

DATE IN 8/9/07	SUSPENSE	D. BROOKS ENGINEER	LOGGED IN 8/16/07	TYPE NSL	APP NO. pTDS0722837306
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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



Williams
Rosa Unit #13B
5675

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.

Print or Type Name _____ Signature _____ Title _____ Date _____

e-mail Address



RECEIVED
2007 AUG 9 AM 9 50

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

August 8, 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 #13B
API # 30-039-29834
NE4 Sec. 31, T31N, R5W
595' FNL & 645' FEL*

Dear Mr. Fesmire:

Williams Production Co., LLC, is requesting administrative approval to construct the Rosa Unit #13B as a dual Mesaverde/Dakota with the Dakota being non-standard. Section 31, T31N, R5W was established as a non-standard spacing unit by Order No. R-2046-B dated July 18, 2007. 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 north by 65 feet and to the east by 15 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.

Mark E. Fesmire
August 8, 2007
Page 2 of 2

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 #13 in the northeast of 31, the Rosa Unit #162B in the southeast of 30, and the Rosa Unit #137A in the southeast of 31. 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 mineral owners are common but the working interest owners are not; therefore, we have enclosed a list of the 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. Sections 30, 31, and 32 are all in the PA for the Mesaverde. As for the Dakota, sections 30 and 31 are not in the PA but section 32 is.

The spacing unit for the Mesaverde is the north half and the other Mesaverde wells in the spacing unit are the Rosa Unit #13 and #13A.

The spacing unit for the Dakota is the north 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)
Affected Interest Owners List and Letter

Copy: Rig

Form 3160-3
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMSF-078764

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
Rosa Unit

8. Lease Name and Well No.
13B

9. API Well No.
30-039-29834

10. Field and Pool, or Exploratory
Blanco Mesaverde

11. Sec., T., R., M., or Blk. and Survey or Area
Section 31, 31N, 5W

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 Lot A: 595' FNL & 645' FEL
At proposed prod. zone same

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)
595'

16. No. of Acres in lease
2,507.30

17. Spacing Unit dedicated to this well
232.89 - (N/2)

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

19. Proposed Depth
6,250'

20. BLM/BIA Bond No. on file
UT0847

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6,536' GR

22. Approximate date work will start*
April 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:

- 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
3/07/06

Title
Drilling COM

Approved by (Signature)
D. Mantecor

Name (Printed/Typed)
Office
FTO

Date
5/25/06

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 directional well 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.
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 390.20 feet would be required for this location.

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

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

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

Form C-102
Revised October 12, 2005
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 72319 / 71599		³ Pool Name BLANCO MESAVERDE / BASIN DAKOTA	
⁴ Property Code 17033		⁵ Property Name ROSA UNIT			⁶ Well Number 13B
⁷ OGRID No 120782		⁸ Operator Name WILLIAMS PRODUCTION COMPANY			⁹ Elevation 6536'

¹⁰ Surface Location

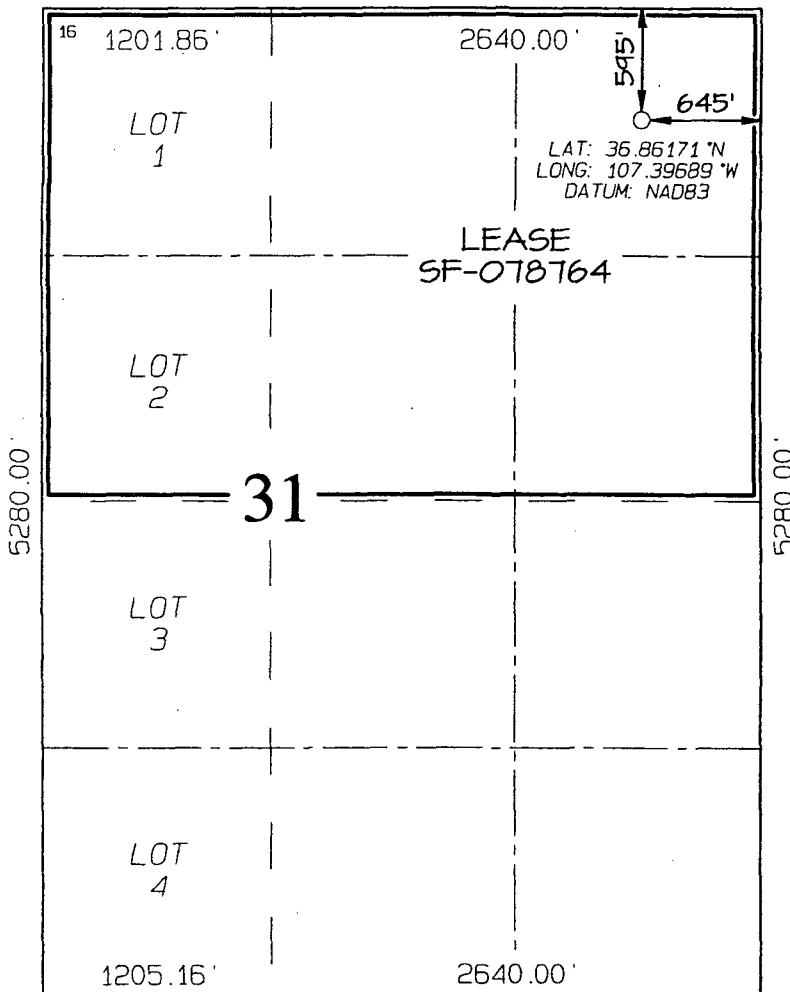
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	31	31N	5W		595	NORTH	645	EAST	RIO ARRIBA

