 feet to the outer boundary of the GPU and not closer than 10 feet to any interior quarter or quarter-quarter section line or subdivision inner boundary. Given these requirements, this location is non-standard to the south by 335 feet.

Williams has already been issued an APD for drilling a standard infill Mesaverde well by the BLM. A copy of the front page of the APD is enclosed for your review.

Williams intends to make the well a dual well thereby capturing the reserves from the Dakota with a single well bore. By itself the Dakota in this area is at best very marginal economically and a dual completion helps capture additional reserves from the Dakota that otherwise would not be able to be economically developed. Utilizing a single well bore for a dual completion would also negate the need for additional disturbance of another wellpad, road, and pipeline.

Mark E. Fesmire

August 6, 2007

Page 2 of 2

The surface location was picked by considering drainage patterns from the offset Mesaverde wells. In particular, the drainage patterns we are trying to avoid are from the Rosa Unit #166 in the northeast of 30, the Rosa Unit #162B in the southeast of 30, the Rosa Unit #162A in the southeast of 30, the Rosa Unit #166A in the northwest of 30, the Rosa Unit #162 in the southwest of 30 and the Rosa Unit #159 in the southeast of 19. See drainage map.

As the Unit Operator of the Rosa Unit, Williams Production is the only offset operator, thereby this proposed non-standard location would not affect any other operators.

The offset unit's working interest and mineral owners to the east are common with the subject unit therefore there are no "affected persons."

Enclosed for your reference are copies of the Participating Area maps for the Mesaverde and Dakota Formations. All of section 30 is in the PA for the Mesaverde. Section 30 is not in the PA in the Dakota formation.

The spacing unit for the Mesaverde is the north half and the other Mesaverde wells in the spacing unit are the Rosa Unit #166 and #166A.

The spacing unit for the Dakota is the north half and there are no other Dakota wells in the spacing unit.

Should you have any questions or concerns, please don't hesitate to contact me at the phone numbers listed above. You can also contact Vern Hansen at our Tulsa office at (918) 573-6169.

Sincerely,



Heather Riley

Regulatory Specialist

Enc.: 1st page of the APD

Plat

Topographic map

Drainage Map

PA Maps (MV & DK)

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W Grand Avenue, Artesia, NM 88210

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

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-2984/		² Pool Code 72319 / 71599		³ Pool Name BLANCO MESAVERDE / BASIN DAKOTA	
⁴ Property Code 17033		⁵ Property Name ROSA UNIT			⁶ Well Number 166B
⁷ OGRID No. 120782		⁸ Operator Name WILLIAMS PRODUCTION COMPANY			⁹ Elevation 6385'

