

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:

- [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

RECEIVED
2007 JUN 29 AM 10 14

[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 Signature

Regulatory Specialist 6/27/07
 Title 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

June 27, 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 #14C
API # 3003930132
NE4 Sec. 23, T31N, R6W
2,505' FNL & 895' FEL*

Dear Mr. Fesmire:

Williams Production Co., LLC, is requesting administrative approval to construct the Rosa Unit #14C 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 south by 525 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 #14A in the southeast of 23, the Rosa Unit #14 in the northeast of 23, and the Rosa Unit #14B in the southeast of 23. See drainage map.

Mark E. Fesmire

June 27, 2007

Page 2 of 2

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 mineral owners are common but the offset working interest owners to the south are not common with the subject unit therefore we have included a list of affected persons for your review. Williams has given notice to the listed parties in accordance with Division Rules.

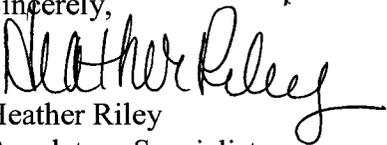
Enclosed for your reference are copies of the Participating Area maps for the Mesaverde and Dakota Formations. As you can see, in the Dakota Formation, the north half of section 23 is not in a PA and the south half is. Those areas are, however, in a PA for the Mesaverde Formation.

The spacing unit for the Mesaverde is the east half and the other Mesaverde wells in the spacing unit are the Rosa Unit #14, #14A, and #14B.

The spacing unit for the Dakota is the north half and the only other Dakota well in the spacing unit is the Rosa Unit #51.

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)



WILLIAMS PRODUCTION COMPANY, LLC
One Williams Center
P.O. Box 3102
Tulsa, OK 74101-3102
918/573-6169

June 27, 2007

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

AFFECTED INTEREST OWNERS

Re: Application of Williams Production Company, LLC for administrative approval of an unorthodox well location for its proposed Rosa Unit #14C Dakota formation well to be drilled at a location 2505 feet from the North line and 895 feet from the East line of Section 23, Township 31 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date by Williams Production Company, LLC for administrative approval of an unorthodox well location for its Rosa Unit #14C, to be drilled to the Dakota formation at a location 2505 feet from the North line and 895 feet from the East line of Section 23, Township 31 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico. The N/2 of Sec.23, T31N, R6W, a standard 320-acre spacing unit, is dedicated to the well.

As an owner of an interest that may be affected by the proposed well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office that is located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application for an unorthodox well location may be approved.

Enclosures

Sincerely,

A handwritten signature in black ink that reads "M. Vern Hansen".

M. Vern Hansen, CPL
Staff Landman

Rosa Unit #14C Dakota Formation Well
Affected Interest Owners
(Dakota Participating Area Owners)

BP AMERICA PRODUCTION CO.
ATTN: JOHN LARSON
P.O. BOX 3092
HOUSTON, TX 77253-3092

MR. J. GLENN TURNER, JR., LLC
3838 OAK LAWN, SUITE 1450
DALLAS, TX 75219

MS. ELIZABETH T. CALLOWAY
P.O. BOX 191767
DALLAS, TX 75219-1767

MR. FRED E. TURNER, LLC
4925 GREENVILLE AVENUE, #852
DALLAS, TX 75206-4079

MARY FRANCES TURNER, JR TRUST
ATTN: BARRY L. DOMINICK
TX1-2931
P O BOX 660197
DALLAS, TX 75266-0197

MR. JOHN L. TURNER
PMB 285
317 SIDNEY BAKER SOUTH #400
KERRVILLE, TX 78028

FOREST OIL CORPORATION
ATTN: KEN MCPHEE
1600 BROADWAY, SUITE 2200
DENVER, CO 80202

Copy: Team Lead

Form 3160-3
(September 2001)

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-078771

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
Rosa Unit NMM-78407-MV

8. Lease Name and Well No.
14C

9. API Well No.
30-039-30132

10. Field and Pool, or Exploratory
Blanco Mesaverde

11. Sec., T., R., M., or Blk. and Survey or Area
Section 23. 31N. 6W

12. County or Parish
Rio Arriba

13. State
NM

1a. Type of Work: DRILL REENTER

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

2. Name of Operator
Williams Production Company, LLC

3a. Address
P.O. Box 640 Aztec, NM 87410

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

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface 2505' FNL & 895' FEL
At proposed prod. zone

14. Distance in miles and direction from nearest town or post office*
approximately 25 miles northeast of Blanco, New Mexico

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
895'

16. No. of Acres in lease
2560.00

17. Spacing Unit dedicated to this well
320.00 - (E/2)

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
1000'

19. Proposed Depth
6,064'

20. BLM/BIA Bond No. on file
UT0847 UTO899

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6,275' GR

22. Approximate date work will start*
April 1, 2007

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
Larry Higgins

Name (Printed/Typed)
Larry Higgins

Date
12-6-06

Title
Drilling COM
Approved by (Signature)
[Signature]
Title
AFM

Name (Printed/Typed)
Office
FFO

Date
1/24/07

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 develop the Blanco Mesaverde formation 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.