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 232.89 Acres - (N/2)				¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

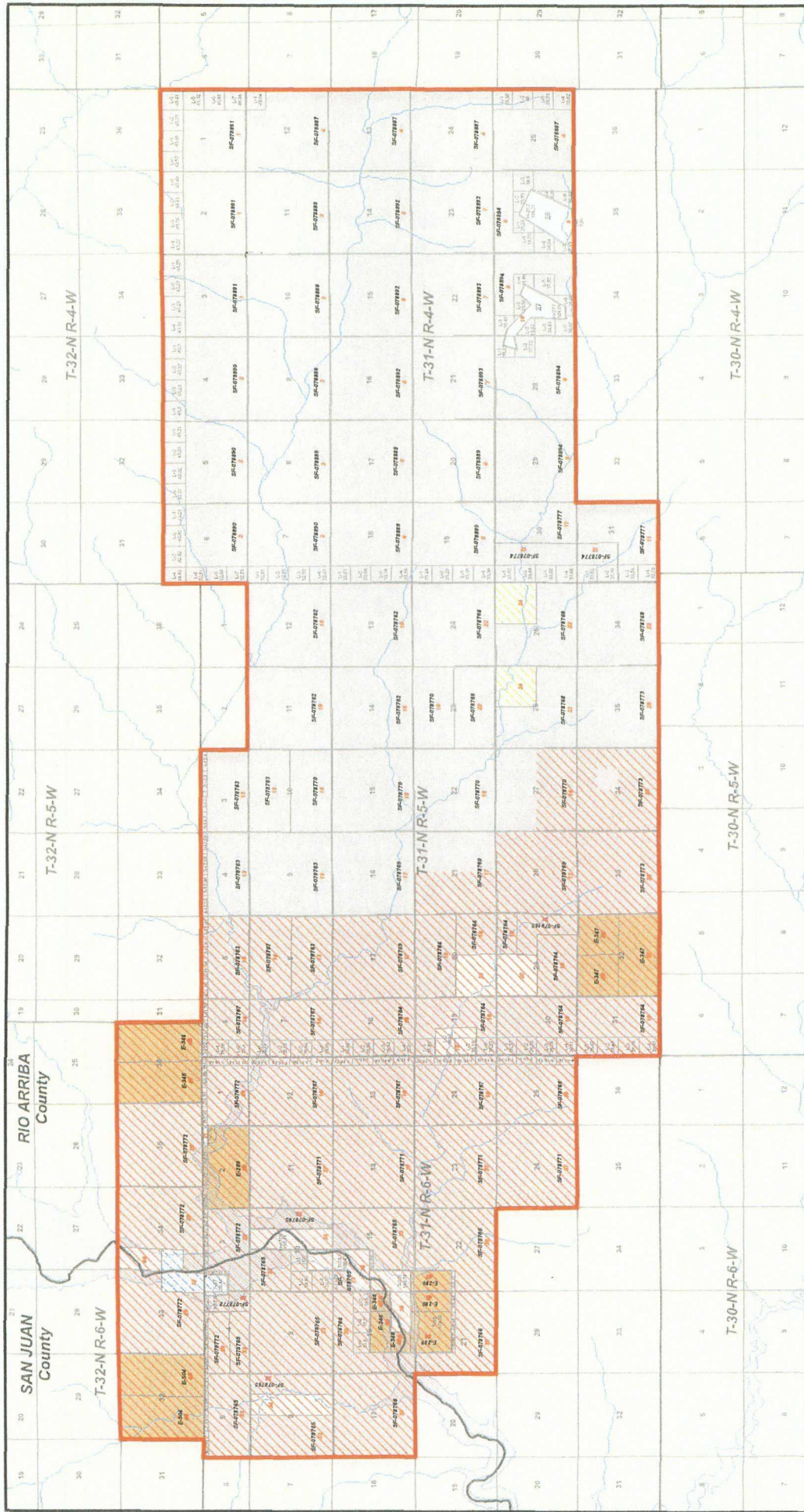
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief



