

9/28/09	10/19/09 SUSPENSE	DB ENGINEER	9/28 LOGGED IN	NSL TYPE	WV50927156105
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau AM 11 42
 1220 South St. Francis Drive, Santa Fe, NM 87505



Williams
 6104
 Rosa Unit

ADMINISTRATIVE APPLICATION CHECKLIST #129D

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]

30-039-30T15

[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.

Heather Riley
 Print or Type Name

Heather Riley
 Signature

Regulatory Specialist 9/23/09
 Title Date

heather.viley@williams.com
 e-mail Address



P. O. Box 640
Aztec, NM 87410

(505) 634-4222

(505) 634-4205 (fax)

Heather.riley@williams.com

SENT VIA FEDERAL EXPRESS

September 23, 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 #129D
API # 30-039-30775
SHL: 1670' FSL & 2000' FWL, Sec. 34, T32N, R6W
BHL: 925' FSL & 2451' FWL, Sec. 34, T32N, 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 #129D. This is a directional well with a bottom hole location of 925' FSL & 2451' FWL, Sec. 34, T32N, 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 (east half of Section 34) by 332 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.

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 #129, #129A, #129B, and #129C. Further, drainage patterns from the other offset Mesaverde wells were also considered. They are the Rosa Unit #089, #089A, #089B, #089C and #089D in the E2 of 34, the Rosa Unit #169, #169A, #169B, #169C and #169D in Section 3 of T31N, R6W, and the Rosa Unit #090B in the SE4 of Section 33, 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 Section 34, except the NW4 of the SW4, are in the PA in the Mesaverde Formation. Since the location of the bottom hole and the unit which is being encroached upon are in the PA, no setback requirements apply as to the Mesaverde. Neither the west half or the east half of Section 34 are 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 owners to the east are uncommon in the Mancos and the Dakota so notice is required. See attached List of Affected Persons. Mineral interest is also uncommon but there are no unleased minerals.

The spacing unit for all three formations is the west half. The other Mesaverde wells in the spacing unit are the Rosa Unit #129, #129A, #129B, and #129C. 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
List of Affected Persons

D: TK
C: File
C: MLI
C: WPA

D: Dirt
C: Ris/2

C: Sizemore
C: Mene/TL

Sign 7/30/09
FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMSF-078772

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
Rosa Unit COM #129D

9. API Well No.
30-039-30775

10. Field and Pool, or Exploratory
Basin Mancos/Blanco Mesaverde/Basin Dakota

11. Sec., T., R., M., or Blk. and Survey or Area
Section 34, 32N, 6W

12. County or Parish
Rio Arriba

13. State
NM

17. Spacing Unit dedicated to this well
320.0 - (W/2)

20. BLM/BIA Bond No. on file
070847 UTE 0000

23. Estimated duration
1 month

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 K 1670' FSL & 2000' FWL
At proposed prod. zone Lot N 990' FSL & 2400' FWL, Section 34, T32N, R6W

14. Distance in miles and direction from nearest town or post office*
approximately 28 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)
990'

16. No. of Acres in lease
2,561.86

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
25' Rosa 129

19. Proposed Depth
8,341'

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6,361' GR
This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

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

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form: **DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".**

- 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 6-9-09
Title Drilling COM

Approved by (Signature) *Tom Lovato* Name (Printed/Typed) Tom Lovato Date 7/30/09
Title Acting AFM Minerals Office

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 Basin Mancos, Blanco Mesaverde, 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 Reclamation (BOR), with minerals administered by 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 and BOR.

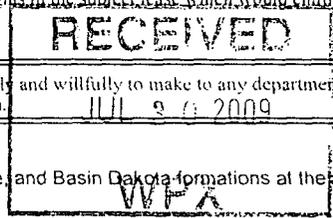
No new access road will be required for this proposed well.

This APD is also serving as an application to obtain a pipeline right-of-way to the BOR. An associated pipeline tie of 117.50 feet would be required for this well.

This well was originally staked as the Rosa Unit 600. The surface and BHL locations remain the same. The Blanco Mesaverde Formation has been added.

OPERATOR

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 STATE LANDS.



