

ABOVE THIS LINE FOR DIVISION USE ONLY

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



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:

ROSA 26C

- [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.

John C. Thompson [Signature] Engineer/Agent 3/1/04
 Print or Type Name Signature Title Date

John@Walsheng.net
 e-mail Address

Oil Conservation Division
 1220 S. St. Francis Drive
 Santa Fe, NM 87505

MAR - 8 2004

RECEIVED

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87505

March 1, 2004

Re: Request for Administrative approval for Non-Standard Dakota & Mesaverde Location for the Rosa Unit 26C (Sec 32/T31N/R5W, 2605' fsl & 120' fel, Rio Arriba County, New Mexico)

Dear Mr. Stogner,

Williams Production Company is requesting an administrative approval to construct the Rosa 26C as a dual Mesaverde/Dakota with the Dakota and the Mesaverde being non-standard. Williams has already been issued an APD for drilling a standard infill Mesaverde well by the State of New Mexico.

Williams intends to make the well a dual well thereby capturing the reserves from the Dakota with a single well bore. Originally, the surface location was picked by considering drainage from the offset Mesaverde wells and topography constraints. In this case, Williams would be unable to move the location any further to the west because of the abrupt topography changes. (Large mesa that runs northwest and southeast).

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

1. Topography (Large mesa that runs northwest & southeast) – see topo map.
2. The current location has a good fit with projected drainage patterns within the Mesaverde formation. (RU 26A to the southwest, RU 77 to the east and the RU 26B further to the north – see drainage map).
3. 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.
4. 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 26C is not located within the boundaries of the existing Dakota Participating Area. It is in the Participating Area of the Mesaverde but is encroaching upon north half of section 33 which is not in the 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 that is being encroached upon, 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 as well as 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:wpx/nsdk26C

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

District II
PO Drawer 00, Artesia, NM 88211-0719

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

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		26C
*OGRID No.	*Operator Name		*Elevation
120782	WILLIAMS PRODUCTION COMPANY		6571'

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
I	32	31N	5W		2605	SOUTH	120	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

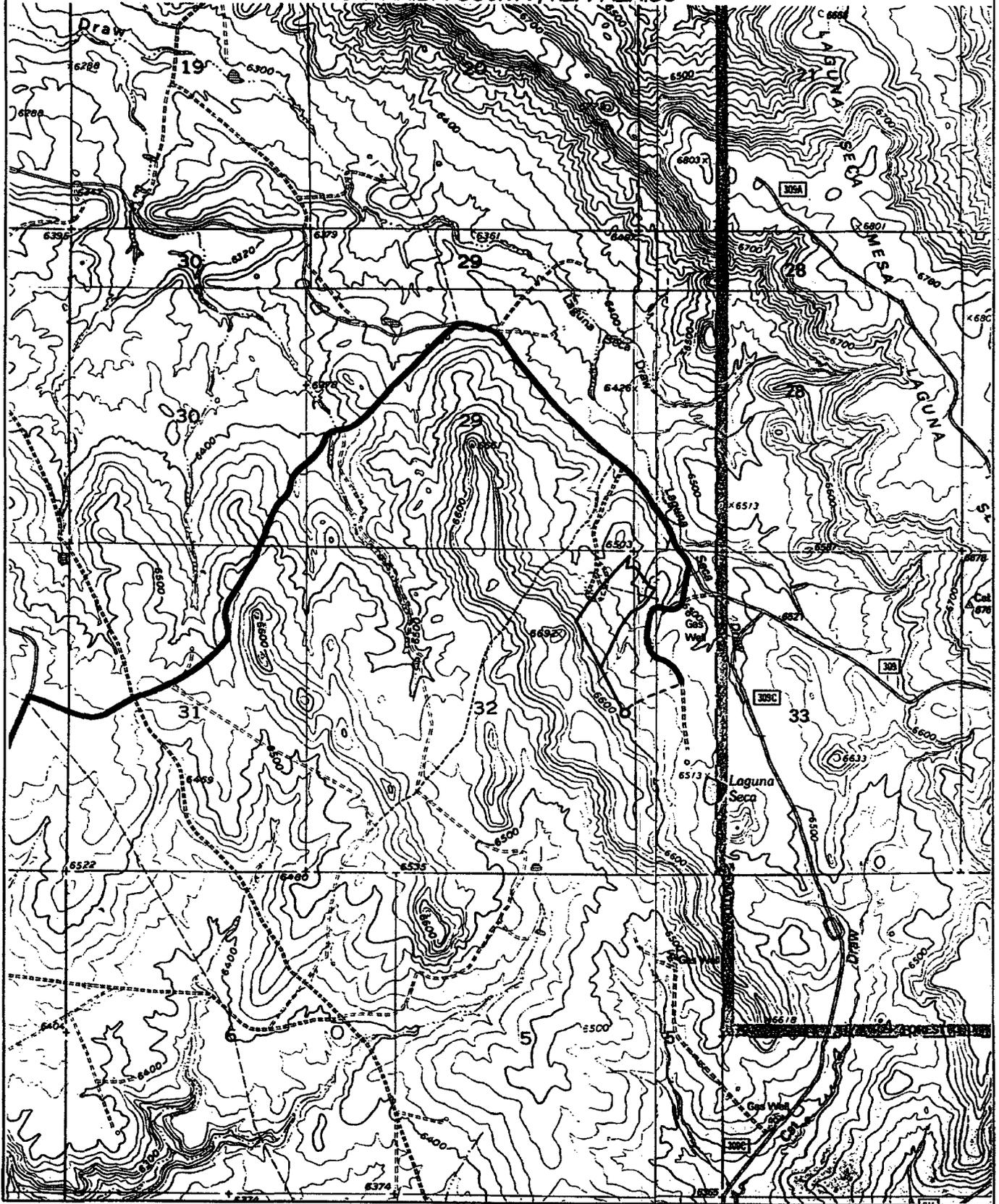
¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
320.0 Acres - (E/2)			