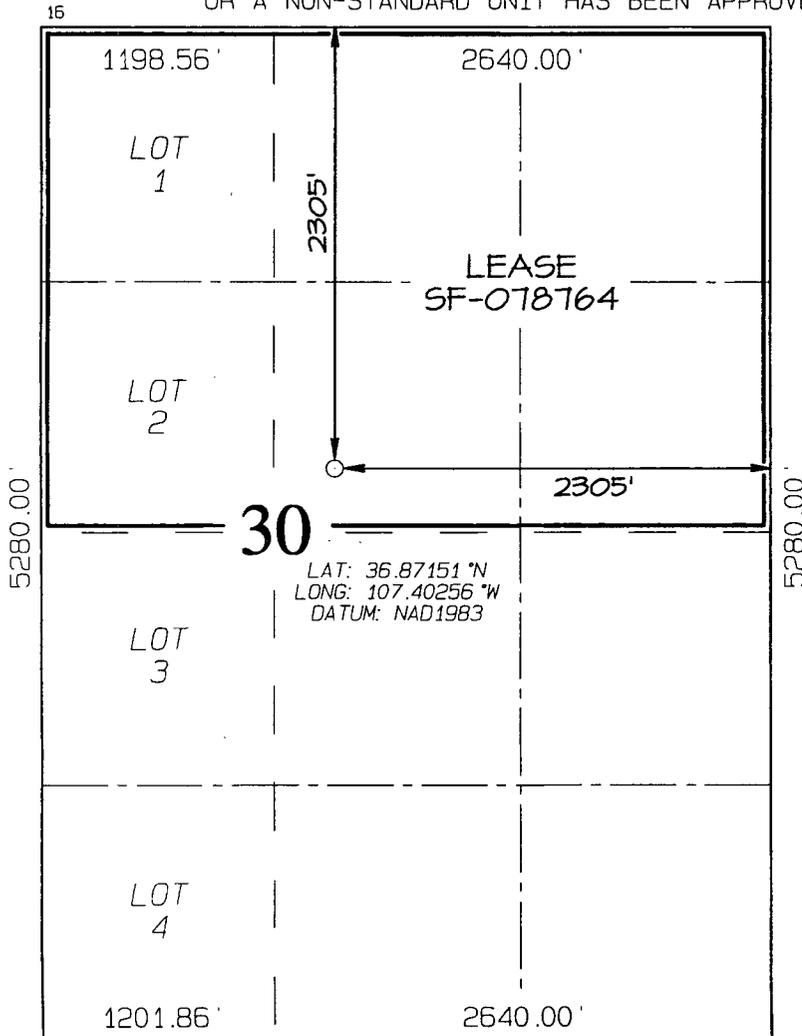
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	30	31N	5W		2305	NORTH	2305	EAST	RIO ARRIBA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 232.69 Acres - (N/2)					¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief

Survey Date: OCTOBER 4, 2005

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

Copy: Rig

Form 3160-3
(September 2001)

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

2006 MAR 15 AM 10 57

5. Lease Serial No.
NMSF-078764

6. If Indian Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
Rosa Unit

8. Lease Name and Well No.
166B

9. API Well No.
30-039-29841

1a. Type of Work: DRILL REENTER

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator
Williams Production Company, LLC

3a. Address
P.O. Box 640 Aztec, NM 87410

3b. Phone No. (include area code)
(505) 634-4208

10. Field and Pool, or Exploratory
Blanco Mesaverde

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface Lot G: 2305' FNL & 2305' FEL
At proposed prod. zone same

11. Sec., T., R., M., or Blk. and Survey or Area
Section 30, 31N, 5W

14. Distance in miles and direction from nearest town or post office*
approximately 25 miles northeast of Blanco, New Mexico

12. County or Parish
Rio Arriba

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2305'

16. No. of Acres in lease
2,507.30

17. Spacing Unit dedicated to this well
232.69 -- (N/2)

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1300'

19. Proposed Depth
6,119'

20. BLM/BIA Bond No. on file
UT0847

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6,385' GR

22. Approximate date work will start*
April 1, 2006

23. Estimated duration
1 month

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification.
- 6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature *Larry Higgins* Name (Printed/Typed) Larry Higgins Date 3/13/06

Title Drilling COM

Approved by (Signature) *[Signature]* Name (Printed/Typed) Office FFO Date 3/25/06

Title AFA

Application approval 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.
Conditions of approval, if any, are attached.

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 reverse)

VERTICAL

Williams Exploration and Production Company, LLC, proposes to drill a ~~directional~~ well to develop the Blanco Mesaverde formation at the above described location in accordance with the attached drilling and surface use plans.

The well pad surface is under jurisdiction of the Bureau of Land Management, Farmington Field Office.

This location has been archaeologically surveyed by La Plata Archaeological Consultants. Copies of their report have been submitted directly to the BLM.

This APD is also serving as an application to obtain a pipeline right-of-way. An associated pipeline tie of 1472.80 feet would be required for this location.

