

DATE IN 10/17/08	SUSPENSE	ENGINEER Brooks	LOGGED IN 10/20/08	TYPE NSL	APP NO. PKUR0829434195
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



Williams Production Co.  
 Rosa Unit #264A  
 5959

**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.**

Heather Riley  
 Print or Type Name

Heather Riley  
 Signature

Regulatory Specialist  
 Title

10/16/08  
 Date

heather.riley@williams.com  
 e-mail Address

2008 OCT 17 AM 11 57  
 RECEIVED



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

October 16, 2008

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 Fruitland Coal Location*  
*Rosa Unit #264A*  
*API # (30-039-30338)*  
*SE4 Sec. 22, T31N, R5W*  
*1000' FSL & 400' FEL*

Dear Mr. Fesmire:

Williams Production Co., LLC, is requesting administrative approval to construct the Rosa Unit #264A as a single Fruitland Coal in a non-standard location. Pursuant to Order No. R-8768-B, spacing requirements state that the wells shall be located not closer than 660 feet to any outer boundary of the proration unit nor 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 east by 182.20 feet.

This non-standard location is due to archeological and topographical constraints. Cabresto Canyon, and the cliff above the canyon, encompass all of the SE4 of Section 22; leaving no place for a well location. A surface location was staked in the NE4 of section 22 but was denied by the USFS due to archeological sites. The closest existing wellpad (Rosa Unit #345) was too far to reach with a directional drill and get to the desired bottom-hole location. As a result, the wellpad for this well was placed at 2,165' FSL and 100' FWL with a 1,269' directional reach to the above stated bottom hole location.

We inadvertently failed to get approval of this non-standard location prior to drilling the well. This well was completed on October 13, 2008 and is ready for first delivery. We would greatly appreciate your expediting this administrative approval.

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.

Mark E. Fesmire  
October 16, 2008  
Page 2 of 2

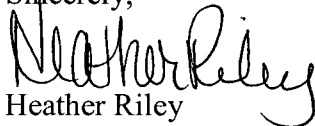
Mineral ownership is common and there are no unleased mineral owners. The offset unit's working interest owners are uncommon; therefore, we have enclosed a list of the affected persons for your review. Williams has given notice to the listed parties in accordance with Division Rules.

Enclosed for your reference is a copy of the Participating Area map for the Fruitland Formation. As you can see, section 22 is not in a PA but the south half of section 23 is in a PA.

The spacing unit for the Fruitland is the east half and the other Fruitland well in the spacing unit is the Rosa Unit #264.

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.: 1<sup>st</sup> page of the APD  
Plat  
Topographic map  
PA Map (FT)  
Affected Interest Owner letter and list of addresses

D.T.H  
C: Fil  
C: Sizmore  
C: Rodriguez  
C: NCI

C: WFS  
C: M lane / TL  
C: Rig

C: Dirt

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

AUG 24 2007

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

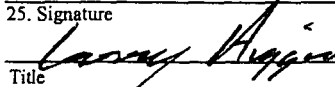
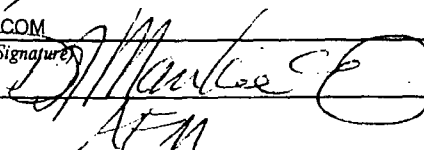
APPLICATION FOR PERMIT TO DRILL OR REENTER  
Bureau of Land Management

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMSF-0078770	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Williams Production Company, LLC		7. If Unit or CA Agreement, Name and No. Rosa Unit	
3a. Address P.O. Box 640 Aztec, NM 87410		8. Lease Name and Well No. 264A	
3b. Phone No. (include area code) (505) 634-4208		9. API Well No. 30-039-36338	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 2165' FSL & 100' FWL, Section 23 At proposed prod. zone 1000' FSL 400' FEL, Section 22		10. Field and Pool, or Exploratory Basin Fruitland Coal	
14. Distance in miles and direction from nearest town or post office* approximately 45 miles northeast of Blanco, New Mexico		11. Sec., T., R., M., or Blk. and Survey or Area Bottom Hole Section 22, 31N, 5W	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 100'	16. No. of Acres in lease 2,560.00	17. Spacing Unit dedicated to this well 320.0 (E/2)	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1000'	19. Proposed Depth 3,883'	20. BLM/BIA Bond No. on file 44 UT0847	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,587' GR	22. Approximate date work will start* Spring 2008	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:

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

25. Signature 	Name (Printed/Typed) Larry Higgins	Date 8-24-07
Title Drilling.COM		
Approved by (Signature) 	Name (Printed/Typed) J. Martinez	Date 5/12/08
Title AFM	Office FFO	

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)

Williams Exploration and Production Company, LLC, proposes to drill a well to develop the Basin Fruitland Coal Formation at the above described location in accordance with the attached drilling and surface use plans.

