



WALSH

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping

7415 East Main
Farmington, New Mexico 87402
(505) 327-4892 • Fax: (505) 327-9834

Ms. Lori Wrotenbery
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87505

April 16, 2002

***Re: Request for Administrative approval for Non-Standard Dakota Location
Rosa Unit 164B (Sec 1/T31N/R6W,330' fsl & 1650' fwl, Rio Arriba County, New Mexico)***

Dear Ms. Wrotenbery,

Williams Production Company is requesting an administrative approval to construct the Rosa 164B as a dual Mesaverde/Dakota with the Dakota being non-standard. Williams has filed for an APD for a dual Dakota/Mesaverde well from the Bureau of Land Management (BLM) – Farmington Field Office.

Williams intends to make the well a dual well thereby capturing the reserves from the Dakota with a single well bore. Originally, the location was picked by considering drainage from the offset Mesaverde wells and topography/archeology constraints. In this case, Williams picked their location in an attempt to minimize Mesaverde drainage interference with offset wells.

Therefore, the reasons for requesting administrative approval for a non-standard location are:

1. The current location was picked by considering the Rosa 164 to the northwest and the Rosa 164A to the northeast. (see attached map showing drainage patterns).
2. 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.
3. Utilizing a single well bore for a dual completion would also negate the need for additional disturbance of another well, ie. well pad, road, pipeline ROW, etc.

The proposed Rosa 164B is not located within the boundaries of the existing Dakota Participating Area. However, all of the adjacent acreage that is being encroached upon is committed to the Rosa Unit. In support of this application, please find included a signed waiver from the offset Lessee. As the Unit Operator of the Rosa Unit, Williams Production Company, LLC is the only offset operator, thereby this proposed non-standard location would not affect any other operators.

Please find attached a drilling plat with topographical map showing location, drainage map and a portion of the unit map showing where the well is located within the unit.

If you have any questions or concerns, please feel free to contact me anytime.

Sincerely,

John C. Thompson
Engineer

c:wp/nsdk164B

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994
Instructions on back

District II
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

AMENDED REPORT

District IV
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code		*Pool Name	
		72319 \ 71599		BLANCO MESAVERDE \ BASIN DAKOTA	
*Property Code		*Property Name			*Well Number
17033		ROSA UNIT			164B
*GRID No.		*Operator Name			*Elevation
120782		WILLIAMS PRODUCTION COMPANY			6317'

¹⁰ Surface Location

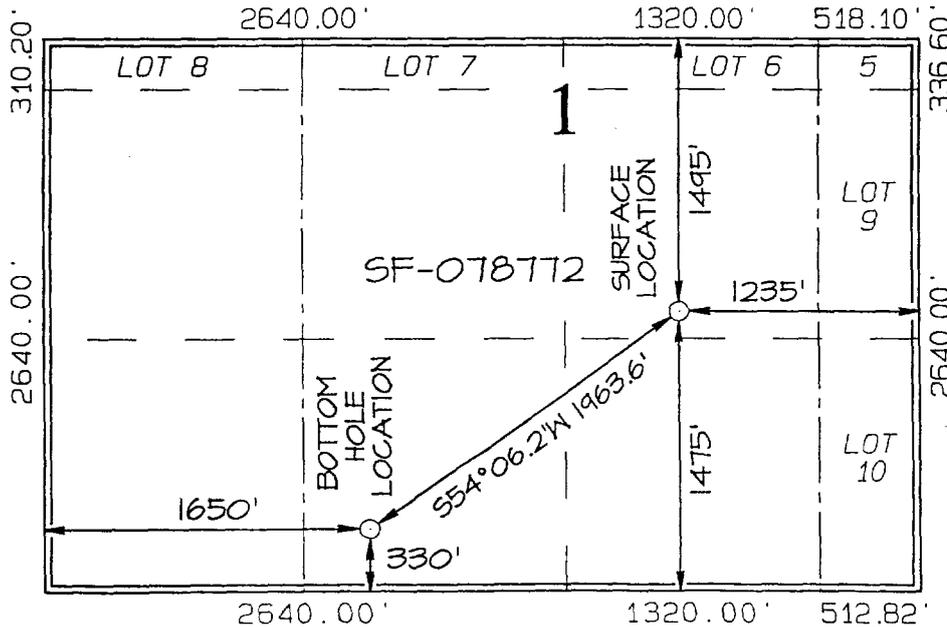
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	1	31N	6W		1475	SOUTH	1235	EAST	RIO ARRIBA

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
N	1	31N	6W		330	SOUTH	1650	WEST	RIO ARRIBA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
303.88 Acres - Entire Section			

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

John C. Thompson

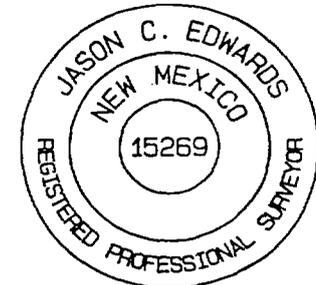
Signature
John C. Thompson
Printed Name
Agent/Engineer
Title
4/16/02
Date

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.

