

DATE IN 7/20/09	SUSPENSE	ENGINEER Brooks	LOGGED IN 7/20/09	TYPE NSL	PR&W APP NO. 0920156681
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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



30-039-30699
Rosa Unit #12D
Williams (120782)
Rosa Unit #012D
6067

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 7/15/09
Title Date

heather.riley@williams.com
e-mail Address

RECEIVED OGD
2009 JUL 20 A 9:25

10/30



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

July 15, 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 and Basin Dakota BHL
Rosa Unit #012D
API # 30-039-30699
SHL: 1905' FNL & 595' FEL, Sec. 15, T31N, R6W
BHL: 2494' FNL & 623' FEL, Sec. 15, T31N, R6W*

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) and the Basin Dakota (71599) formations in Rosa Unit Well #012D. This is a directional well with a bottom hole location of 2494' FNL & 623' FEL, Sec. 15, T31N, R6W. This well will be a triple completion in the Mesaverde, Basin Mancos and Basin Dakota formations and is part of the Pilot Project pursuant to Order No. R-13123 which allows for one additional Mesaverde infill well on each standard 320-acre gas proration unit. This well was originally staked to a standard bottom hole location; however, during drilling operations the wellbore deviated to the east causing it to become non-standard. See As Drilled Plat attached hereto.

Pursuant to Order No. R-12984, spacing requirements allow for up to 4 Basin Mancos 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. Additionally, 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 encroaching to the east (Section 14) by 37 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

July 15, 2009

Page 2 of 2

The surface for this well is being located on a multi-well pad, therefore, we will be utilizing existing surface disturbance. The bottom hole location was chosen by considering drainage patterns from the existing Mesaverde wells in that spacing unit, i.e. the Rosa Unit #012, #012A, #012B, and #012C. Further, drainage patterns from the other offset Mesaverde wells were also considered. They are the Rosa Unit #025A, #025B, and the #025C in the West half of 15, the Rosa Unit #016, #016A, #016B, #016C, and #016D in the West half of 14, the Rosa Unit #181A, #181B, and #181D in the SE of 10, and the Rosa Unit #009 and the #009C in the SW of 11. See attached 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.

Enclosed for your reference are copies of the Participating Area maps for the Mesaverde and Dakota Formations. All of Sections 14 and 15 are in the PA in the Mesaverde Formation therefore no setback requirements apply. Sections 14 and 15 are not in a PA in the Dakota formation, therefore setback requirements do apply. There is no PA in the Mancos so setback requirements apply in that formation as well.

The offset unit's working interest and mineral interest owners to the east are common in both the Mancos and Dakota formations so notice is not required.

The spacing unit for all three formations is the east half. The other Mesaverde wells in the spacing unit are the Rosa Unit #012, #012A, #012B, and #012C. The Rosa Unit #012B is a Dakota well in the SE of 15. There are no other Mancos wells.

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 APD
As Drilled Plat
Drainage Map
PA Maps (MV & DK)
Mineral ownership map

O:TR
C:FL
CWD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMSF-078765

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
WILLIAMS PRODUCTION CO., LLC

3a. Address
P. O. BOX 640
AZTEC, NM 87410

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Surface - 1905' FNL & 595' FEL
BHL - 2500' FNL & 670' FEL
Sec 15, T31N, R6W

7. If Unit of CA/Agreement, Name and/or No.
ROSA UNIT

8. Well Name and No.
ROSA UNIT #12D

9. API Well No.
30-039-30699

10. Field and Pool or Exploratory Area
BLANCO MV/BASIN MC/BASIN DK

11. Country or Parish, State
RIO ARRIBA, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

This well was originally permitted as the Rosa Unit #613. due to change in plans Williams Production intends to change the bottom hole location and drill this well as a Blanco Mesa Verde, Basin Mancos and Basin Dakota. We also wish to change the name of this well to the Rosa Unit #12D. See attached plat, operation plan and directional plan.