This APD is also serving as an application to obtain a pipeline right-of-way. An associated pipeline tie of 862.60 feet would be required for this location.

This action is subject to review at the BLM/FFO and appeal pursuant to 43 CFR 3160.3 and appeal pursuant to 43 CFR 3165.4

OPERATOR

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

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			14C
⁷ OGRID No.		⁸ Operator Name			⁹ Elevation
120782		WILLIAMS PRODUCTION COMPANY			6275'

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	23	31N	6W		2505'	NORTH	895'	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) - MV 320.0 Acres (N/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

¹⁷ OPERATOR CERTIFICATION

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.

Signature _____ Date _____

Printed Name _____

¹⁸ SURVEYOR CERTIFICATION

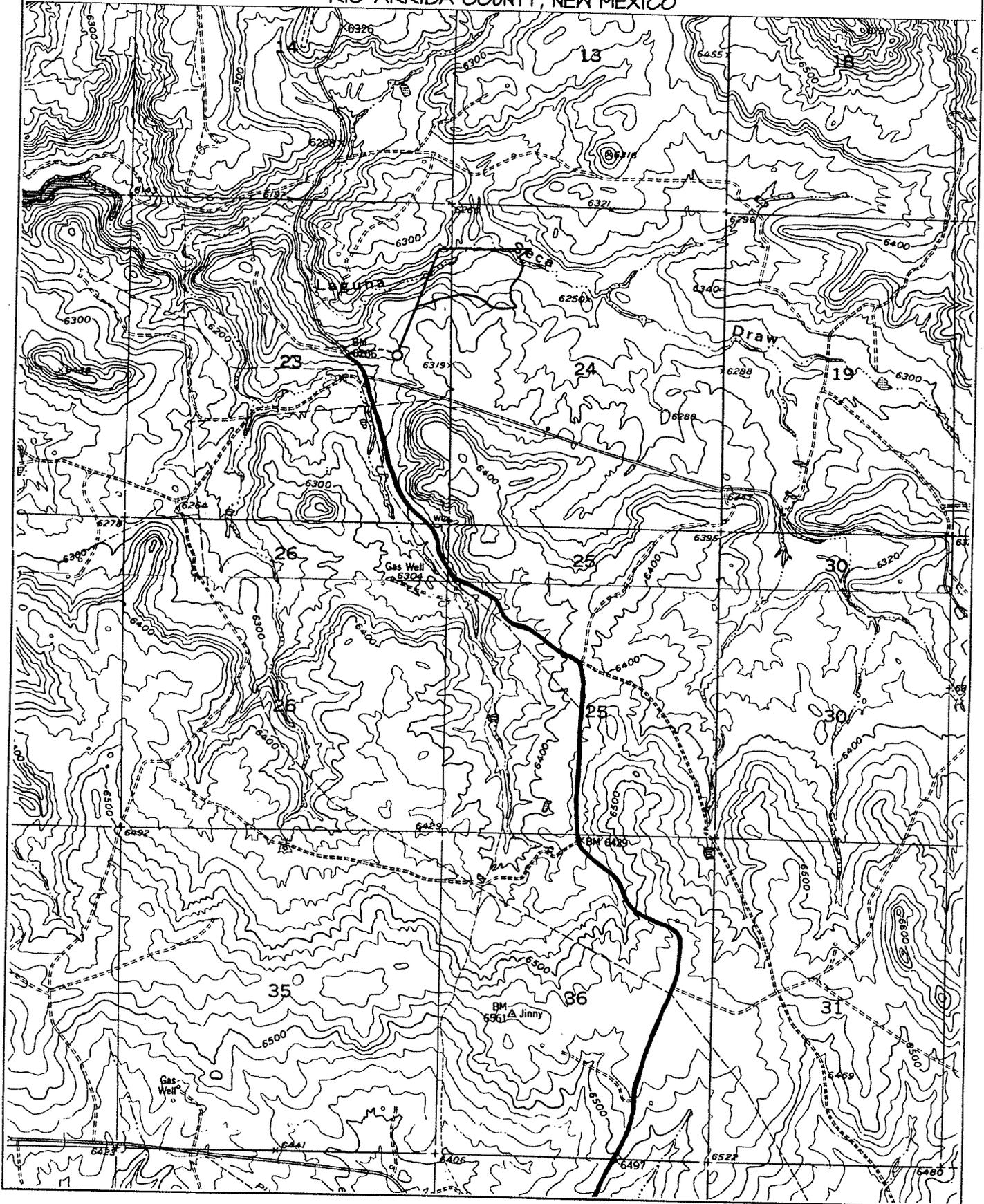
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