Survey Date: JANUARY 24, 2006

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269




 Exploration & Production


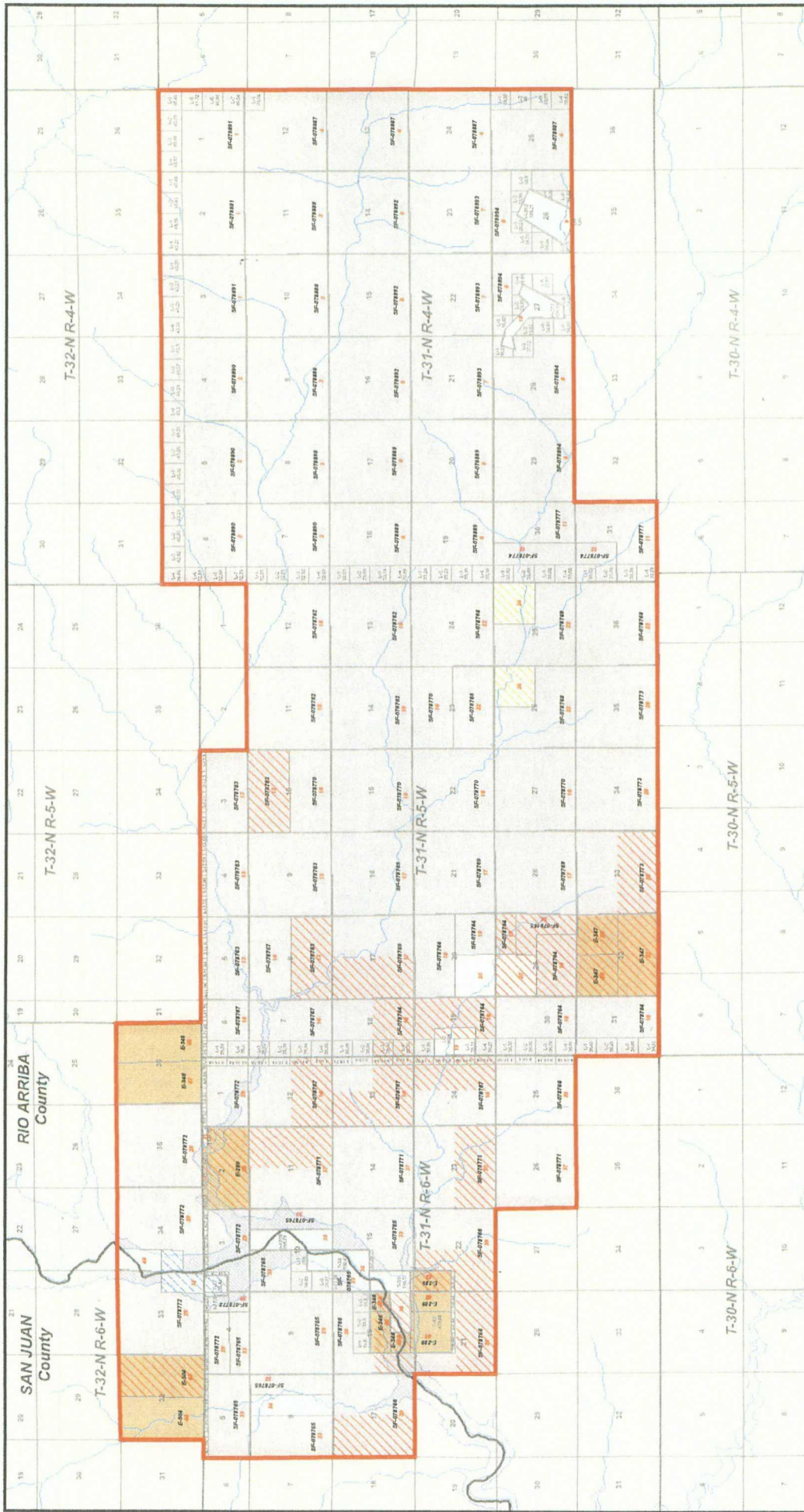
Rosa Unit
 Mesaverde Formation
 San Juan and Rio Arriba Counties, New Mexico

