

DATE IN <u>8/27</u>	SUSPENSE	ENGINEER <u>brooks</u>	LOGGED IN <u>2/27</u>	TYPE <u>NSL</u>	PTFW APP NO. <u>0923953312</u>
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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 (120782)

Rosa Unit

ADMINISTRATIVE APPLICATION CHECKLIST #035D

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

30-045 34989

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]

See June

[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 _____

2009 AUG 27 P 1:10
 RECEIVED OCD

[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.

Heather Riley
Print or Type Name

Heather Riley
Signature

Regulatory Specialist 8/25/09
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

August 25, 2009

Mark E. Fesmire
NEW MEXICO OIL CONSERVATION DIVISION
1220 South Saint Francis Drive
Santa Fe, NM 87505

*Re: Request for Administrative Approval of a Non-Standard Basin Mancos and Basin Dakota Location
Rosa Unit #035D
API # 30-045-34989
SHL: 1020' FSL & 705' FEL, Sec. 5, T31N, R6W
BHL: 1200' FSL & 300' FEL, Sec. 5, T31N, R6W*

Dear Mr. Fesmire:

Williams Production Co., LLC ("Williams"), pursuant to the provisions of Division Rule 104, hereby seeks administrative approval of an unorthodox location for the Basin Mancos (97232) and the Basin Dakota (71599) formations in Rosa Unit Well #035D. This is a directional well with a bottom hole location of 1200' FSL & 300' FEL, Sec. 5, T31N, R6W. This well will be a triple completion in the Mesaverde, Basin Mancos and Basin Dakota formations and is part of the Pilot Project pursuant to Order No. R-13123 which allows for one additional Mesaverde infill well on each standard 320-acre gas proration unit.

Pursuant to Order No. R-12984, spacing requirements allow for up to 4 Basin Mancos wells in a standard spacing unit and for wells inside a federal exploratory unit and in a non-participating spacing unit they shall not be closer than 660 feet to the outer boundary of its spacing unit. Additionally, 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 encroaching to the east (Section 4) by 360 feet.

Williams intends to capture the reserves from the Mesaverde, Basin Mancos and Dakota formations with a single well bore. Not only will the multiple completion help capture additional reserves that otherwise would not be able to be economically developed, but utilizing a single well bore for a triple completion will also negate the need for additional disturbance of another wellpad, road, and pipeline.

Mark E. Fesmire
August 25, 2009
Page 2 of 2

The surface for this well is being located on a multi-well pad, therefore, we will be utilizing existing surface disturbance. The bottom hole location was chosen by considering drainage patterns from the existing Mesaverde wells in that spacing unit, i.e. the Rosa Unit #035X, #035A, #035B, and #035C. Further, drainage patterns from the other offset Mesaverde wells were also considered. They are the Rosa Unit #060 and #060B in the W2 of 4, the Rosa Unit #167A and #167B in the NE of 8, the Rosa Unit #180A and #180C in the NW of 9, and the Rosa Unit #029M in the SE of 32, T32N, R6W. See attached 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.

Enclosed for your reference are copies of the Participating Area maps for the Mesaverde and Dakota Formations. All of Sections 5 and 4 are in the PA in the Mesaverde Formation therefore no setback requirements apply. Sections 5 and 4 are not in the PA in the Dakota formation, therefore setback requirements do apply. There is no PA in the Mancos so setback requirements apply in that formation as well.

The offset unit's working interest and mineral interest owners to the east are common in the Mancos and the Dakota so notice is not required.

The spacing unit for all three formations is the entire section. The other Mesaverde wells in the spacing unit are the Rosa Unit #035X, #035A, #035B, and #035C. There are no other Mancos or Dakota wells.

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 APD
Plat
Drainage Map
PA Maps (MV & DK)
Mineral ownership map

DATE
C: M
C: D
C: M
C: W
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

C. SIMPSON

Sign 7/7/09

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

5. Lease Serial No.
NMSF-078765
6. If Indian, Allottee or Tribe Name

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

7. If Unit or CA Agreement, Name and No.
NMSU 75-407A-MV
Rosa Unit

8. Lease Name and Well No.
Rosa Unit #035D

4. Location of Well (Report location clearly and in accordance with any State requirements*)
At surface 1020' FSL & 705' FEL
At proposed prod. zone 1200' FSL & 300' FEL