District I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised October 12, 2005

District II
1301 W. Grand Avenue, Artesia, NM 88210

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

District III
1000 Rio Brazos Rd., Aztec, NM 87410

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

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
97232 / 72319 / 71599	BASIN MANCOS / BLANCO MESAVERDE / BASIN DAKOTA	
⁴ Property Code	⁵ Property Name	⁶ Well Number
17033	ROSA UNIT COM	129D
⁷ GRID NO.	⁸ Operator Name	⁹ Elevation
120782	WILLIAMS PRODUCTION COMPANY	6361'

¹⁰ Surface Location

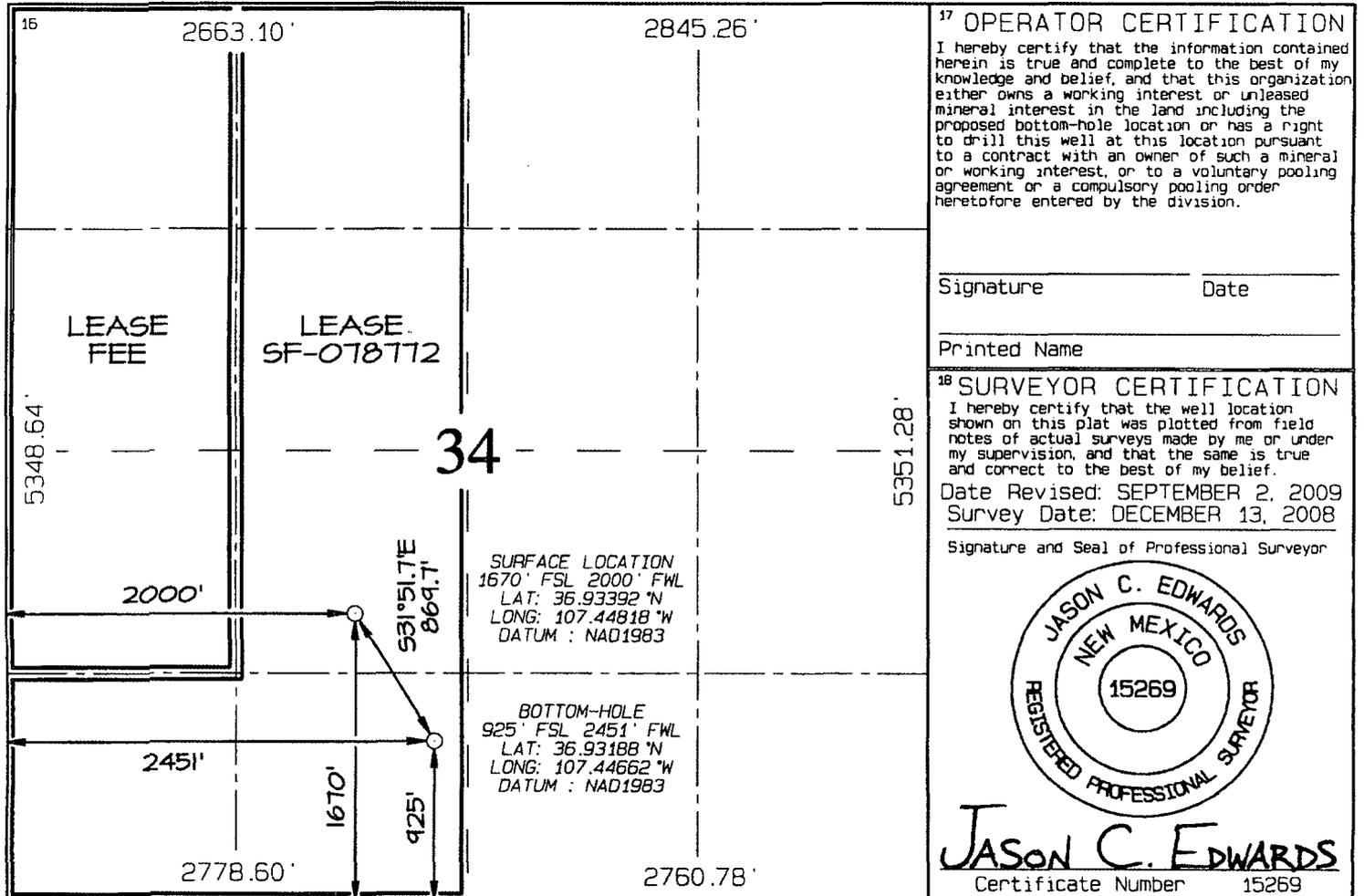
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	34	32N	6W		1670	SOUTH	2000	WEST	RIO ARRIBA