The surface is under jurisdiction of the Carson National Forest, Jicarilla Ranger District.

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

A new access road of 50' will be needed to access this location. A pipeline tie of 194.6 feet would be required for this location. Williams Four Corners, LLC has filed a pipeline route plan for the associated pipeline. The pipeline would be owned and operated by Williams Four Corners, LLC.

OPERATOR

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".

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

API Number <b>30-039-30338</b>		Pool Code 71629	Pool Name BASIN FRUITLAND COAL
Property Code 17033	Property Name ROSA UNIT		Well Number 264A
GRID No. 120782	Operator Name WILLIAMS PRODUCTION COMPANY		Elevation 6587'

<sup>10</sup> Surface Location

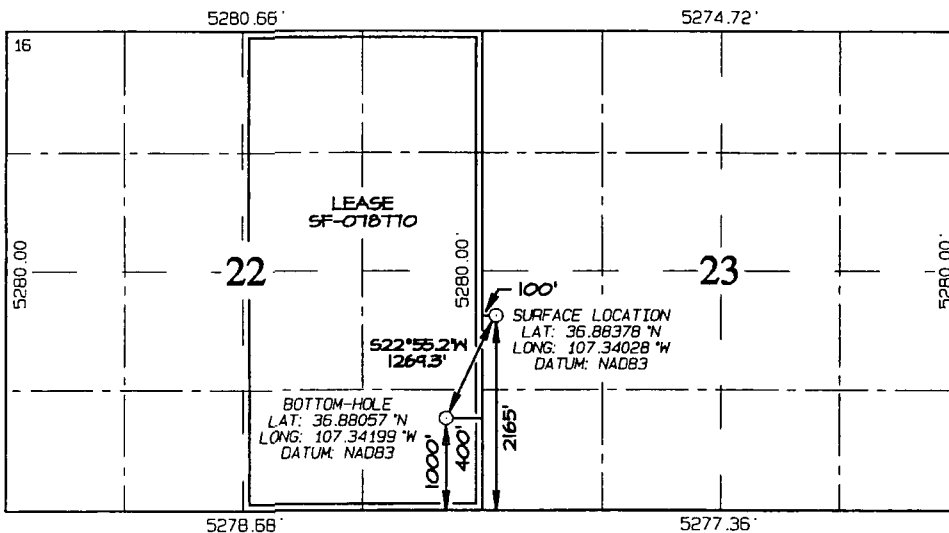
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	23	31N	5W		2165	SOUTH	100	WEST	RIO ARriba

<sup>11</sup> 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
P	22	31N	5W		1000	SOUTH	400	EAST	RIO ARriba

<sup>12</sup> Dedicated Acres 320.0 Acres - E/2	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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



<sup>17</sup> 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 \_\_\_\_\_

<sup>18</sup> 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: NOVEMBER 17, 2006

