



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

June 20, 2007

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 Dakota Location
Rosa Unit #188C
API # 3003929909
SW4 Sec. 34, T31N, R5W
880' FSL & 2450' FWL*

Dear Mr. Fesmire:

Williams Production Co., LLC, is requesting administrative approval to construct the Rosa Unit #188C as a dual Mesaverde/Dakota with the Dakota being non-standard. 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 non-standard to the east by 470 feet.

Williams has already been issued an APD for drilling a standard infill Mesaverde well by the BLM. A copy of the front page of the APD is enclosed for your review.

Williams intends to make the well a dual well thereby capturing the reserves from the Dakota with a single well bore. 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. Utilizing a single well bore for a dual completion would also negate the need for additional disturbance of another wellpad, road, and pipeline.

The surface location was picked by considering drainage patterns from the offset Mesaverde wells. In particular, the drainage patterns we are trying to avoid are from the Rosa Unit #184A in the northeast of 34, the Rosa Unit #188A in the northwest of 34, the Rosa Unit #184 in the southeast of 34, the Rosa Unit #188C in the southwest of 34, the

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Rosa Unit #188B in the southwest of 34, and the Rosa Unit #2A in the northwest of 3 (T30N, R5W). See 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.

The offset unit's working interest and mineral owners to the east are common with the subject unit therefore there are no "affected persons."

Enclosed for your reference are copies of the Participating Area maps for the Mesaverde and Dakota Formations. As you can see, the east half of section 34 is not in a PA, nor is the west half. Both areas are in a PA in the Mesaverde Formation.

The spacing unit for the Mesaverde is the west half and the other Mesaverde wells in the spacing unit are the Rosa Unit #188, #188A and #188B.

The spacing unit for the Dakota is the west half and there are no other Dakota wells in the spacing unit.

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 the APD
Plat
Topographic map
Drainage Map
PA Maps (MV & DK)

Copy: Unit C

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

5. Lease Serial No.
NMSF-078773
6. If Indian, Allottee or Tribe Name

2006 MAY 12 AM 8 34

1a. Type of Work: DRILL REENTER

RECEIVED

7. If Unit or CA Agreement, Name and No.
Rosa Unit NMMNM-078407A

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

070 FARMINGTON NM

8. Lease Name and Well No.
188C

2. Name of Operator

Williams Production Company, LLC

9. API Well No.
30-039-29909

3a. Address

P.O. Box 640 Aztec, NM 87410

3b. Phone No. (include area code)

(505) 634-4208

10. Field and Pool, or Exploratory
Blanco Mesaverde

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface 880' FSL & 2450' FWL

At proposed prod. zone same

11. Sec., T., R., M., or Blk. and Survey or Area

Section 34, 31N, 5W

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) 880'

16. No. of Acres in lease

1,920.00

17. Spacing Unit dedicated to this well

320.0 (W/2)

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1500'

19. Proposed Depth

6,491

20. BLM/BIA Bond No. on file

WT0647 UTB000178

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

6,712' GR

22. Approximate date work will start*

June 1, 2006

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

Larry Higgins

Name (Printed/Typed)

Larry Higgins

Date

5-11-06

Title

Drilling COM

Approved by (Signature)

[Signature]

Name (Printed/Typed)

Date

4/13/07

Title

AFM

Office

FFD

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 Blanco Mesaverde 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 1150-foot on-lease access road and a 1352.30-foot pipeline tie would be required for this location. Williams Field Services has filed a pipeline route plan for the associated pipeline. The pipeline would be owned and operated by Williams Field Services.

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

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

¹ API Number		² Pool Code		³ Pool Name	
		72319 / 71599		BLANCO MESAVERDE / BASIN DAKOTA	
⁴ Property Code		⁵ Property Name			⁶ Well Number
17033		ROSA UNIT			188C
⁷ OGRID No.		⁸ Operator Name			⁹ Elevation
120782		WILLIAMS PRODUCTION COMPANY			6712'