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

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief.</p> <p><i>[Signature]</i> Signature</p> <p>John C. Thompson Printed Name</p> <p>Engineer/Agent Title</p> <p>3/1/04 Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Survey Date: NOVEMBER 21, 2003</p> <p>Signature and Seal of Professional Surveyor</p> <p>JASON C. EDWARDS Certificate Number 15269</p>

Standard 640-acre
Section

WILLIAMS PRODUCTION COMPANY ROSA UNIT #26C
2605' FSL & 120' FEL, SECTION 32, T31N, R5W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO





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

February 20, 2004

BP America Production Company
Attn: Bryan G. Anderson
501 Westlake Park Blvd. (77079)
P.O. Box 3092
Houston, TX 77253-3092

SMUD
Attn: Barry Brunelle
P. O. Box 15830
Sacramento, CA 95852-1830

Re: Non-Standard Location Waiver
Proposed Rosa Unit #26C Mesaverde/Dakota Formation Well
2605' FSL & 120' FEL
E/2 Sec. 32, T31N, R5W
Rio Arriba County, New Mexico

Gentlemen:

William Production Company, as Rosa Unit Operator, plans to drill the Rosa Unit #26C Mesaverde/Dakota formation well to be located 2605' FSL and 120' FEL of Sec. 32, T31N, R5W (E/2 dedication). The proposed location constitutes a Non-Standard location for production from the Mesaverde and Dakota formations under the rules and regulations of the New Mexico Oil Conservation Commission.

Williams Production respectfully requests that you as the Offsetting Lessees in the Mesaverde and Dakota formations waive any and all objections to the Non-Standard location of the Rosa Unit #26C well by signing a copy of this letter in the space below and returning this waiver to the undersigned at your earliest convenience.

Sincerely,

A handwritten signature in black ink that reads "M. Vern Hansen". The signature is written in a cursive, flowing style.

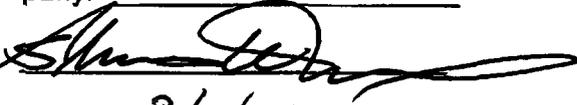
M. Vern Hansen
Staff Landman

Enclosure

Non-Standard Location Waiver
Rose Unit #26C
Page Two
2/20/04

Rosa Unit #26C Mesaverde/Dakota formation well Non-Standard location waiver approved:

Company: SMUD

By: 

Date: 3/1/04



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

February 20, 2004

BP America Production Company
Attn: Bryan G. Anderson
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SMUD
Attn: Barry Brunelle
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received
FEB 23 2004

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E/2 Sec. 32, T31N, R5W
Rio Arriba County, New Mexico