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JUL 07 2009
WPX

9. API Well No.
3004534989
10. Field and Pool, or Exploratory
Blanco Mesa Verde/Basin Mancos/Basin Dakota
11. Sec., T., R., M., or Blk. and Survey or Area
Section 5, 31N, 6W

14. Distance in miles and direction from nearest town or post office*
approximately 30 miles northeast of Blanco, New Mexico

12. County or Parish
San Juan
13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
705'

16. No. of Acres in lease
2,460.23

17. Spacing Unit dedicated to this well
350.16 Acres - (Entire Section)

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
35' Rosa 236A

19. Proposed Depth
8,155'

20. BLM/BIA Bond No. on file
599
UT0847

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6,332' GR

22. Approximate date work will start*
July 1, 2009

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 6-11-09
Title Drilling COM

Approved by (Signature) *[Signature]*
Name (Printed/Typed) AFM
Date 7/2/09
Title AFM
Office FFO

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 Production Company, LLC, proposes to develop the Blanco Mesa Verde, Basin Mancos and Basin Dakota formations 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.

No new access road will be required for this proposed well.

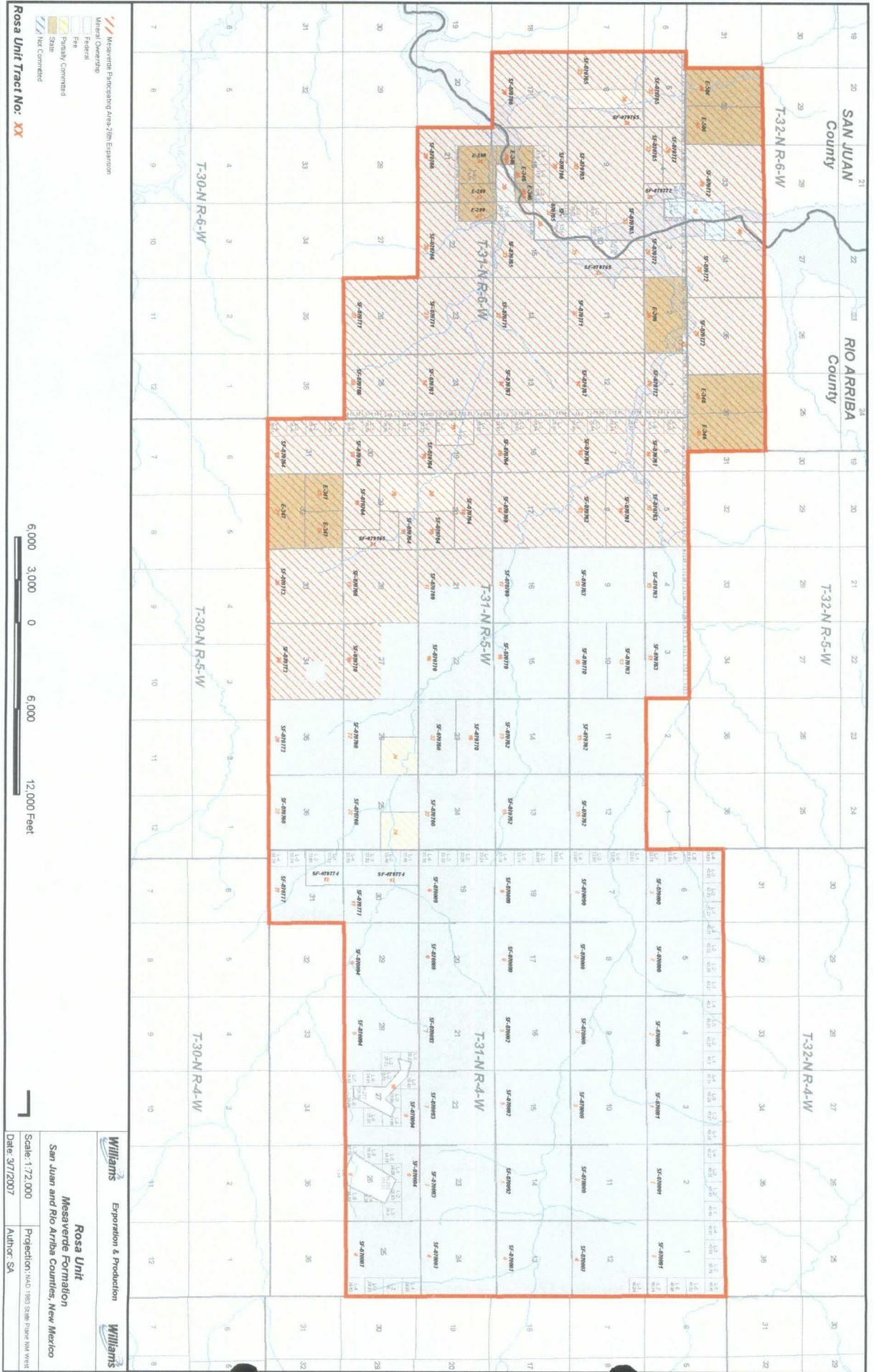
This APD is also serving as an application to obtain a pipeline right-of-way. An associated pipeline tie of 166.4 feet would be required for this well.