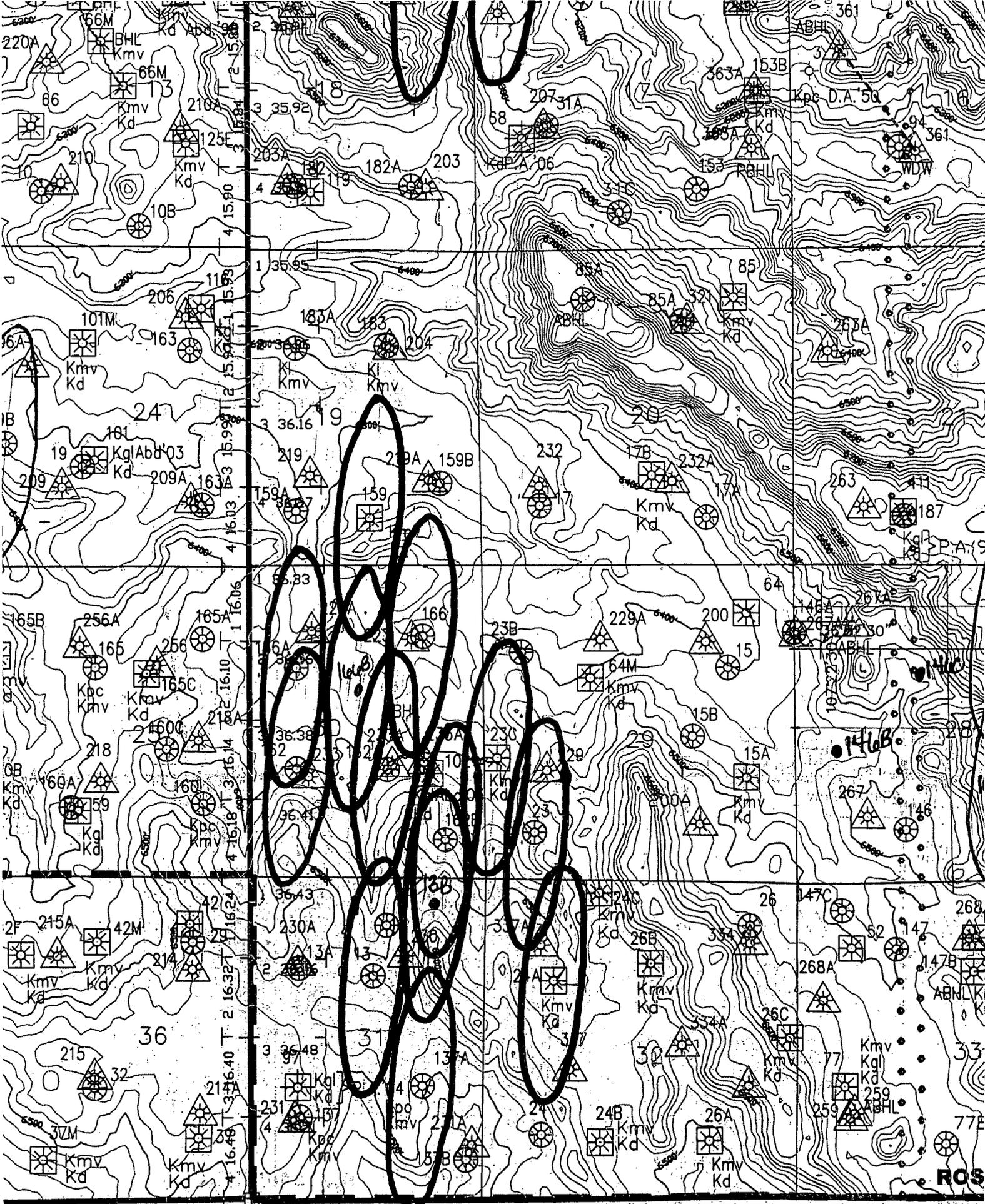
This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