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



Mesaverde Participating Area-25th Espansin
 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_mv_25.mxd
 3/7/2007 - 11:09:57 AM



Williams Exploration & Production **Williams**

Dakota Participating Area-18th Extension

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_0k_00.mxd
3/7/2007 - 11:03:29 AM

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

Scale: 1:72,000 Projection: NAD 1983 State Plane N41 West
Date: 3/7/2007 Author: SA



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

August 7, 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 #13B Dakota formation well to be drilled at a location 595 feet from the North line and 645 feet from the East line of Section 31, Township 31 South, Range 5 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 #13B, to be drilled to the Dakota formation at a location 595 feet from the North line and 645 feet from the East line of Section 31, Township 31 South, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. The N/2 of Sec. 31, T31N, R5W, a non-standard 232.89 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, appearing to read "M. Vern Hansen".

M. Vern Hansen, CPL
Staff Landman

**Rosa Unit #13B Dakota Formation Well
Affected Interest 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

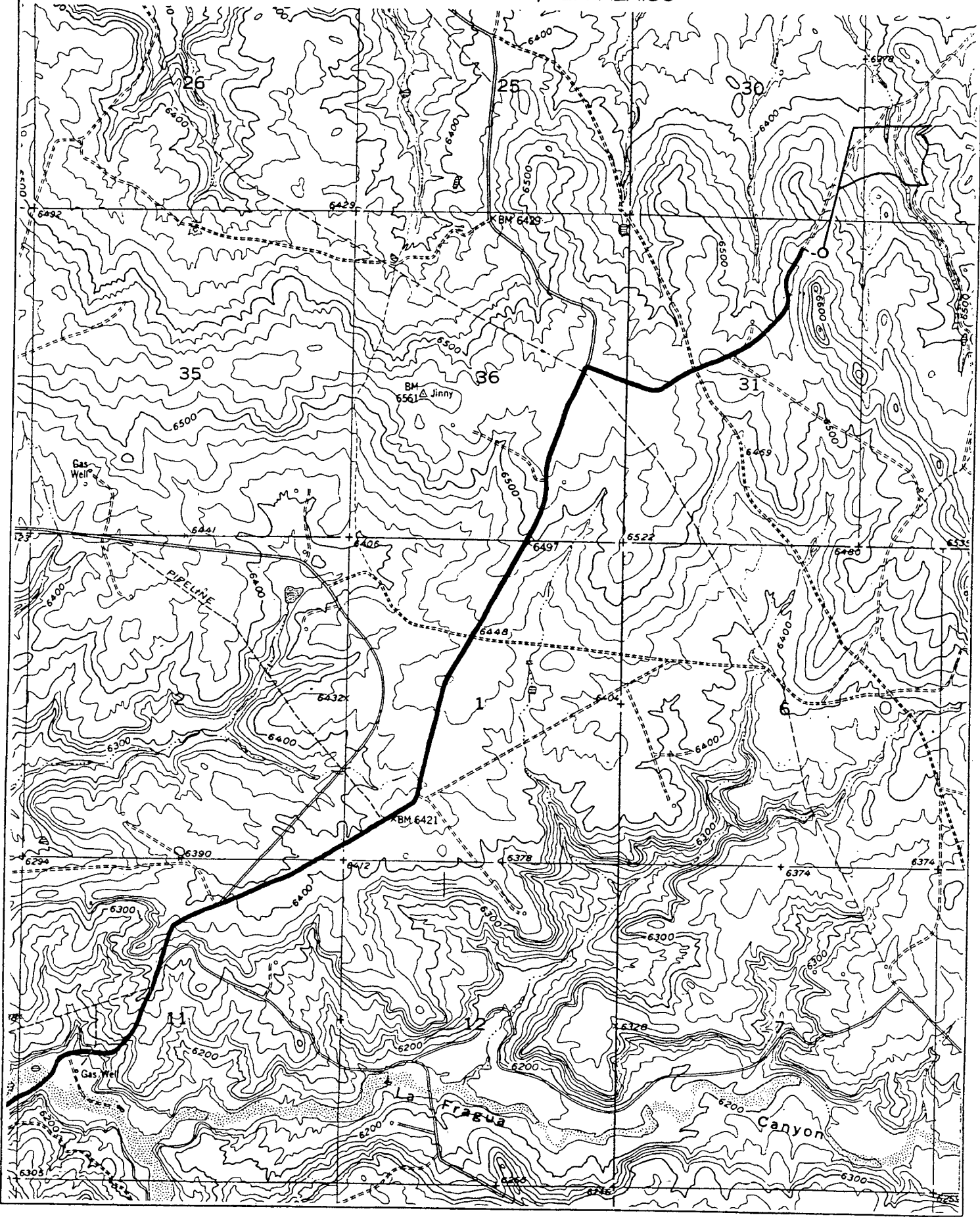
MR. FRED E. TURNER, LLC
4925 GREENVILLE AVENUE, #852
DALLAS, TX 75206-4079