Signature and Seal of Professional Surveyor

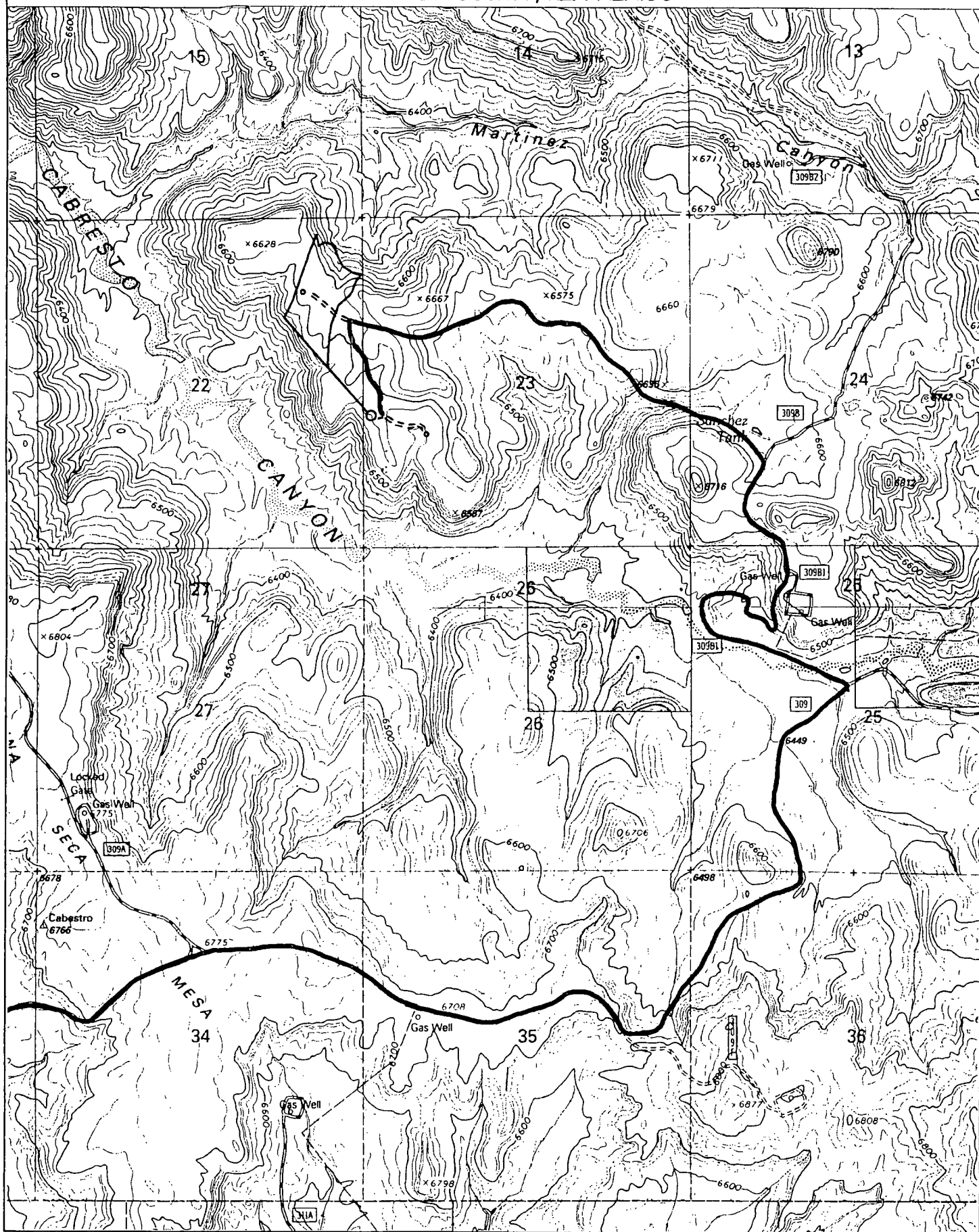


**JASON C. EDWARDS**  
Certificate Number 15269

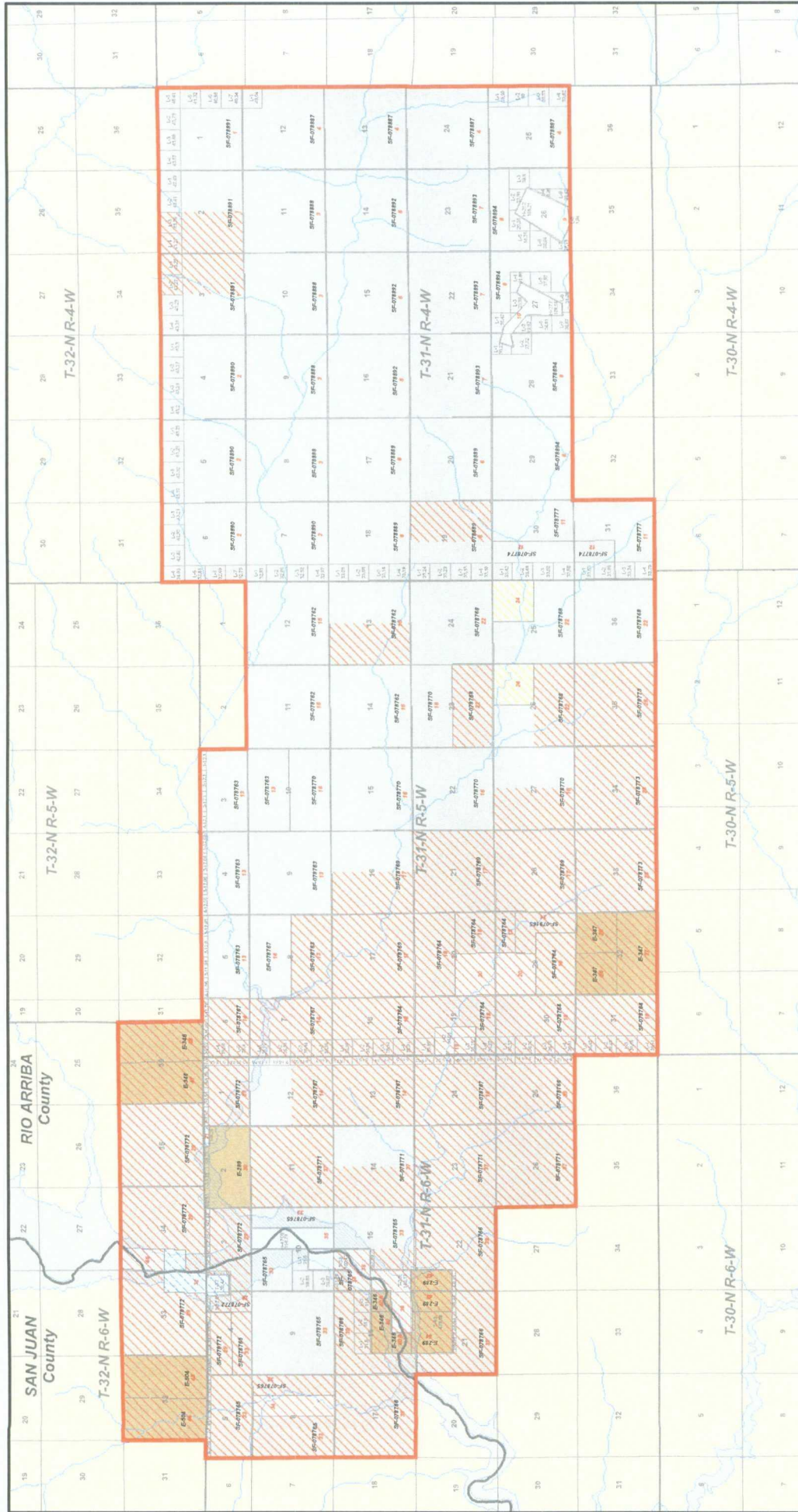
**FINAL**  
4-11-07 20/4

WILLIAMS PRODUCTION COMPANY ROSA NIT #264A

2165' FSL & 100' FWL, SECTION 23, T31N, R5W, N.M.P.M.  
RIO ARRIBA COUNTY, NEW MEXICO







Exploration & Production

Rosa Unit  
Fruitland Formation  
San Juan and Rio Arriba Counties, New Mexico

Scale: 1:72,000  
Date: 3/7/2007

Projection: NAD 1983 State Plane NM West
Author: SA

Fruitland Participating Area-3th Expansion  
 Mineral Ownership  
 Federal  
 Fee  
 Partially Committed  
 State  
 Not Committed

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

Rosa Unit Tract No. XX

Map Downloaded: 3/7/2007 11:08:50 AM



WILLIAMS PRODUCTION COMPANY, LLC  
One Williams Center  
P.O. Box 3102  
Tulsa, OK 74101-3102  
918/573-6169

October 16, 2008

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**AFFECTED INTEREST OWNERS**

Re: Application of Williams Production Company, LLC for administrative approval of an unorthodox well location for its Rosa Unit #264A Fruitland Coal formation well drilled at a location 1000 feet from the South line and 400 feet from the East line of Section 22, Township 31 South, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date by Williams Production Company, LLC for administrative approval of an unorthodox well location for its Rosa Unit #264A, drilled to the Fruitland Coal formation at a location 1000 feet from the South line and 400 feet from the East line of Section 22, Township 31 South, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. The E/2 of Sec.22, T31N, R5W, a standard 320.00 acre spacing unit is dedicated to the well.