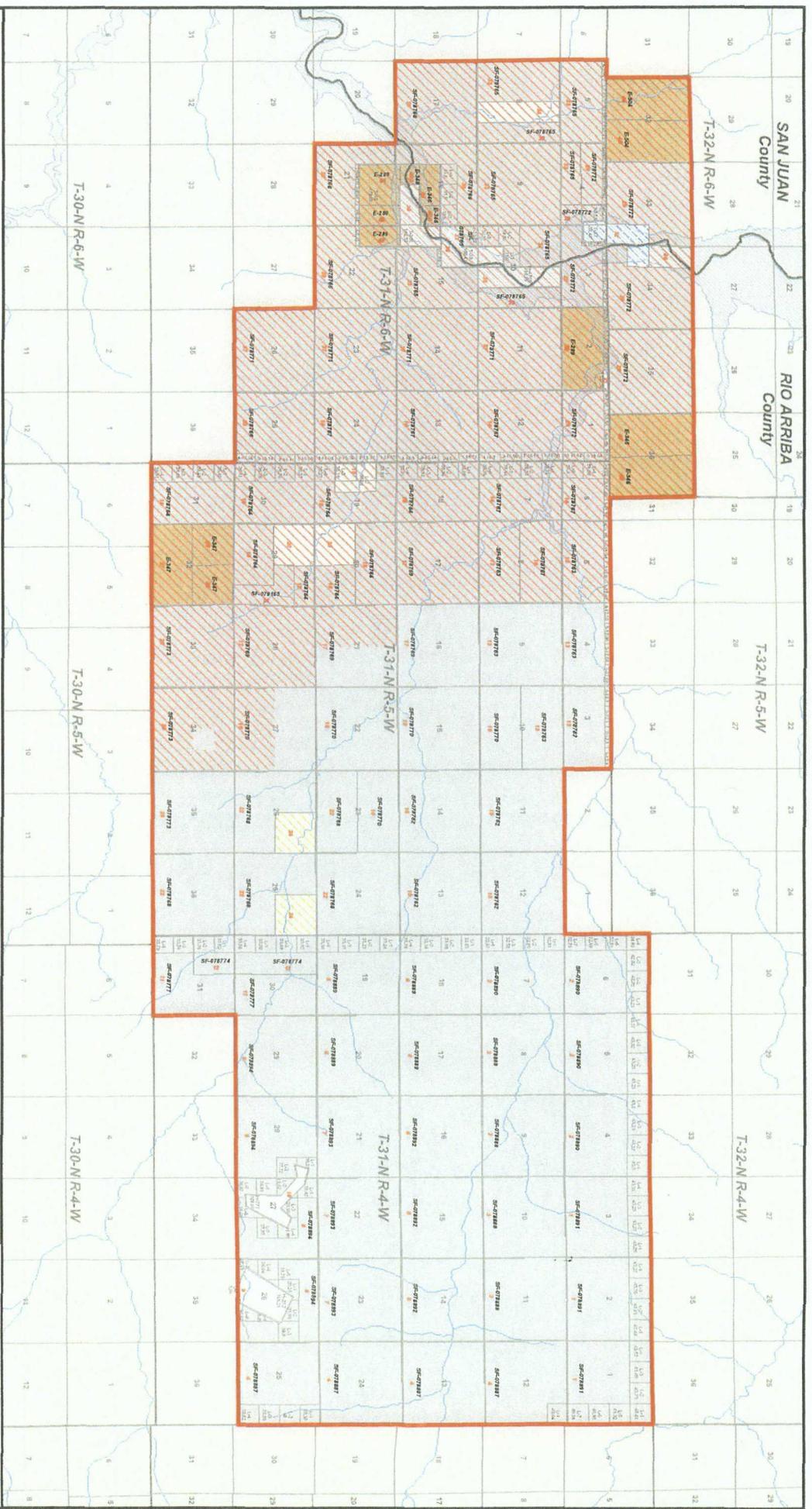
OPERATOR

WILLIAMS PRODUCTION COMPANY ROSA UNIT #166B
2305' FNL & 2305' FEL, SECTION 30, T31N, R5W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO





T31N R5W



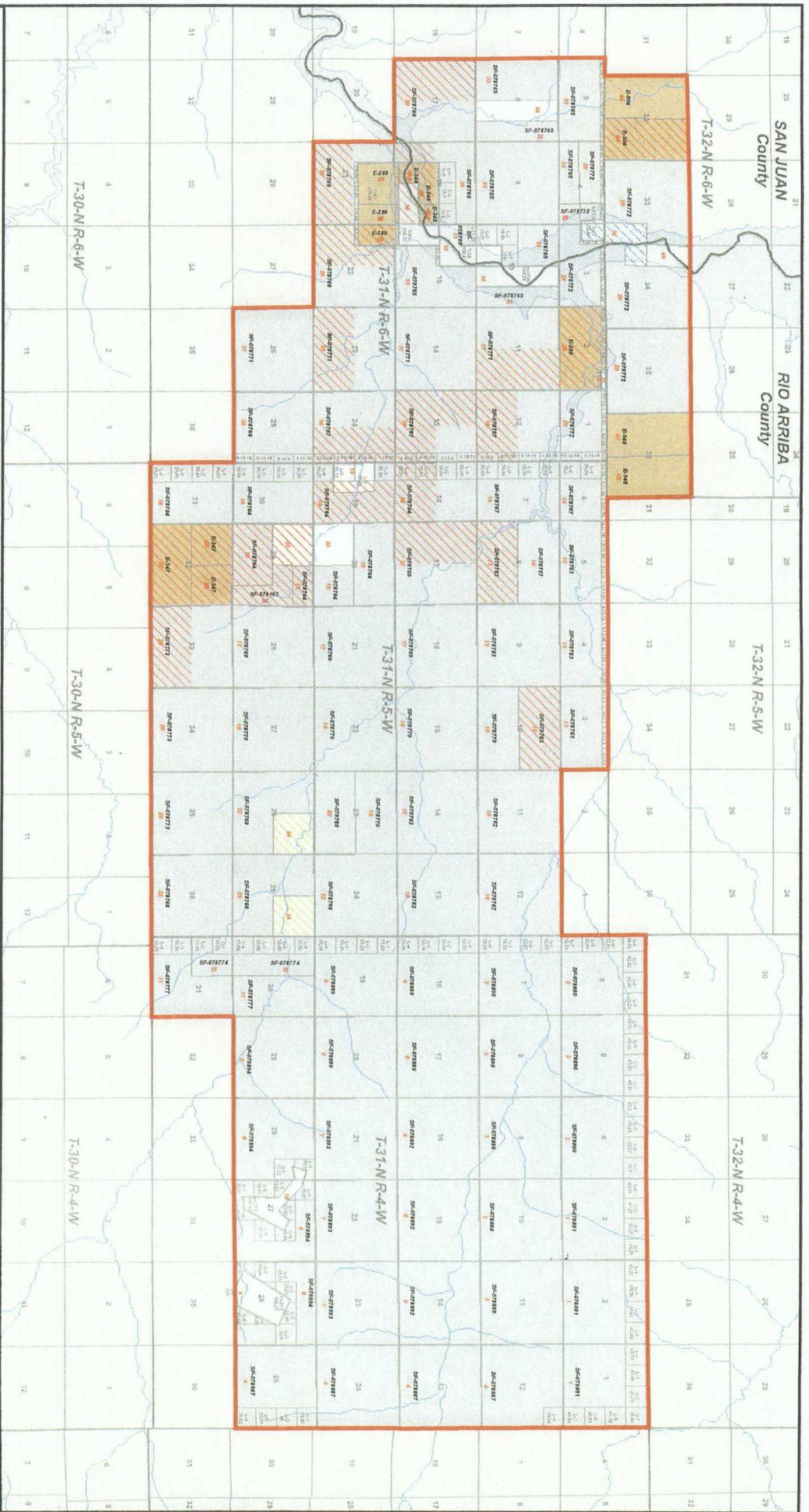
Rosa Unit Tract No: XX

Map Document: G:\Projects\San_Juan\Rosas_Unit\Participating_Areas\rosas-unit_fm_jun06.mxd
3/1/2007 - 11:59:57 AM