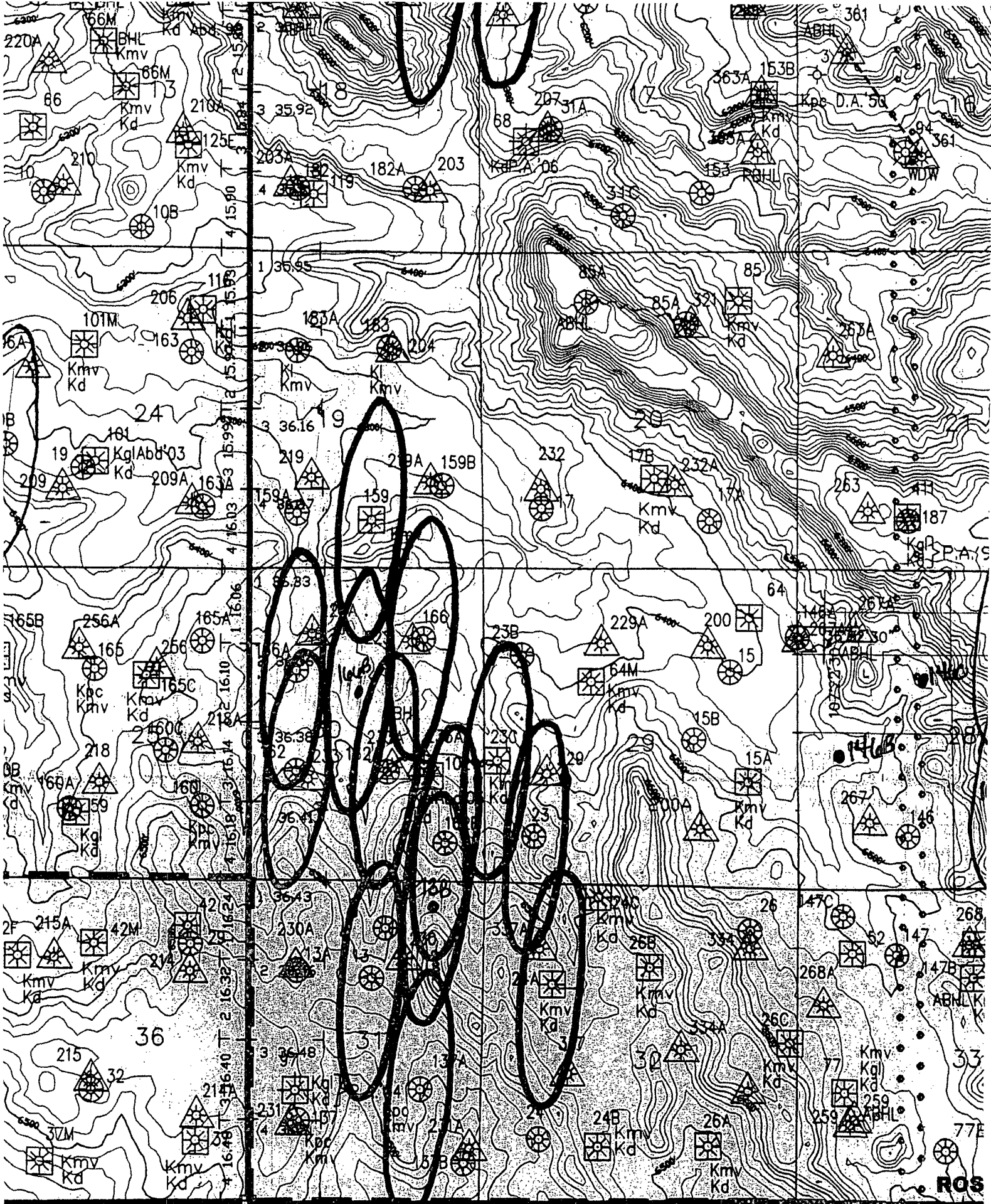
MARY FRANCES TURNER, JR TRUST
ATTN: BARRY L. DOMINICK
TX1-2931
P O BOX 660197
DALLAS, TX 75266-0197