MAY 21 2009

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Larry Higgins

Title Drilling COM

Signature

Larry Higgins

Date 05/06/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Troy L. Salyers

Title Petroleum Engineer

Date 5/14/2009

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

FFO

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 page 2)

OPERATOR

O:TH
C:File
C:MYKE-TL
C:WCI
C:UFS

OC: Dirt
C: Rig/2
C: Sizemore
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED

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

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. Rosa Unit	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		8. Lease Name and Well No. 613	
2. Name of Operator Williams Production Company, LLC		9. API Well No. 30-039-30699	
3a. Address P.O. Box 640 Aztec, NM 87410	3b. Phone No. (include area code) (505) 634-4208	10. Field and Pool, or Exploratory Basin Mancos/Basin Dakota	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1905' FNL & 595' FEL At proposed prod. zone 1650' FNL & 1050' FEL		11. Sec., T., R., M., or Bk. and Survey or Area Section 15, 31N, 6W	
14. Distance in miles and direction from nearest town or post office* approximately 31 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) 595'	16. No. of Acres in lease 2,460.230	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. 161' Rosa 222	19. Proposed Depth 8,000'	20. BLM/BIA Bond No. on file UT0847 99	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6299' GR	22. Approximate date work will start* April 1, 2009	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 <i>Larry Higgins</i>	Name (Printed/Typed) Larry Higgins	Date 3-2-09
Title Drilling COM		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) AFM	Date 3/31/09
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 Production Company, LLC, proposes to develop the Basin Mancos and Basin Dakota formations 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 (BLM/FFO).

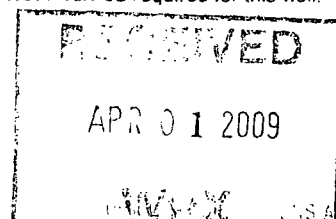
This location has been archaeologically surveyed by La Plata Archaeological Consultants. Copies of their report have been submitted directly to the BLM.

No new access road will be required for this proposed well.

This APD is also serving as an application to obtain a pipeline right-of-way. An associated pipeline tie of 175.9 feet would be required for this well.

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

OPERATOR



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	12D
*OGRID No.	*Operator Name	*Elevation
120782	WILLIAMS PRODUCTION COMPANY	6299'

¹⁰ Surface Location

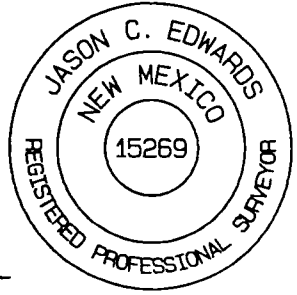
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	15	31N	6W		1905	NORTH	595	EAST	RIO ARRIBA