Date of Survey: APRIL 2, 2002

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

Post-It* Fax Note	7671	Date	4-16-02	# of pages	3
To	JOHN THOMPSON	From	BRYAN C. ANDERSON		
Co./Dept.	WELSH ENGINEERING	Co.	BP AMERICA		
Phone #	- 4892	Phone #	281-366-0755		
Fax #	505-327-9834	Fax #	- 7099		



Williams Production Co., LLC
 One Williams Center
 P. O. Box 3102
 Tulsa, OK 74101
 918/573-6169

April 16, 2002

Amoco Production Company
 P. O. Box 3092
 Houston, TX 77253-3092
 Attn: Bryan Anderson

Re: Non-Standard Location Waiver
 Proposed Rosa Unit #164B Dakota Formation
 330' FSL & 1650' FWL
 All of Sec. 1, T31N, R6W
 Rio Arriba County, New Mexico

Dear Mr. Anderson:

William Production Company, as Rosa Unit Operator, plans to drill the Rosa Unit #164B Dakota formation well to be located 330' FSL and 1650' FWL of Sec 1, T31N, R6W (All of section 1 dedication). The proposed location constitutes a Non-Standard location for production from the Dakota formation under the rules and regulations of the New Mexico Oil Conservation Commission.

Williams Production respectfully requests that you as the Offsetting Lessee in the Dakota formation waive any and all objections to the Non-Standard location of the Rosa Unit #164B well by signing a copy of this letter in the space below and returning this waiver to the undersigned at your earliest convenience.

Very truly yours,

M. Vern Hansen, CPL
 Staff Landman

Enclosure

Rosa Unit #164B Dakota formation well Non-Standard location waiver approved:

AMOCO PRODUCTION COMPANY

By: Bryan C. Anderson

Date: APR 16 2002

San Juan County

Rio Arriba County

T-32-N-R-6-W

T-32-N-R-5-W

T-32-N-R-4-W

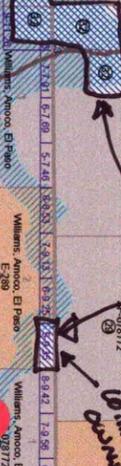
T-30-N-R-6-W

T-30-N-R-5-W

T-30-N-R-4-W

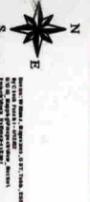
Non-Committed

Partially Committed

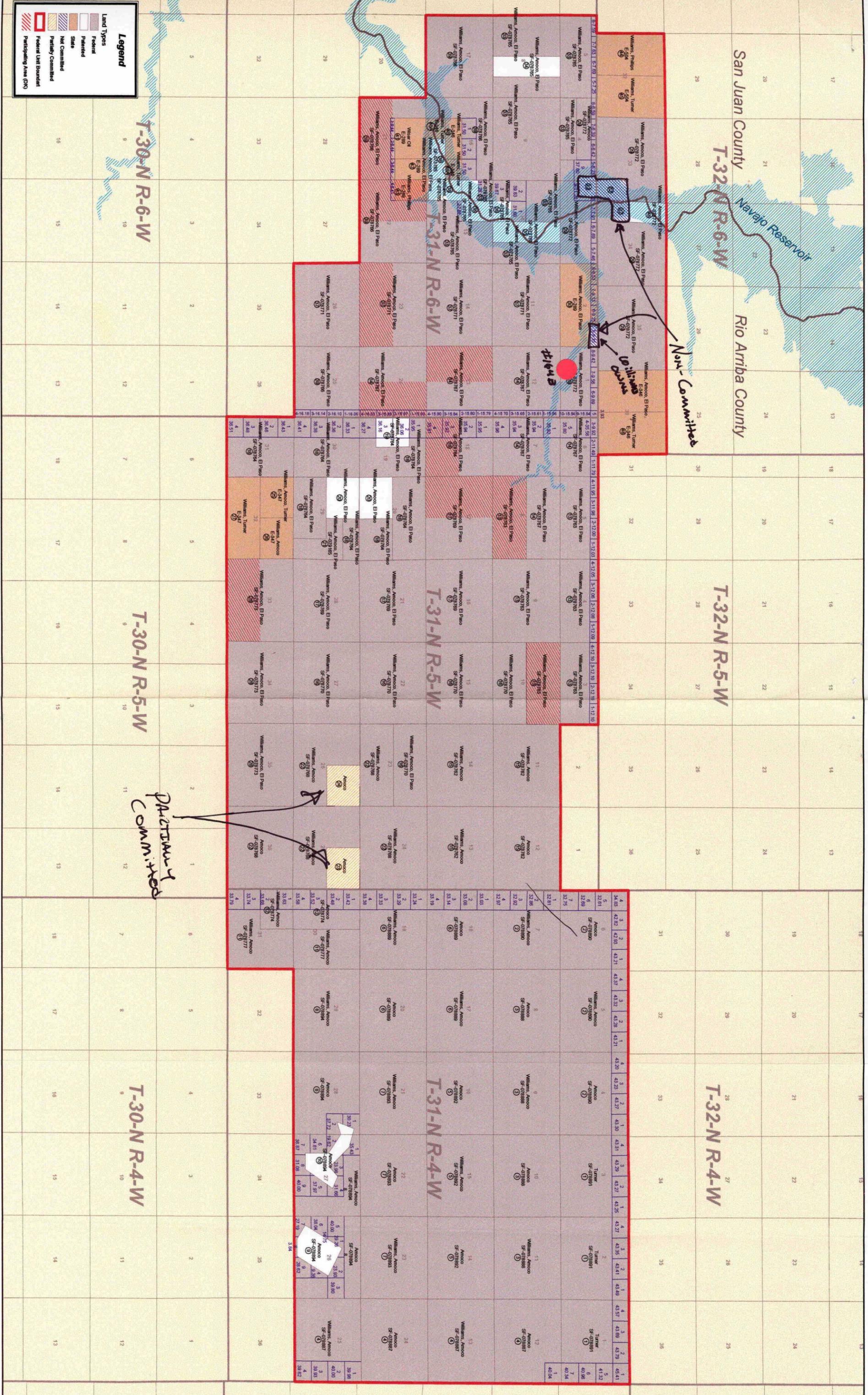


Legend

- Land Types
 - Federal
 - Patented
 - State
 - Not Committed
 - Partially Committed
 - Federal Unit Boundaries
 - Participating Area (OK)



Rosa Unit Lands
San Juan County & Rio Arriba County, New Mexico





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**New Mexico Oil Conservation
1220 South St. Francis Drive
Santa Fe, New Mexico 87505**

5/24/02

MAY 28 2002

Attention: Michael E. Stogner

Re: Notification of offset owners for unorthodox Dakota locations

Dear Mr. Stogner,

As per our conversation, the following is a breakdown on each well as far as which company is being encroached upon.

Rosa 41B: Directional well w/ bottom hole location 330' fsl & 330' fwl section 5/31N/5W. The north half of section 7, the north half of section 8 and east half of section 6 are being encroached upon. In all of those sections BP-Amoco is the Lessee. (Waivers from BP-Amoco are attached).

Rosa 79B: 2600' fwl & 975' fnl, section 22, 31N/R6W. West half proation unit. The east half of section 22 is being encroached upon. BP-Amoco is the Lessee in the East half of section 22 (waivers from BP-Amoco are attached).

Rosa 24C: 210' fnl & 1905' fwl, section 32, 31N/R5W. West half proation unit. The section to the north (section 29) is being encroached upon. BP-Amoco is the Lessee in section 29 (waivers from BP-Amoco are attached).

Rosa 164B: Directional well w/ bottom hole location 330' fsl & 1650' fwl, section 1, 31N/R6W. The north half of section 12 is being encroached upon. BP-Amoco is the Lessee in section 12 (waivers from BP-Amoco are attached).

Rosa 156B: 1660' fsl & 2625' fel, section 9, 31N/R6W. East half proation unit. The west half of section 9 is being encroached upon. BP-Amoco is the Lessee in the west half of section 9 (waivers from BP-Amoco are attached).

Hopefully, this helps identify the offset Lessee in each of the wells. Thanks for your help in this matter and I'll give you a call on Tuesday to make sure everything is in order.

Sincerely,

A handwritten signature in black ink, appearing to read 'John C. Thompson', written in a cursive style.

John C. Thompson



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

May 21, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Williams Production Company, L.L.C.
c/o **Walsh Engineering & Production Corp.**
7415 East Main
Farmington, New Mexico 87402

Attention: John C. Thompson

Re: *Five administrative applications for unorthodox gas well locations in the Basin-Dakota Pool: (i) Rosa Unit Well No. 24-C (pKRV0-211352073); (ii) Rosa Unit Well No. 41-B (pKRV0-211352213); (iii) Rosa Unit Well No. 156-B (pKRV0-211352305); (iv) Rosa Unit Well No. 164-B (pKRV0-211656660); and (v) Rosa Unit Well No. 79-B (pKRV0-210533746).*

Dear Mr. Thompson:

I have reviewed the five subject applications and find them all to be incomplete with respect to notice.

Please refer to your **Rule II.B (2) C** of the special Basin-Dakota Pool Rules and provide notice to all mineral interests in the Unitized interval and any owners of non-committed tracts. I have attached a copy of Division Order No. R-10987-B (2) issued on January 29, 2002.

I am withdrawing these applications and returning them to you at this time.

Should you have any questions or comments concerning this matter, please contact Steve Hayden in Aztec at (505) 33406178 or me in Santa Fe at (505) 476-3465.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
Kathy Valdes, NMOCD - Santa Fe