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

FOREST OIL CORPORATION
ATTN: KEN MCPHEE
707 17th STREET
DENVER, CO 80202

WILLIAMS PRODUCTION COMPANY ROS, JNIT #13B
595' FNL & 645' FEL, SECTION 31, T31N, R5W, N.M.P.M.
RIO ARRIBA COUNTY, NEW MEXICO





T31N R5W

RCS

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Wednesday, August 22, 2007 5:51 PM
To: Riley, Heather (E&P)
Subject: NSL Application - Rosa Unit #13B

Ms. Riley

This application does not include sufficient information for us to determine whether you have given notice to all affected persons.

Since Williams is the operator of the unit, and therefore of all affected sections, notice is required, as you have correctly recognized, to all affected working interest owners. Normally that would include all working interest owners in the W/2 of Section 32, the S/2 of Section 29 and the S/2 of Section 30. However, since Sections 29 and 32 are in the Dakota PA, as depicted on the map attached to your application, I believe notice is required to all WI owners in the Dakota PA. Since your application and accompanying materials do not identify the ownership of the persons whom you have notified, we have no means of ascertaining if you have notified the necessary parties.

Please certify, if this is the case, that the list of persons notified includes all WI owners in the Dakota PA, as well as all separate WI owners in the Dakota in the S/2 of Section 32. Otherwise, please notify persons in this category not included in your previous notice, and provide proof of notice to such additional parties.

Thanks

David K. Brooks
Legal Examiner

8/22/2007

Brooks, David K., EMNRD

From: Riley, Heather (E&P) [Heather.Riley@Williams.com]
Sent: Thursday, August 23, 2007 7:24 AM
Subject: Read: NSL Application - Rosa Unit #13B

Your message

To: Heather.Riley@Williams.com
Subject:

was read on 8/23/2007 7:24 AM.

Brooks, David K., EMNRD

From: Hansen, Vern (E&P) [Vern.Hansen@Williams.com]
Sent: Thursday, August 23, 2007 12:49 PM
To: Brooks, David K., EMNRD
Cc: Riley, Heather (E&P)
Subject: RE: NSL Application - Rosa Unit #13B
Attachments: 08 Amended NSL Notice Rosa 13B DK letter.doc

Mr. Brooks,

The list of Affected Parties contained in the NSL Notice for the Rosa Unit #13B is complete as to the Dakota Participating Area and the Drill Block working interest owners in the sections listed below. However, in reviewing our NSL Application for The Rosa #13B, the statement that the Mineral Ownership is common is incorrect. Section 32 is State Land, the S/2 of 29 and the S/2 of 30 is Federal. I have prepared an Amended NSL Notice that will be sent to BLM and the Commissioner of Public Lands this afternoon. I have attached the NSL Notice for your review. I apologize for the error; do you want us to amend our NSL Application also?