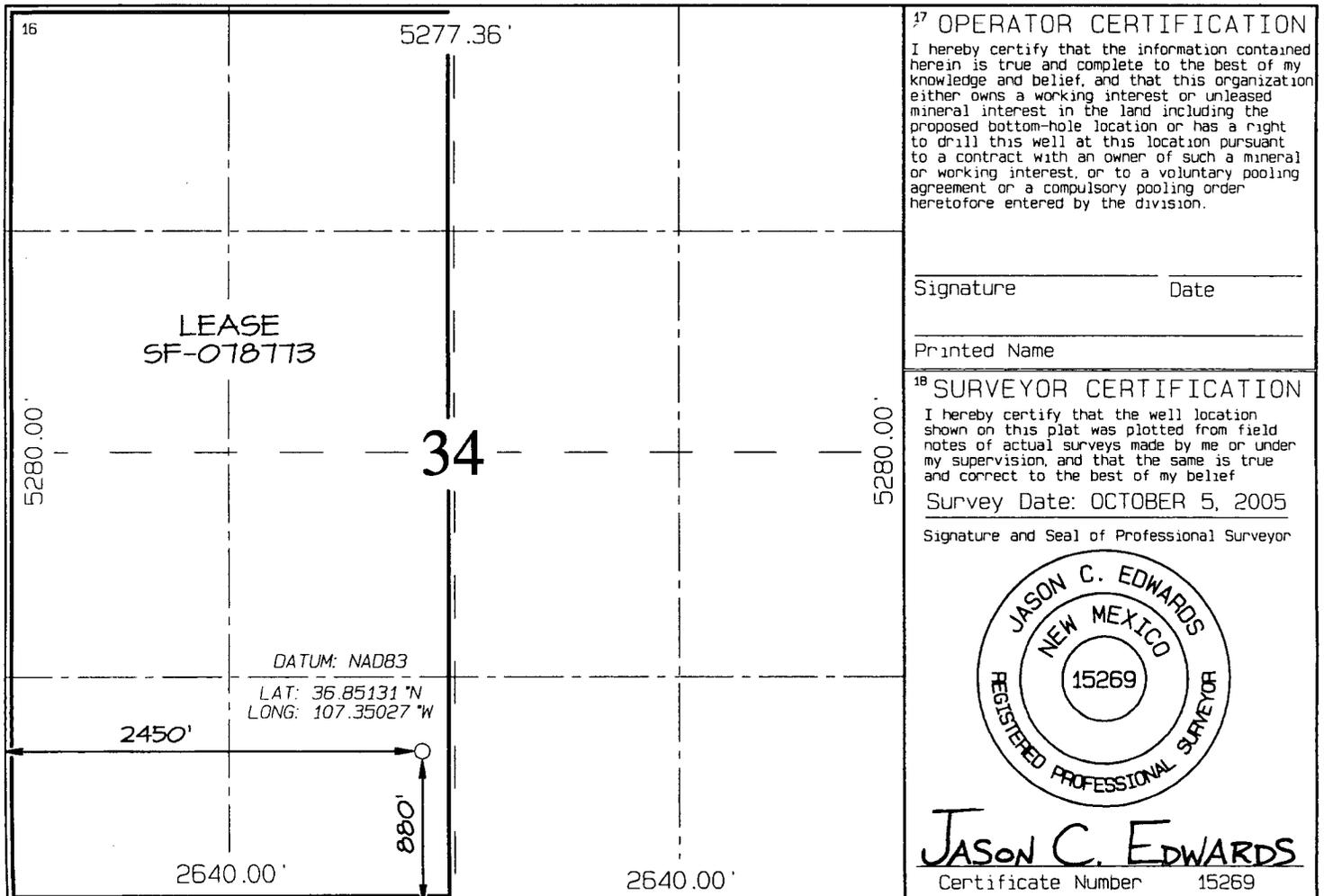
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idh	Feet from the	North/South line	Feet from the	East/West line	County
N	34	31N	5W		880	SOUTH	2450	WEST	RIO ARRIBA