¹¹ Bottom Hole Location If Different From Surface

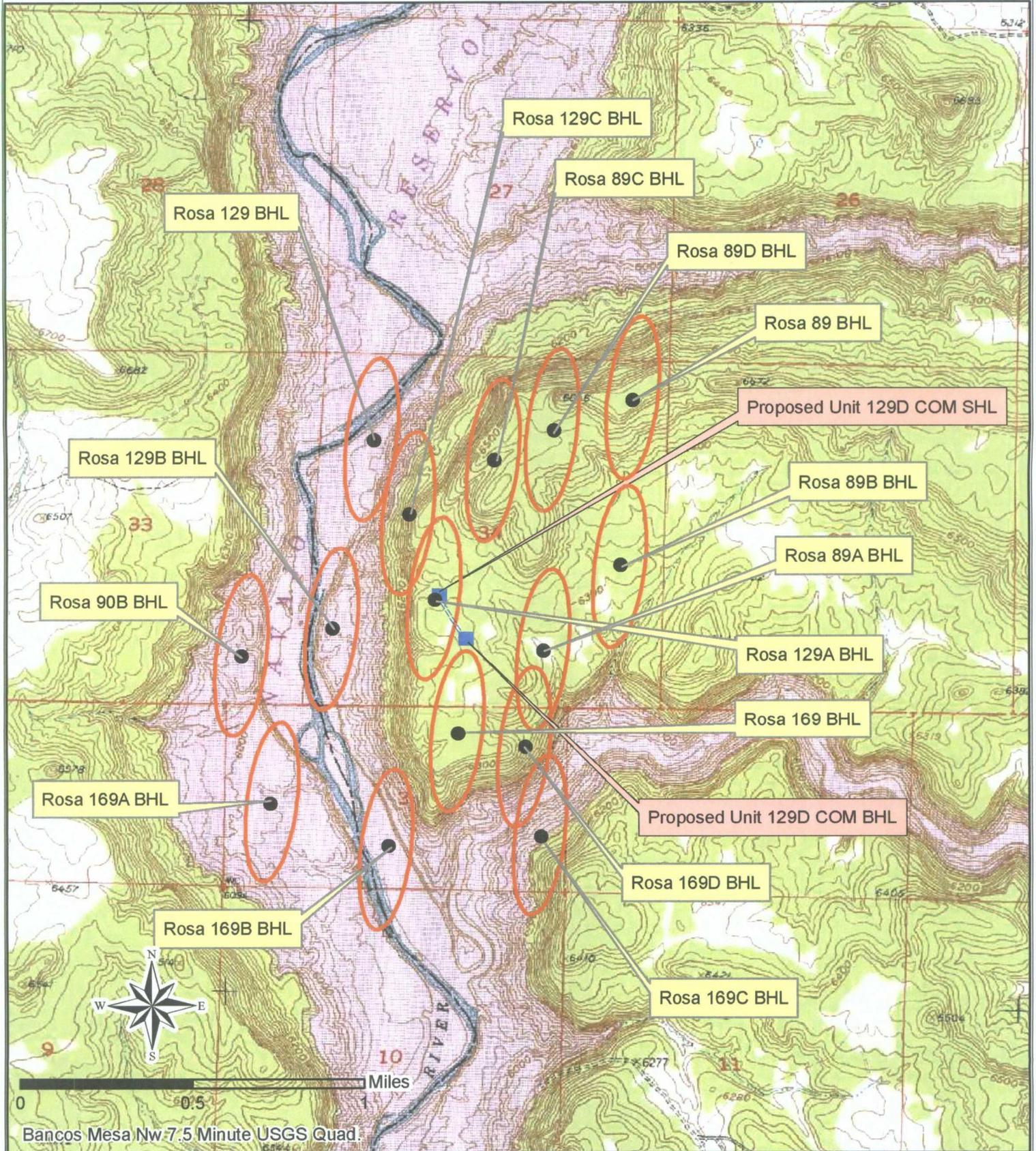
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	34	32N	6W		925	SOUTH	2451	WEST	RIO ARRIBA

