

ABOVE THIS LINE FOR DIVISION USE ONLY

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NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



30-039-30197

Williams 120782

Rosa Unit #153C

2009 MAY 13 AM 11:19

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

5/11/09
 Date

heather.riley@williams.com
 e-mail Address



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

May 11, 2009

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

*Re: Request for Administrative approval of a non-standard Basin Mancos Location
Rosa Unit #153C
API # 30-039-30197
SHL: 1115' FNL & 1745' FWL, NW4 Sec. 17, T31N, R5W
BHL: 1676' FNL & 2222' FEL, NE4 Sec. 17, T31N, R5W*

Dear Mr. Fesmire:

Williams Production Co., LLC ("Williams"), pursuant to the provisions of Division Rule 104, hereby seeks administrative approval of an unorthodox location for the Basin Mancos (97232) formation in Rosa Unit Well No. 153C. This is a directional well with a bottom hole location of 1676' FNL & 2222' FEL, NE4 Sec. 17, T31N, R5W, N.M.P.M. Williams requested and received approval for the Dakota formation under **Administrative Order NSL-5701** dated October 17, 2007 and now wishes to add the Basin Mancos formation.

Pursuant to Order No. R-12984, spacing requirements allow for up to 4 wells in a standard spacing unit and for wells inside a federal exploratory unit and in a non-participating spacing unit they shall not be closer than 660 feet to the outer boundary of its spacing unit. Given these requirements, this location is non-standard to the west by 244 feet.

Williams intends to capture the reserves from the Mesaverde, Basin Mancos and Dakota formations with a single well bore. Not only will the multiple completion help capture additional reserves that otherwise would not be able to be economically developed, but utilizing a single well bore for a triple completion will also negate the need for additional disturbance of another wellpad, road, and pipeline.

Mark E. Fesmire
May 11, 2009
Page 2 of 2

Attached hereto as Exhibit A is the C-102 showing the subject spacing unit. Exhibit B is a plat showing the offsetting spacing unit and Rosa Unit boundary. As operator of the Rosa Unit, Williams is also the offsetting operator upon which the well encroaches. Working interest ownership is common in each spacing unit. Further, there is no Participating Area for the Mancos. Therefore, there are no affected parties as defined by Rules 1210(A)(2) and no notice is required. The spacing unit for the Basin Mancos is the east half and there are no other Basin Mancos wells in the spacing unit.

The proposed location is the most efficient and reasonable way to develop these potential reserves and would be in the best interest of conservation and the prevention of waste.

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,

A handwritten signature in black ink, appearing to read "Heather Riley", written in a cursive style.

Heather Riley
Regulatory Specialist

Enc.: C-102
Rosa Unit Map

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	*Pool Code	*Pool Name
	97232 / 72319 / 71599	BASIN MANCOS / BLANCO MESAVERDE / BASIN DAKOTA
*Property Code	*Property Name	*Well Number
17033	ROSA UNIT	153C
*GRID No.	*Operator Name	*Elevation
120782	WILLIAMS PRODUCTION COMPANY	6208'