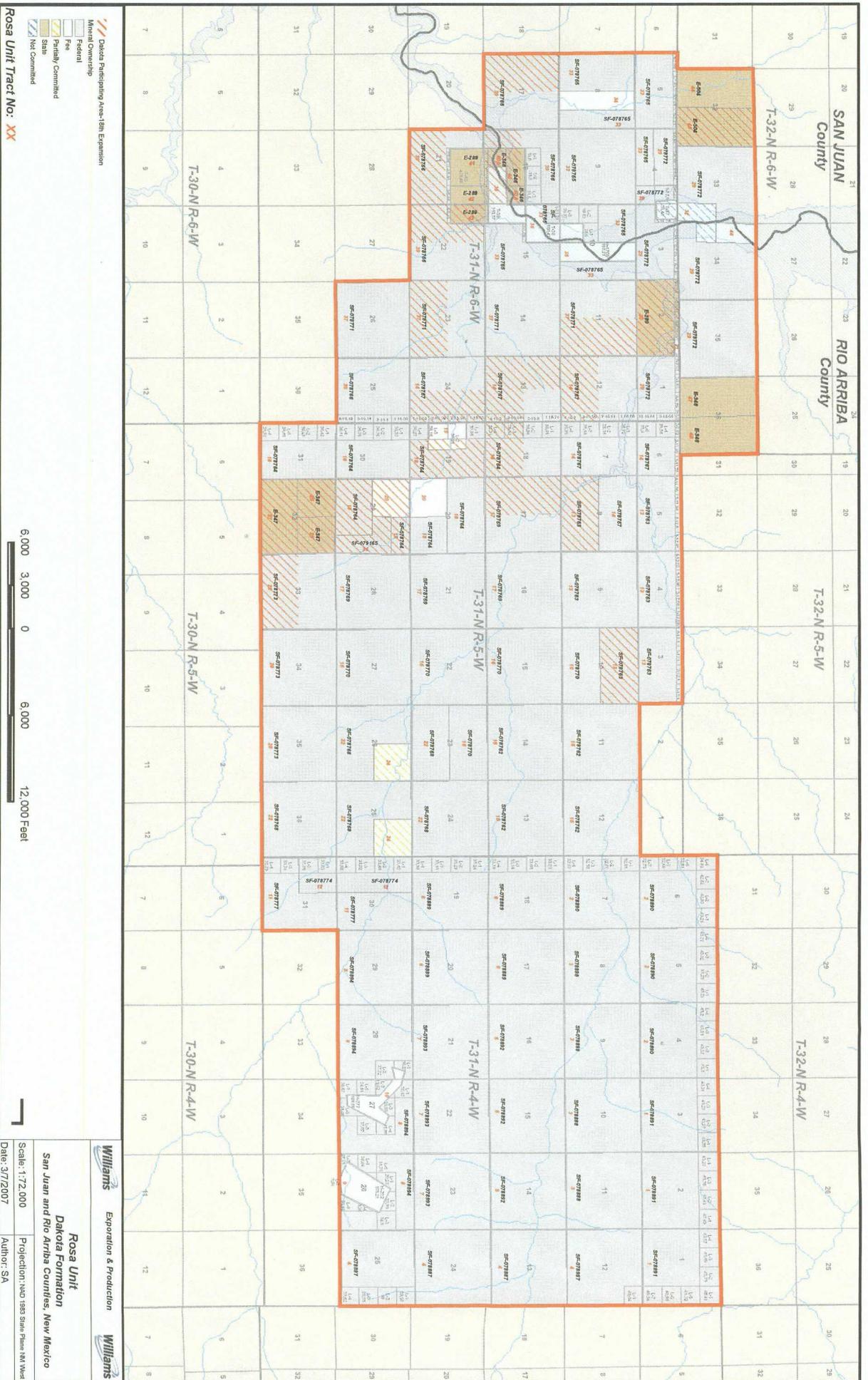
Date Revised: JUNE 3, 2007
Date of Survey: APRIL 19, 2006

Signature and Seal of Professional Surveyor

JASON C. EDWARDS
Certificate Number 15269

WILLIA. PRODUCTION COMPANY ROE UNIT #14C
2505' FNL & 895' FEL, SECTION 23, T31N, R6W, N.M.P.M.
RIO ARRIBA COUNTY, NEW MEXICO