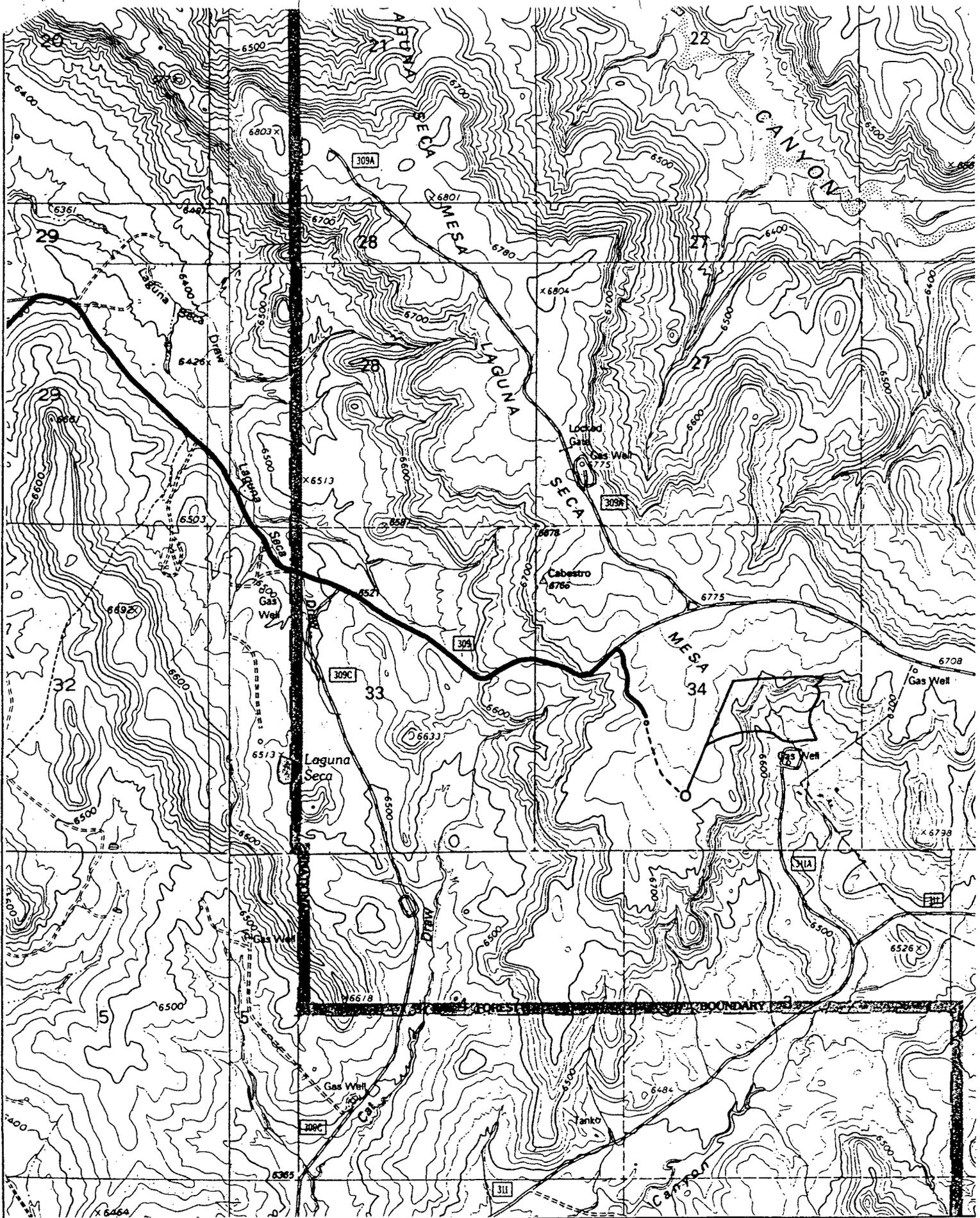
¹¹ Bottom Hole Location If Different From Surface