¹⁰ Surface Location

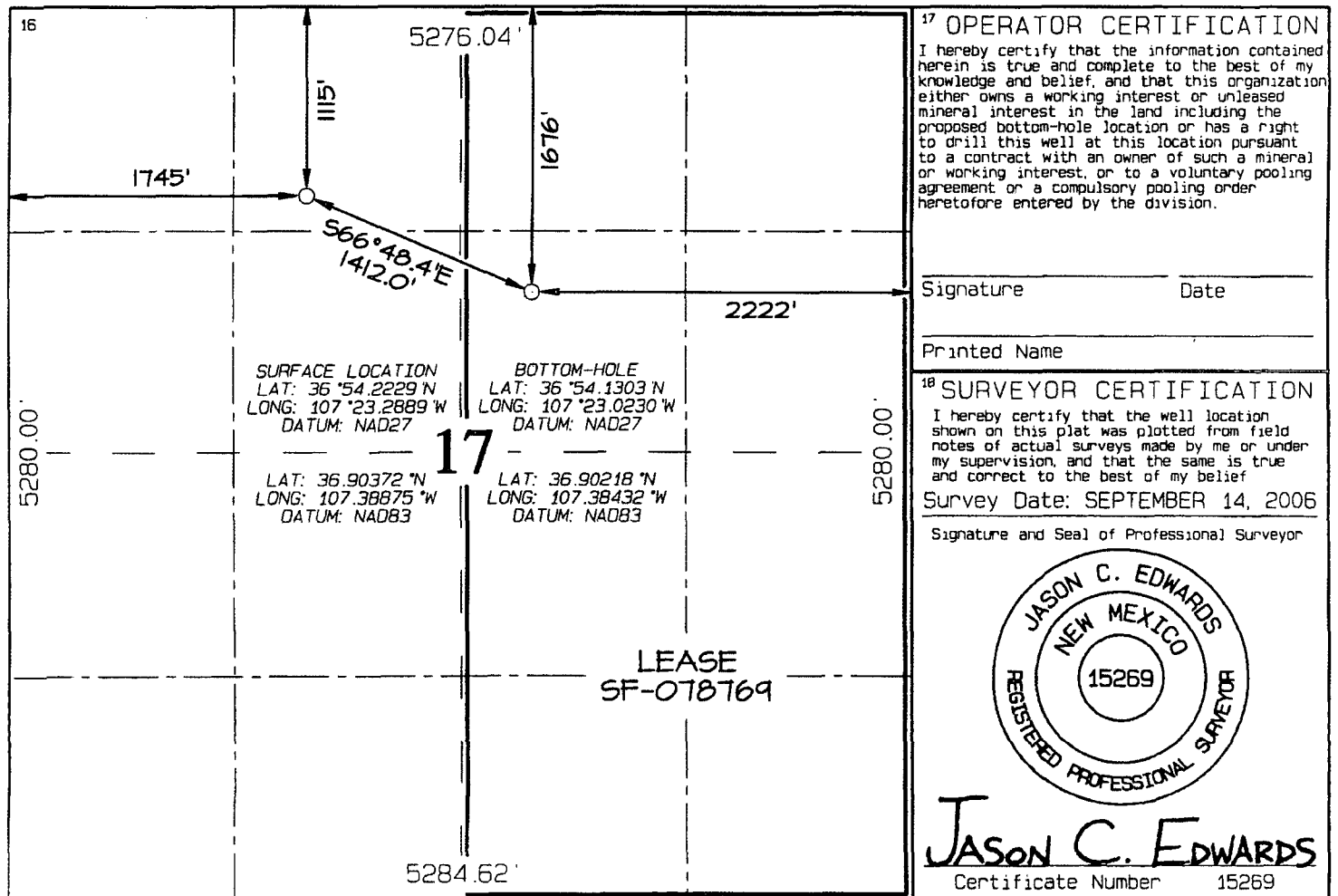
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	17	31N	5W		1115	NORTH	1745	WEST	RIO ARRIBA