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M. Vern Hansen
Staff Landman

Enclosure

Non-Standard Location Waiver
Rose Unit #26C
Page Two
2/20/04

Rosa Unit #26C Mesaverde/Dakota formation well Non-Standard location waiver approved:

Company: **BP AMERICA PRODUCTION CO.**

By: *Bryan A Anderson*

Date: **FEB 24 2004**



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

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87505

RECEIVED

March 1, 2004

MAR 8 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Re: Williams Production Company Requests for Administrative Approval for Non-Standard Locations within the Rosa Unit

Dear Mr. Stogner,

Williams Production Company is requesting an administrative approval to construct the following wells in non-standard locations for primarily drainage and topography issues.

Rosa 23C
Rosa 26C
Rosa 88B
Rosa 146A
Rosa 153B
Rosa 184B

Please find enclosed individual applications as well as the "latest" maps showing the participating areas for the Mesaverde and Dakota formations within the Rosa Unit.

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

Sincerely,

John C. Thompson
Engineer

cc: Steve Hyden - NMOCD Aztec
Larry Higgins - WPX

Stogner, Michael

From: John Thompson [john@walsheng.net]
Sent: Monday, March 01, 2004 10:39 AM
To: Stogner, Michael
Subject: NSL

Mr. Stogner,

Just wanted to give you a heads up on some NSL's that Williams Production wants to apply for (I'm sure just what you wanted to hear). Actually, I quit working for them last year but I guess they couldn't find anybody else to do the paperwork!

On the list of wells that they have given me, it looks like they are mostly NSL because of drainage or topo (or both).

I do have one question that I need help with. In the Mesaverde pool, if the well (a Mesaverde well) is located outside the Participating Area but within the boundaries of the Federal Unit do the setback requirements change back to 660' or are they still 10'?

Talk to you soon, hope all is well.

Thanks, John Thompson
Walsh Engineering & Production

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For more information please visit <http://www.messagelabs.com/email>

BP America, MUD 26 078771 37	Williams, BP America, SMUD 25 SF-078766 30	Williams, BP America, SMUD 30 SF-078764 18	Williams, BP America, SMUD 20 SF-078764 18	Williams, BP America, SMUD 29 SF-078764 18	Williams, BP America, SMUD 21 SF-079165	SF-078764 18	Williams, BP America, SMUD 28 SF-078769 17	Williams, BP America, SMUD 27 SF-07877 16
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Williams, BP America, SMUD 35 36.48	Williams, BP America, SMUD 36 36.48	Williams, BP America, SMUD 31 36.48 18	Williams, BP America, SMUD 32 E-347 25	Williams, BP America, SMUD 32 E-347 27	Williams, BP America, SMUD 33 SF-078773 28	Williams, BP America, SMUD 34 SF-07877 28
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11	12	7	8	9
2	1	6	5	4

Mesa Verde

<p>SF-078771 37</p>	<p>SF-078767 14</p>	<p>BP America Prod. Co. 26</p>	<p>BP America Prod. Co. 20</p>	<p>BP America Prod. Co. SF-078764 18</p>	<p>SF-078769 17</p>	<p>SF-078771 16</p>
<p>BP America Prod. Co. 26</p>	<p>BP America Prod. Co. 25</p>	<p>BP America Prod. Co. 30</p>	<p>BP America Prod. Co. 20</p>	<p>BP America Prod. Co. SF-078764 18</p>	<p>BP America Prod. Co. 28</p>	<p>BP America Prod. Co. 27</p>
<p>SF-078771 37</p>	<p>SF-078766 39</p>	<p>SF-078764 18</p>	<p>BP America Prod. Co. SF-078764 18</p>	<p>BP America Prod. Co. SF-079165 21</p>	<p>SF-078769 17</p>	<p>SF-078771 16</p>
<p>35</p>	<p>36</p>	<p>BP America Prod. Co. 31</p>	<p>Williams, BP America E-347 25</p>	<p>Williams, Turner E-347 27</p>	<p>BP America Prod. Co. 33</p>	<p>BP America Prod. Co. 34</p>
<p>2</p>	<p>1</p>	<p>6</p>	<p>5</p>	<p>4</p>	<p>SF-078773 28</p>	<p>SF-078773 28</p>

Basin - Dakota