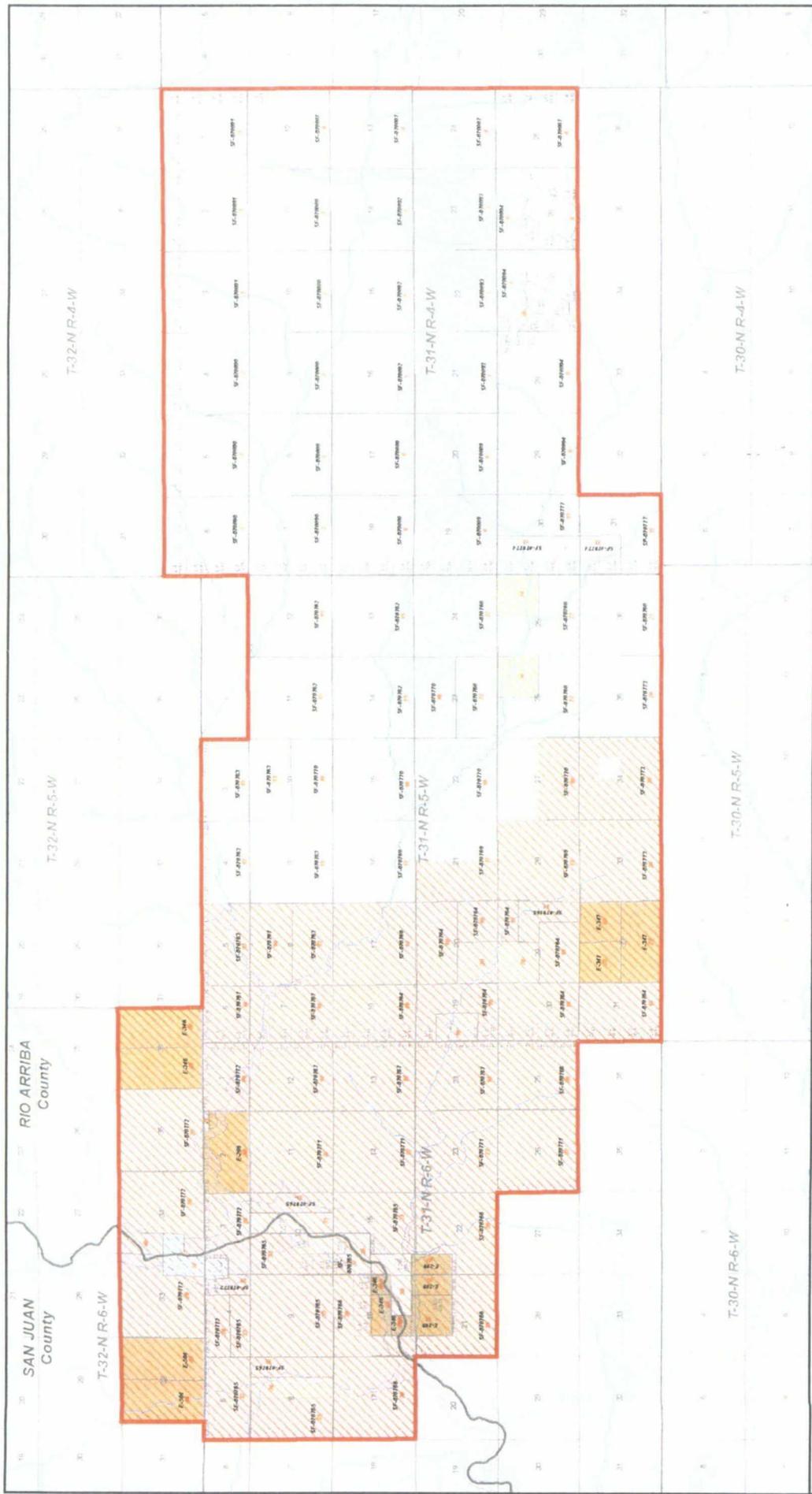
¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
320.0 Acres - (W/2)			

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



NSL Application Drainage Map
Williams Production Company, LLC
Proposed Rosa Unit No. 129D COM
T32N, R06W, Section 34 NMPM
Rio Arriba County, New Mexico