This well was originally staked as the Rosa Unit No. 604.

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

OPERATOR
SUBJECT TO THE TERMS AND CONDITIONS WITH ATTACHED 'GENERAL REQUIREMENTS'.

This action is subject to technical and procedural review pursuant to 43 CFR 3165.9 and applicable to 43 CFR 3165.4

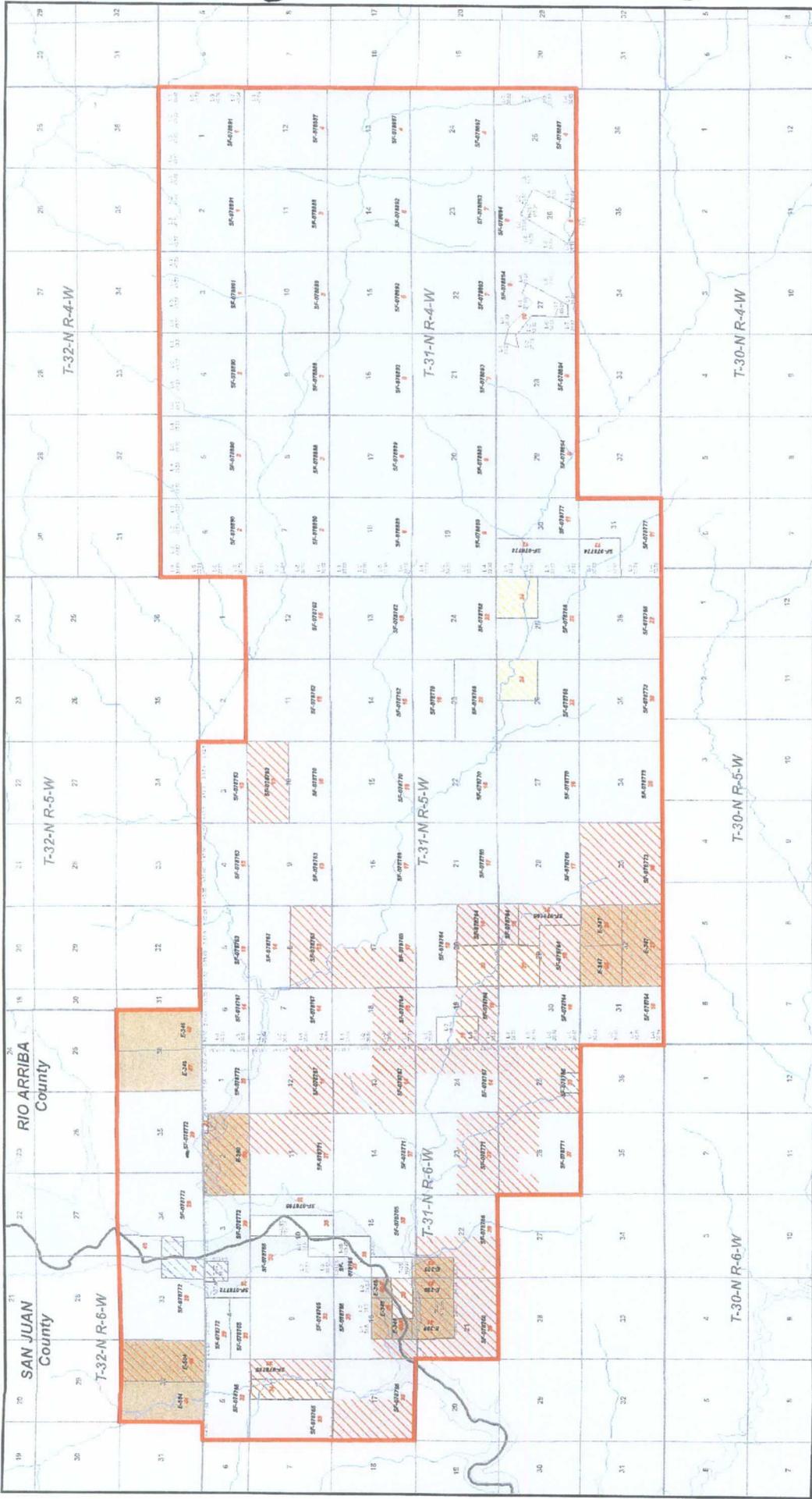


Rosa Unit Tract No. XX



Williams Evaporation & Production Williams
Rosa Unit