As an owner of an interest that may be affected by the proposed well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office that is located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application for an unorthodox well location may be approved.

Sincerely,

*M. Vern Hansen*

M. Vern Hansen, CPL  
Senior Staff Landman

*by Lynda Craft*

Enclosures



**Rosa Unit #264A Fruitland Coal Formation Well  
Affected Interest Owners**

BP AMERICA PRODUCTION CO.  
ATTN: JOHN LARSON  
P.O. BOX 3092  
HOUSTON, TX 77253

MR. FRED E. TURNER, L.L.C.  
4925 GREENVILLE AVENUE, SUITE 852  
DALLAS, TX 75206-4079

MS. ELIZABETH T. CALLOWAY  
P.O. BOX 191767  
DALLAS, TX 75219-1767

MR. J. GLENN TURNER, JR., L.L.C.  
3838 OAK LAWN, SUITE 1450  
DALLAS, TX 75219

MR. JOHN TURNER  
PMB 285  
317 SIDNEY BAKER SOUTH #400  
KERRVILLE, TX 78028

SACRAMENTO MUNICIPAL UTILITIES DISTRICT  
ATTN: BARRY BRUNELLE  
P.O. BOX 15830  
SACRAMENTO, CA 95852-1830

MARY FRANCES TURNER, JR TRUST  
ATTN: BARRY L. DOMINICK  
TX1-2931  
P.O. BOX 660197  
DALLAS, TX 75266-0197

FOREST OIL CORPORATION  
ATTN: KEN MCPHEE  
707 17<sup>TH</sup> STREET  
DENVER, CO 80202

CONOCOPHILLIPS COMPANY  
ATTN: CHIEF LANDMAN, SAN JUAN/ROCKIES  
P.O. BOX 4289  
FARMINGTON, NM 87499-4289

**Brooks, David K., EMNRD**

---

**From:** Riley, Heather (E&P) [Heather.Riley@Williams.com]  
**Sent:** Thursday, October 16, 2008 2:06 PM  
**To:** Brooks, David K., EMNRD  
**Cc:** Higgins, Larry (E&P); Winters, Lacey (E&P)  
**Subject:** Rosa Unit #264A API #30-039-30338

Mr. Brooks,

We completed the Rosa Unit #264A, 30-039-30338, on 10/13/08 and it is ready to first deliver; however, it is a non-standard location and we have not yet filed our NSL application. The application is going out in today's mail via Federal Express.

We would appreciate any help you could give us in expediting this application.

Please let me know if you have any questions.

Thank you,

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

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This inbound email has been scanned by the MessageLabs Email Security System.

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10/21/2008

**Brooks, David K., EMNRD**

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**From:** Brooks, David K., EMNRD  
**Sent:** Tuesday, November 04, 2008 5:28 PM  
**To:** 'Riley, Heather (E&P)'  
**Subject:** Rosa Unit #264A; NSL Application

Dear Ms. Riley

I have reviewed this application, and I have a question.

Since the offsetting unit (S/2 Section 23) towards which this location encroaches is in the Fruitland Coal PA, it would seem that "affected persons" would include all working interest owners in the PA. ( I believe I was informed previously that the Unit Operating Agreement for the Rosa Unit provides for allocation of working interests on a PA basis.) Your application does not specify whether the list of affected owners is a list of owners within the PA, or whether it is a list of owners within the drill block consisting of the S/2 of Section 23.

Please advise whether the notice list includes all working interest owners in the PA.

Thanks

David Brooks

11/4/2008

**Brooks, David K., EMNRD**

---

**From:** Riley, Heather (E&P) [Heather.Riley@Williams.com]  
**Sent:** Wednesday, November 05, 2008 11:21 AM  
**To:** Brooks, David K., EMNRD  
**Cc:** Higgins, Larry (E&P); Hansen, Vern (E&P); Croff, Twyla (E&P); Winters, Lacey (E&P)  
**Subject:** RE: Rosa Unit #264A; NSL Application

Mr. Brooks,

The notice list does include all working interest owners in the PA. Sorry for any confusion.

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]  
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**To:** Riley, Heather (E&P)  
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Thanks

David Brooks

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11/5/2008