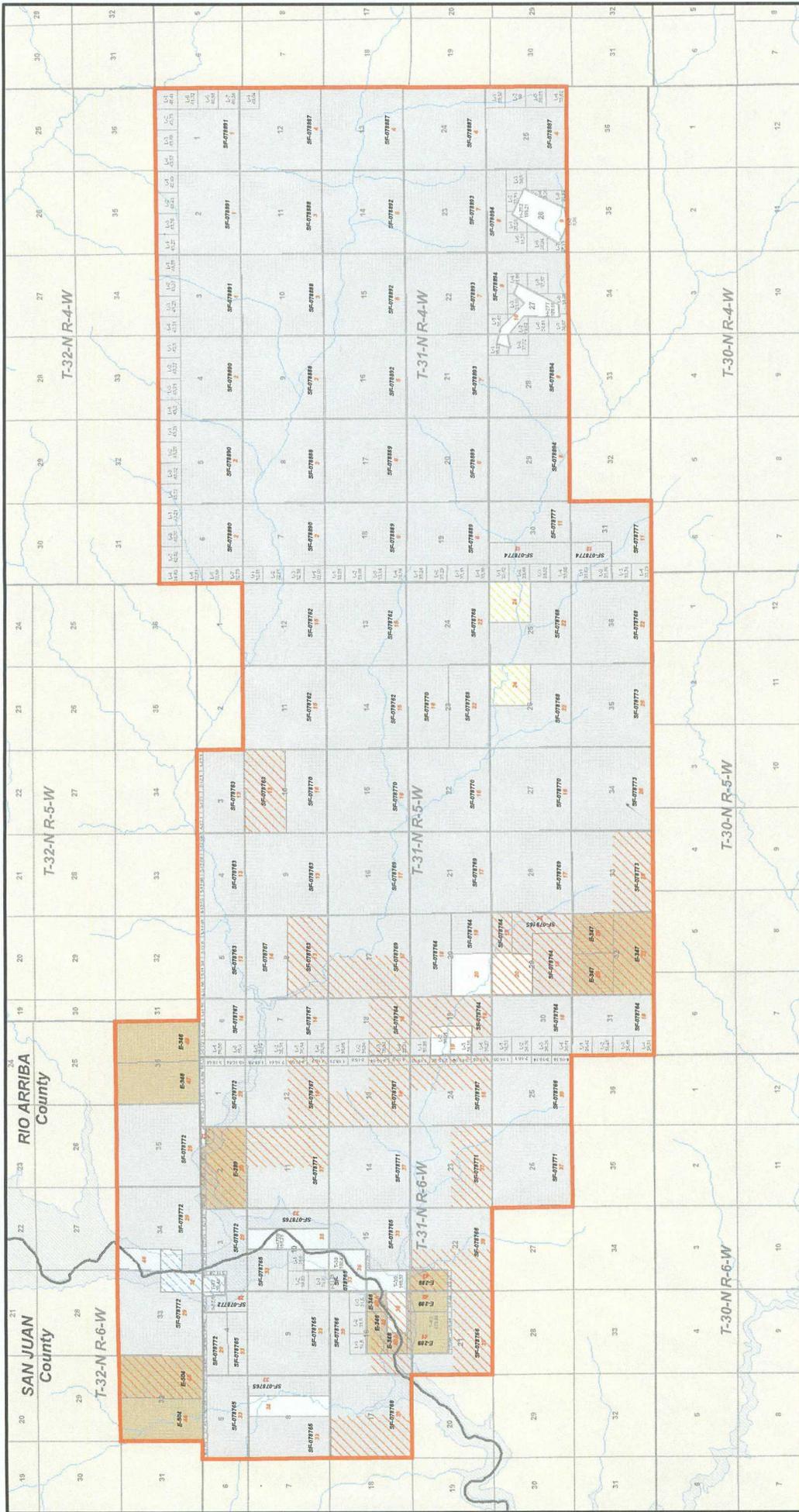
UL or lot no.	Section	Township	Range	Lot Idh	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres					¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.		
320.0 Acres - W/2 (MV)									
320.0 Acres - W/2 (DK)									

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



880' FSL & 2450' FWL, SECTION 34, T31N, R5W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO





Williams Exploration & Production

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

Scale: 1:172,000
Date: 3/7/2007
Projection: NAD 1983 State Plane NM West
Author: SA