 Mesaverde Formation
 San Juan and Rio Arriba Counties, New Mexico
 Scale: 1:72,000
 Date: 3/7/2007
 Projection: NAD 83 Spher. Pipe. NM VERT
 Author: SA

Map Document: G:\Project\San_Juan\Rosa_Unit\Participating_Areas\rosasunt_fm_28.mxd
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Exploration & Production

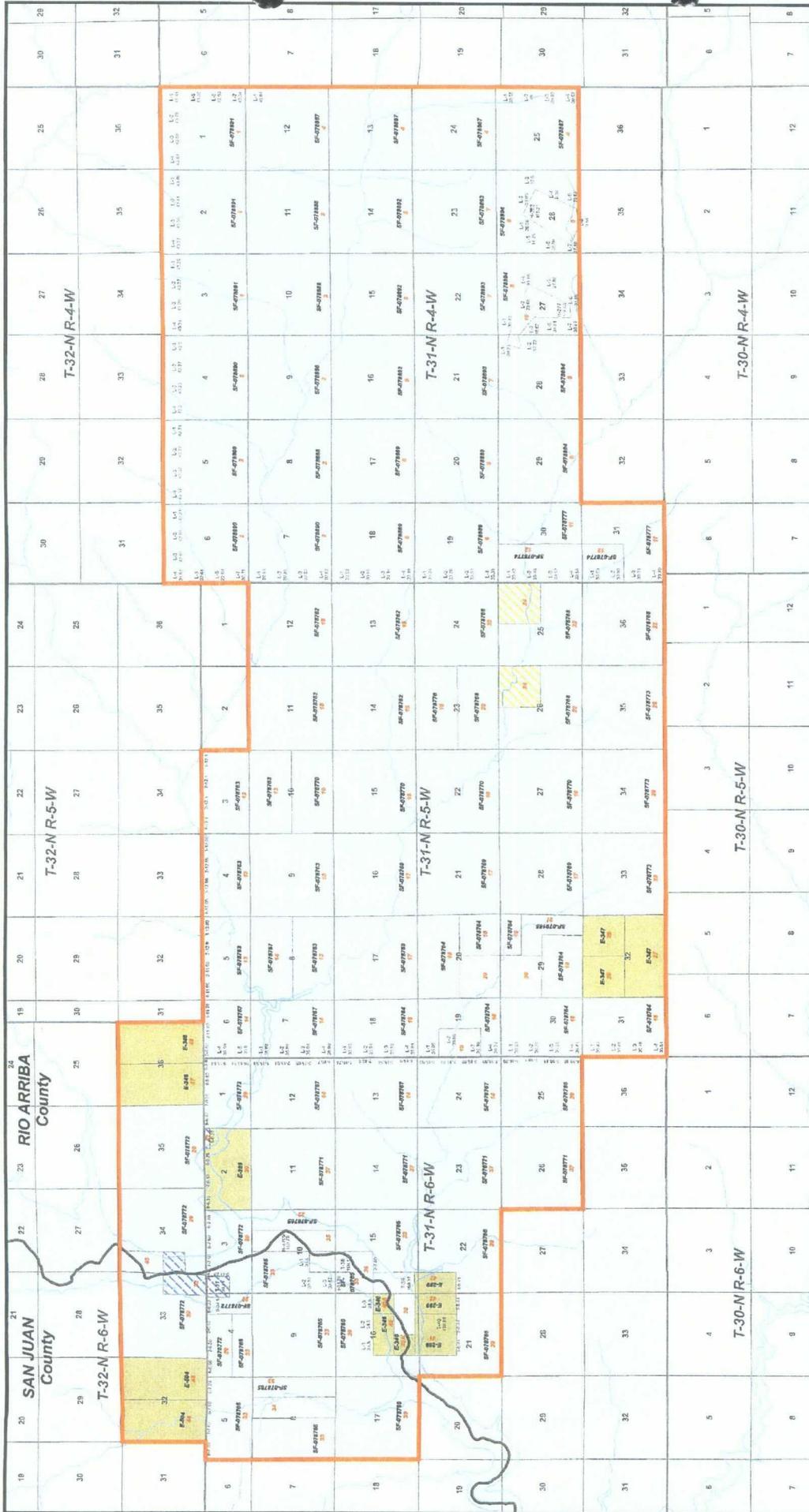
Rosa Unit
 Dakota Formation
 San Juan and Rio Arriba Counties, New Mexico