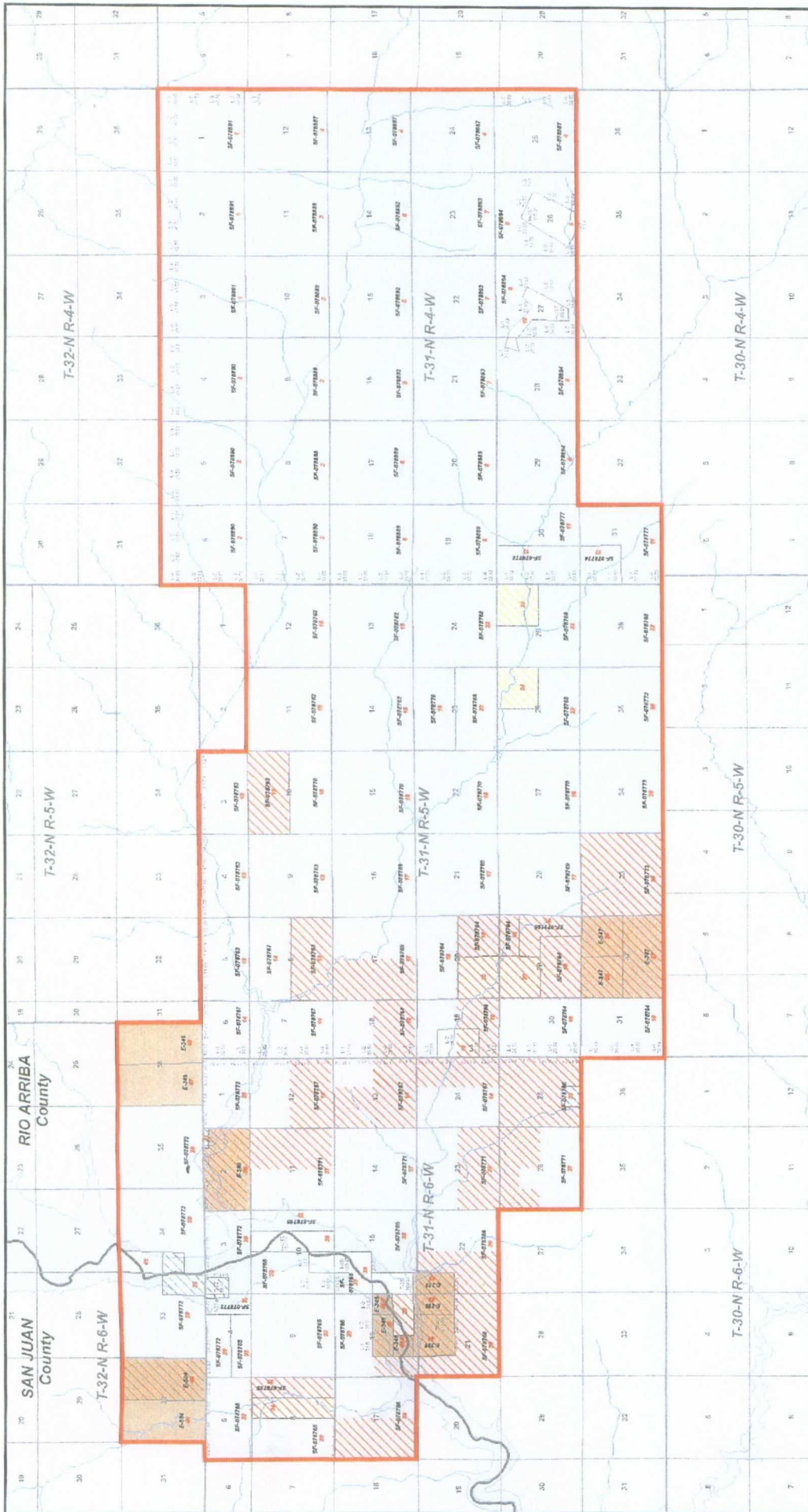
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	15	31N	6W		2494	NORTH	623	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

<div>5280.00'</div> <div>LOT 1</div> <div>TRACT 38</div> <div>LOT 2</div> <div>TRACT 39</div> <div>TRACT 40</div>	<div>5253.60'</div> <div>15</div> <div>5258.88'</div>	<div>SURFACE LOCATION LAT: 36.90169°N LONG: 107.44326°W DATUM: NAD1983</div> <div>BOTTOM-HOLE LAT: 36.90007°N LONG: 107.44334°W DATUM: NAD1983</div> <div>502°04.0'W 590.3'</div> <div>2494'</div> <div>1905'</div> <div>2640.00'</div> <div>595'</div> <div>623'</div> <div>2640.00'</div>	<div>17 OPERATOR CERTIFICATION</div> <div>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.</div> <div>Signature _____ Date _____</div> <div>Printed Name _____</div> <div>18 SURVEYOR CERTIFICATION</div> <div>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</div> <div>Survey Date: NOVEMBER 20, 2008</div> <div>Signature and Seal of Professional Surveyor</div> <div></div> <div>JASON C. EDWARDS Certificate Number 15269</div>
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Exporation & Production



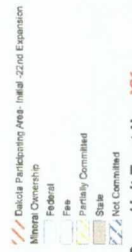
Rosa Unit
Dakota Formation
San Juan and Rio Arriba Counties, New Mexico



Scale: 1:72,000
Date: 4/9/2008
Author: TJ



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



/// Dakota Participating Area - Initial 22nd Expansion

Mineral Ownership

Federal

Fee

Partially Committed

State

Not Committed

Rosa Unit Tract No: xx

Map Document: (term)\\gpo\lga\Project\San_Juan\Rosa_Unit\Participating_Areas\rosa_unit_08_15-22.mxd
5/22/2008 - 9:32:26 AM

NSL Application Drainage Map
Williams Production Company, LLC
Proposed Rosa Unit No. 12D
T31N, R06W, Section 15 NMPM
Rio Arriba County, New Mexico