Dakota Participating Area-18th Expansion

Mineral Ownership

Federal

Fee

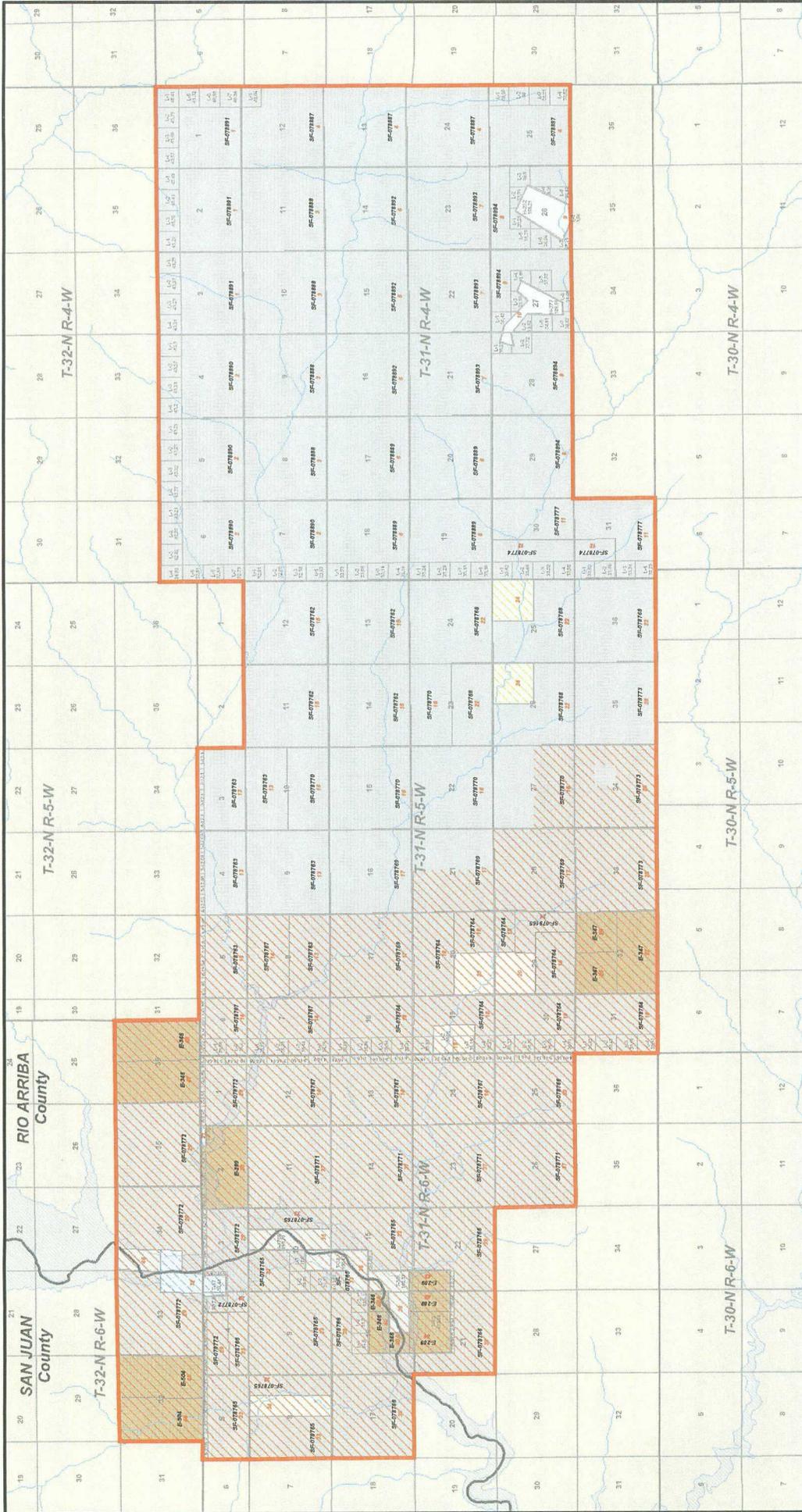
Partially Committed

State

Not Committed

Rosa Unit Tract No: **XX**

Map Document: (G:\Project\San_Juan\Rosa_Unit\Participating_Areas\rosa-unit_06_0a.mxd)
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Williams **Williams** **Williams**

Evaporation & Production

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

Scale: 1:72,000 Projection: NAD 1983 State Plane NM West
 Date: 3/7/2007 Author: SA

12,000 Feet

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

Rosa Unit Tract No: XX

Map Document: (G:\Project\San_Juan\Rosa_Unit\Participating_Areas\rosa-unit_mv_ga.mxd)
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