Mesaverde Participating Area-25th Expansion
 Mineral Ownership
 Federal
 Fee
 Partially Committed
 State
 Not Committed

6,000 3,000 0 6,000 12,000 Feet

Williams Evaporation & Production **Williams**
Rosa Unit
 Mesaverde Formation
 San Juan and Rio Arriba Counties, New Mexico
 Scale: 1:72,000
 Projection: NAD 1983 State Plane NM West
 Date: 3/7/2007
 Author: SA



// Dakota Participating Area 18th Expansion
 Mineral Ownership
 Federal
 State
 Partially Committed
 Not Committed

Rosa Unit Tract No: **XX**



Williams Evaporation & Production **Williams**
Rosa Unit
Dakota Formation
 San Juan and Rio Arriba Counties, New Mexico
 Scale: 1:72,000
 Projection: NAD 1983 State Plane N.M. West
 Date: 3/7/2007
 Author: SA

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Wednesday, August 22, 2007 8:20 AM
To: Riley, Heather (E&P)
Subject: NSL Application - Williams - Rosa Unit No. 166B

Ms. Riley

There is not sufficient with this application to determine if notices are required.

Specifically, the application does not state whether or not working interest ownership is identical between the N/2 and the S/2 of Section 30. This does not matter as to the Mesa Verde, since the entire section is in the PA, but it is an issue for the Dakota.

Please advise if the WI ownership is identical throughout Section 30. If not, please notify the WI owners in the S/2 30, and furnish proof of notice.

Thanks

David K. Brooks
Legal Examiner

8/22/2007

Brooks, David K., EMNRD

From: Riley, Heather (E&P) [Heather.Riley@Williams.com]
Sent: Wednesday, August 22, 2007 8:26 AM
Subject: Read: NSL Application - Williams - Rosa Unit No. 166B

Your message

To: Heather.Riley@Williams.com
Subject:

was read on 8/22/2007 8:26 AM.

Brooks, David K., EMNRD

From: Riley, Heather (E&P) [Heather.Riley@Williams.com]
Sent: Thursday, August 30, 2007 12:38 PM
To: Brooks, David K., EMNRD
Cc: Higgins, Larry (E&P); Hansen, Vern (E&P); Winters, Lacey (E&P)
Subject: FW: NSL Application - Williams - Rosa Unit No. 166B

From: Hansen, Vern (E&P)
Sent: Wednesday, August 22, 2007 9:49 AM
To: Riley, Heather (E&P)
Cc: Higgins, Larry (E&P); Winters, Lacey (E&P)
Subject: RE: NSL Application - Williams - Rosa Unit No. 166B

Heather,
BP is the Working Interest Owner of all of Section 30. As to the Minerals they are all Federal. The Ownership is common throughout.
Will you forward this on to Mr. Brooks?
Thanks,
Vern

From: Riley, Heather (E&P)
Sent: Wednesday, August 22, 2007 10:26 AM
To: Hansen, Vern (E&P)
Cc: Higgins, Larry (E&P); Winters, Lacey (E&P)
Subject: FW: NSL Application - Williams - Rosa Unit No. 166B

Vern,

Here's another one.

Heather Riley
Regulatory Specialist
Williams Production Co., LLC
(505) 634-4222 (office)
(970) 749-8747 (cell)

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Wednesday, August 22, 2007 9:20 AM
To: Riley, Heather (E&P)
Subject: NSL Application - Williams - Rosa Unit No. 166B

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8/30/2007

and the S/2 of Section 30. This does not matter as to the Mesa Verde, since the entire section is in the PA, but it is an issue for the Dakota.

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Thanks

David K. Brooks
Legal Examiner

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