Thank you,
Vern Hansen

From: Riley, Heather (E&P)
Sent: Thursday, August 23, 2007 12:02 PM
To: Hansen, Vern (E&P)
Cc: Higgins, Larry (E&P); Winters, Lacey (E&P)
Subject: FW: NSL Application - Rosa Unit #13B

Vern,

Another one to respond to.

Heather

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Wednesday, August 22, 2007 6:51 PM
To: Riley, Heather (E&P)
Subject: NSL Application - Rosa Unit #13B

Ms. Riley

This application does not include sufficient information for us to determine whether you have given notice to all affected persons.

Since Williams is the operator of the unit, and therefore of all affected sections, notice is required, as you have correctly recognized, to all affected working interest owners. Normally that would include all working interest owners in the W/2 of Section 32, the S/2 of Section 29 and the S/2 of Section 30. However, since Sections 29 and 32 are in the Dakota PA, as depicted on the map attached to your application, I believe notice is required to all WI owners in the Dakota PA. Since your application and accompanying materials do not identify the ownership of the persons whom you have notified, we have no means of ascertaining if you have notified the necessary parties.

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8/23/2007

as all separate WI owners in the Dakota in the S/2 of Section 32. Otherwise, please notify persons in this category not included in your previous notice, and provide proof of notice to such additional parties.

Thanks

David K. Brooks
Legal Examiner

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This inbound email has been scanned by the MessageLabs Email Security System.

8/23/2007

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Friday, August 24, 2007 9:58 AM
To: 'Hansen, Vern (E&P)'
Subject: RE: NSL Application - Rosa Unit #13B

Mr. Hansen

OCD does not require notice to mineral owners of NSL applications unless their interest is unleased. Please advise if any of these mineral owners own unleased interest. If not, the previous notice is sufficient, and the application will be ripe for consideration on August 28.

Thanks

David K. Brooks
Legal Examiner

From: Hansen, Vern (E&P) [mailto:Vern.Hansen@Williams.com]
Sent: Thursday, August 23, 2007 12:49 PM
To: Brooks, David K., EMNRD
Cc: Riley, Heather (E&P)
Subject: RE: NSL Application - Rosa Unit #13B

Mr. Brooks,

The list of Affected Parties contained in the NSL Notice for the Rosa Unit #13B is complete as to the Dakota Participating Area and the Drill Block working interest owners in the sections listed below. However, in reviewing our NSL Application for The Rosa #13B, the statement that the Mineral Ownership is common is incorrect. Section 32 is State Land, the S/2 of 29 and the S/2 of 30 is Federal. I have prepared an Amended NSL Notice that will be sent to BLM and the Commissioner of Public Lands this afternoon. I have attached the NSL Notice for your review. I apologize for the error; do you want us to amend our NSL Application also?

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David K. Brooks
Legal Examiner

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8/24/2007

Brooks, David K., EMNRD

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Your message

To: Vern.Hansen@Williams.com
Subject:

was read on 8/24/2007 9:58 AM.

Brooks, David K., EMNRD

From: Hansen, Vern (E&P) [Vern.Hansen@Williams.com]
Sent: Friday, August 24, 2007 10:02 AM
To: Brooks, David K., EMNRD
Subject: RE: NSL Application - Rosa Unit #13B

Mr. Brooks,
There are no unleased mineral owners in these sections.
Thanks,
Vern Hansen

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Friday, August 24, 2007 11:58 AM
To: Hansen, Vern (E&P)
Subject: RE: NSL Application - Rosa Unit #13B

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This application does not include sufficient information for us to determine whether you have given notice to all affected persons.

Since Williams is the operator of the unit, and therefore of all affected sections, notice is required, as you have correctly recognized, to all affected working interest owners. Normally that would include all working interest owners in the W/2 of Section 32, the S/2 of Section 29 and the S/2 of Section 30. However, since Sections 29 and 32 are in the Dakota PA, as depicted on the map attached to your application, I believe notice is required to all WI owners in the Dakota PA. Since your application and accompanying materials do not identify the ownership of the persons whom you have notified, we have no means of ascertaining if you have notified the necessary parties.

Please certify, if this is the case, that the list of persons notified includes all WI owners in the Dakota PA, as well as all separate WI owners in the Dakota in the S/2 of Section 32. Otherwise, please notify persons in this category not included in your previous notice, and provide proof of notice to such additional parties.

Thanks

David K. Brooks
Legal Examiner

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8/24/2007