Scale: 1:72,000 Projection: NAD 1983 State Plane N.M. West
 Date: 4/5/2008 Author: TJ

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

Rosa Unit Tract No: XX

Map Document: \\sum\apps\ogis\ProjectSan_Juan\Rosa_Unit\Participating_Areas\rosas unit_0k_m_19-22.mxd
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Exploration & Production

Rosa Unit
 San Juan and Rio Arriba Counties, New Mexico

Projection: MD 1983 State Plane NM West
 Scale: 1:72,000
 Date: 3/5/2008
 Author: TJ

0 3,000 6,000 12,000 Feet

Rosa Unit Tract No: XX
 Map Document: G:\Projects\San_Juan\Rosa_Unit\rosa-unit.mxd
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Mineral Ownership
 Federal
 Fee
 Partially Committed
 State
 Not Committed

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 30-245-34989	² Pool Code 97232 / 72319 / 71599	³ Pool Name BASIN MANCOS / BLANCO MESAVERDE / BASIN DAKOTA
⁴ Property Code 17033	⁵ Property Name ROSA UNIT	
⁶ GRID No. 120782	⁷ Operator Name WILLIAMS PRODUCTION COMPANY	⁸ Well Number 35D
		⁹ Elevation 6332'

¹⁰ Surface Location

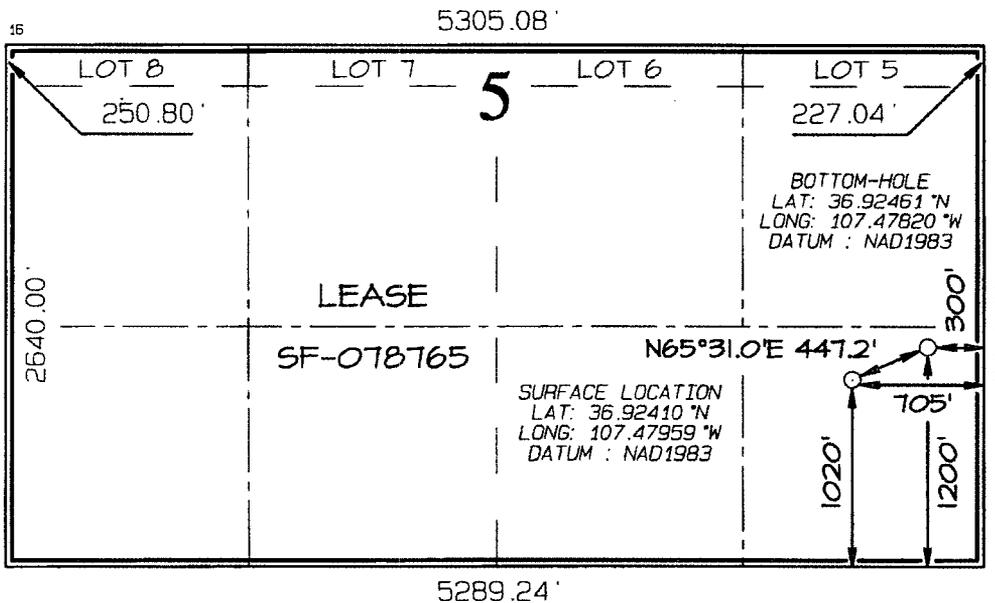
UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	5	31N	6W		1020	SOUTH	705	EAST	SAN JUAN

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
P	5	31N	6W		1200	SOUTH	300	EAST	SAN JUAN

¹² Dedicated Acres 350.16 Acres - Entire Section	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

Date of Survey: APRIL 16, 2009

Signature and Seal of Professional Surveyor

JASON C. EDWARDS
Certificate Number 15269

● SL Application Drainage M ●
Williams Production Company, LLC
Proposed Rosa Unit No. 35D
T31N, R06W, Section 5 NMPM
San Juan County, New Mexico