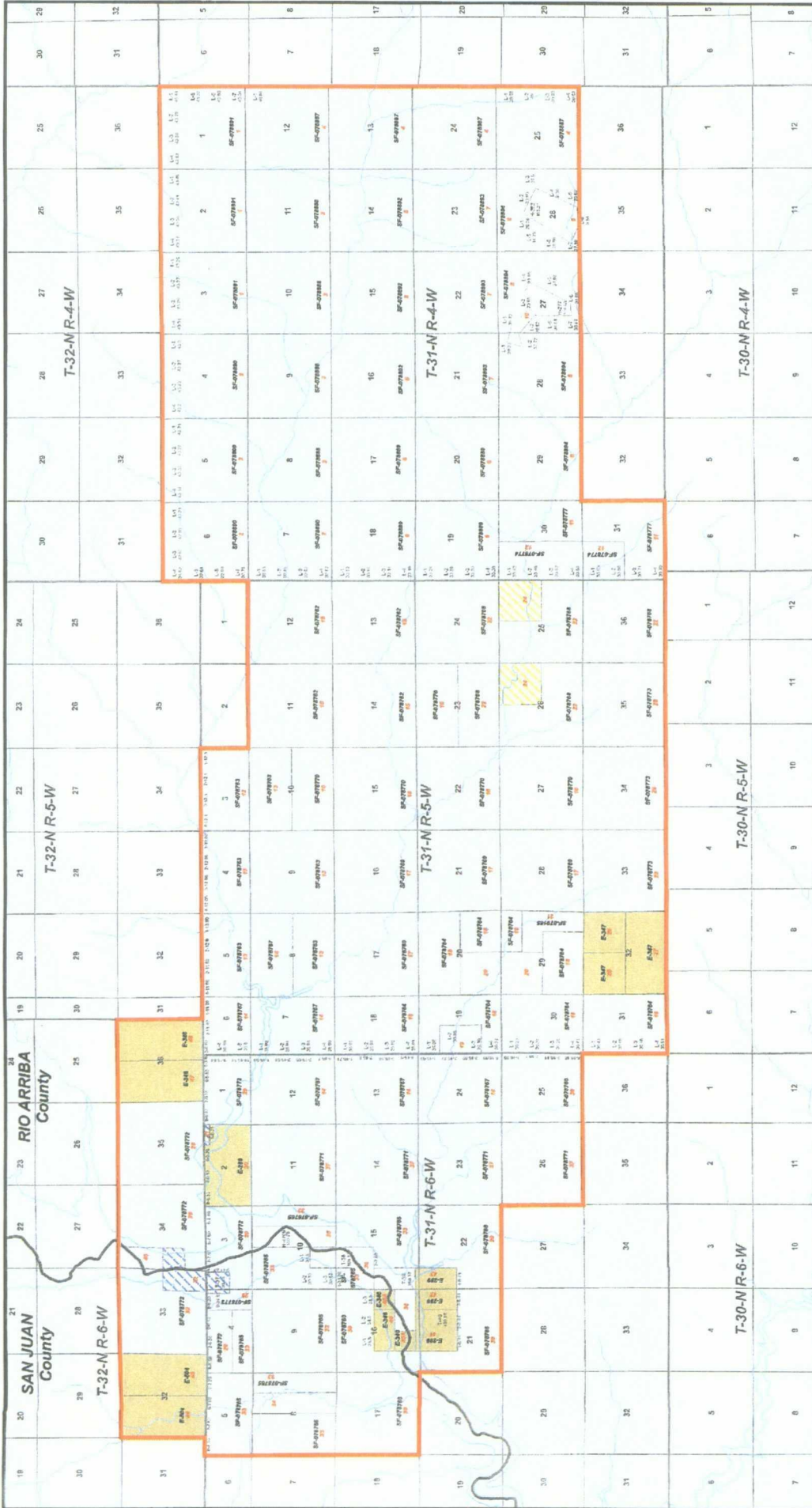
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	17	31N	5W		1676	NORTH	2222	EAST	RIO ARRIBA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
320.0 Acres - (E/2)			

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





San Juan and Rio Arriba Counties, New Mexico

Rosa Unit

Scale: 1:72,000
Projection: NAD 1983 State Plane NM West
Date: 3/5/2008
Author: TJ

Williams Exploration & Production

San Juan and Rio Arriba Counties, New Mexico

Rosa Unit

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Williams Exploration & Production



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

October 17, 2007

Williams Production Company
Attn: Ms. Heather Riley
P.O. Box 640
Aztec, NM 87410

Administrative Order NSL-5701

**Re: Rosa Unit Well No. 153C
API No. 30-039-30197
Unit C, Section 17-31N-5W
Rio Arriba County**

Dear Ms Riley:

Reference is made to the following:

(a) your application (**administrative application reference No. pTDS07-26040155**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on September 14, 2007,

(b) your supplemental communication dated October 17, 2007, and

(c) the Division's records pertinent to this request.

Williams Production Company (Williams) has requested to drill the above-referenced well as a directional well from the surface location described in the caption of this letter to an unorthodox bottom hole location in the Dakota formation, 1650 feet from the North line and 2310 feet from the East line (Unit G) of Section 17, Township 31 North, Range 5 West, in Rio Arriba County, New Mexico. The E/2 of Section 17 will be dedicated to this well in order to form a standard 320-acre spacing unit in the Basin-Dakota Gas Pool (71599). Spacing in this pool is governed by Rules II.A and II.C of the Special Rules and Regulations for the Basin-Dakota Gas Pool, as amended by Order No. R-10987-B(2), which generally provide for 320-acres units, with wells located at least 660 feet from a unit outer boundary. This location is less than feet from the eastern unit boundary.

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A(2).

It is our understanding that you are seeking this location for geologic reasons, to avoid interfering with the drainage patterns of existing Dakota wells.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 1210.A(2), in all adjoining units towards which the proposed bottom-hole location encroaches.

Pursuant to the authority conferred by Division Rule 104.F(2), the above-described unorthodox location is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Mark E. Fesmire, P.E.
Director

MEF/db

cc: New Mexico Oil Conservation Division - Aztec
United States Bureau of Land Management - Farmington