Rosa Unit Tract No: **XX**

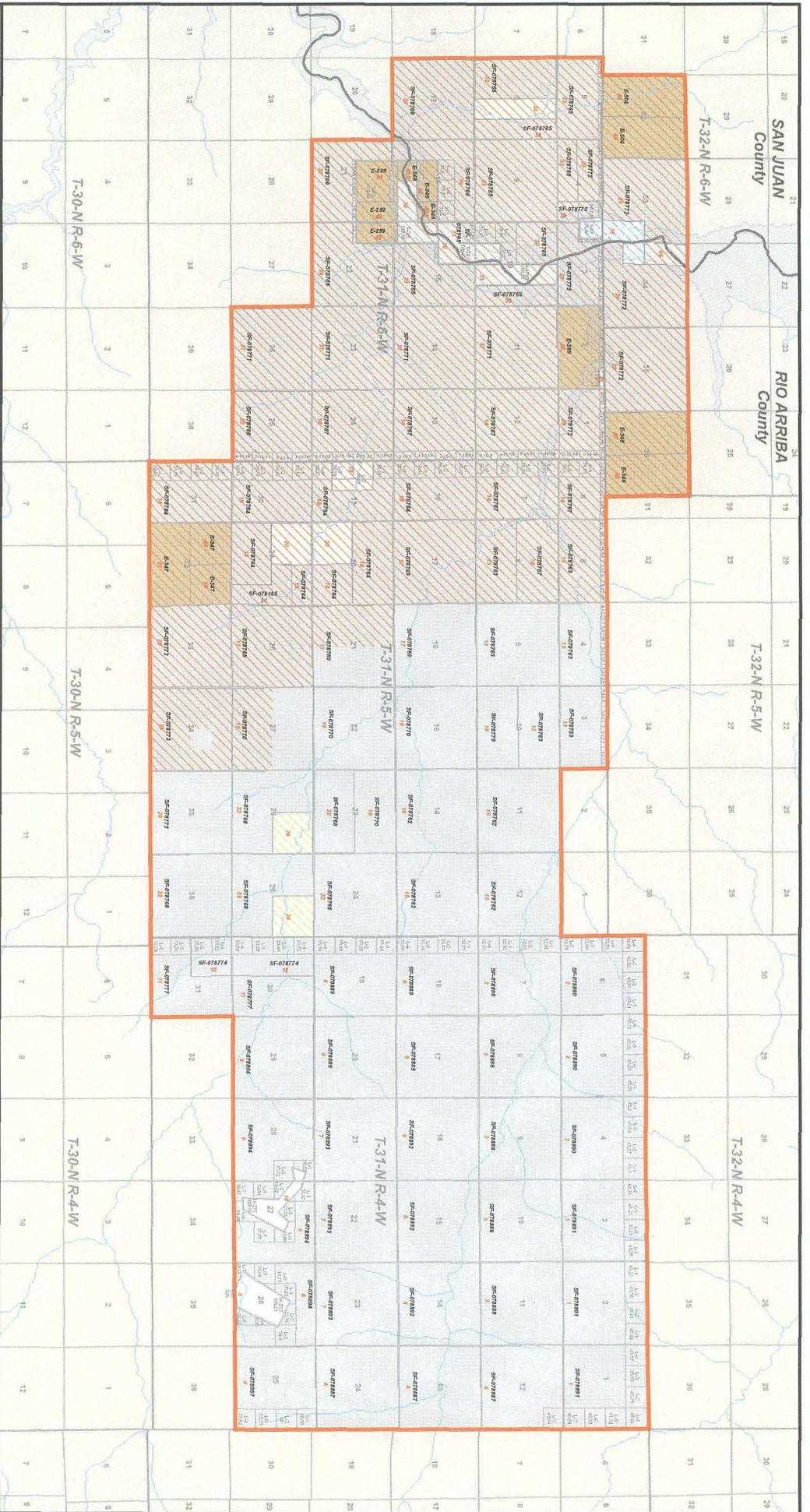


Williams Evaporation & Production **Williams**

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

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

Map Document: G:\Project\San_Juan\Rosa_Unit\Participating_Assessors-unit_of_Jr.mxd
3/7/2007 - 11:52:23 AM



- Mesaverde Participating Area/20th Expansion
- Mineral Ownership
- Federal
- Fee
- Partially Committed
- State
- Not Committed

Rosa Unit Tract No. XX



Williams	Evaporation & Production	Williams
Rosa Unit		
Mesaverde Formation		
San Juan and Rio Arriba Counties, New Mexico		
Scale: 1:172,000	Projection: NAD 1983 State Plane (N, M) 1444	
Date: 3/7/2007	Author: SA	