Williams Exploration & Production

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

Scale: 1:72,000
 Projection: NAD 1983 UTM Zone 18A
 Date: 3/7/2007
 Author: SA

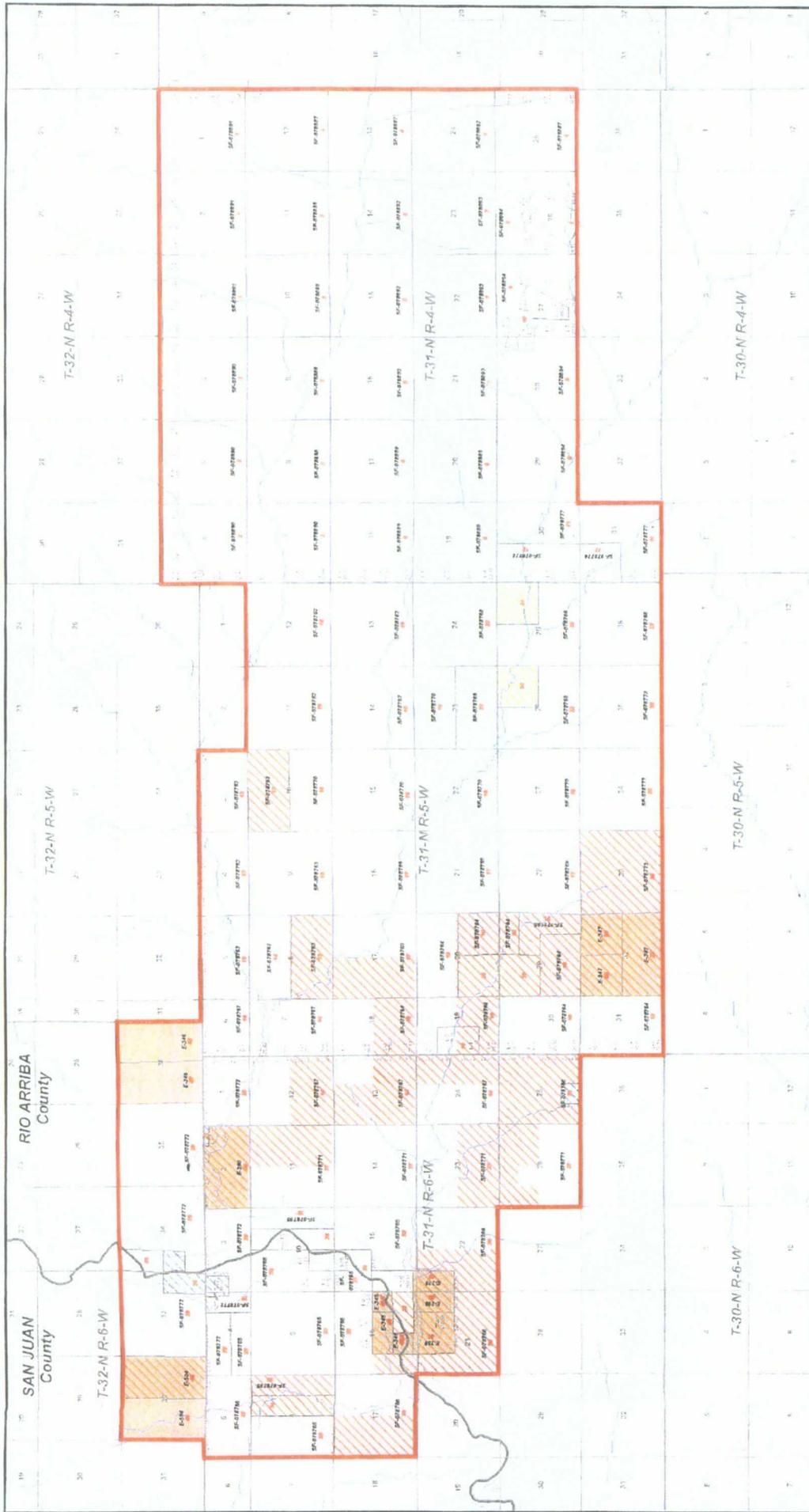
12,000 Feet

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

Rosa Unit Tract No. XX

Map Generated: S:\SharedCar..._JanRosa_Unit\Map\acreage_mesaverde_unit_fm_04.mxd
 3/7/2007 - 11:05:57 AM

Mesaverde Participating Area (30% Estimation)
 Mineral Ownership:
 - Federal
 - Fee
 - Payable Community
 - State
 - Not Committed



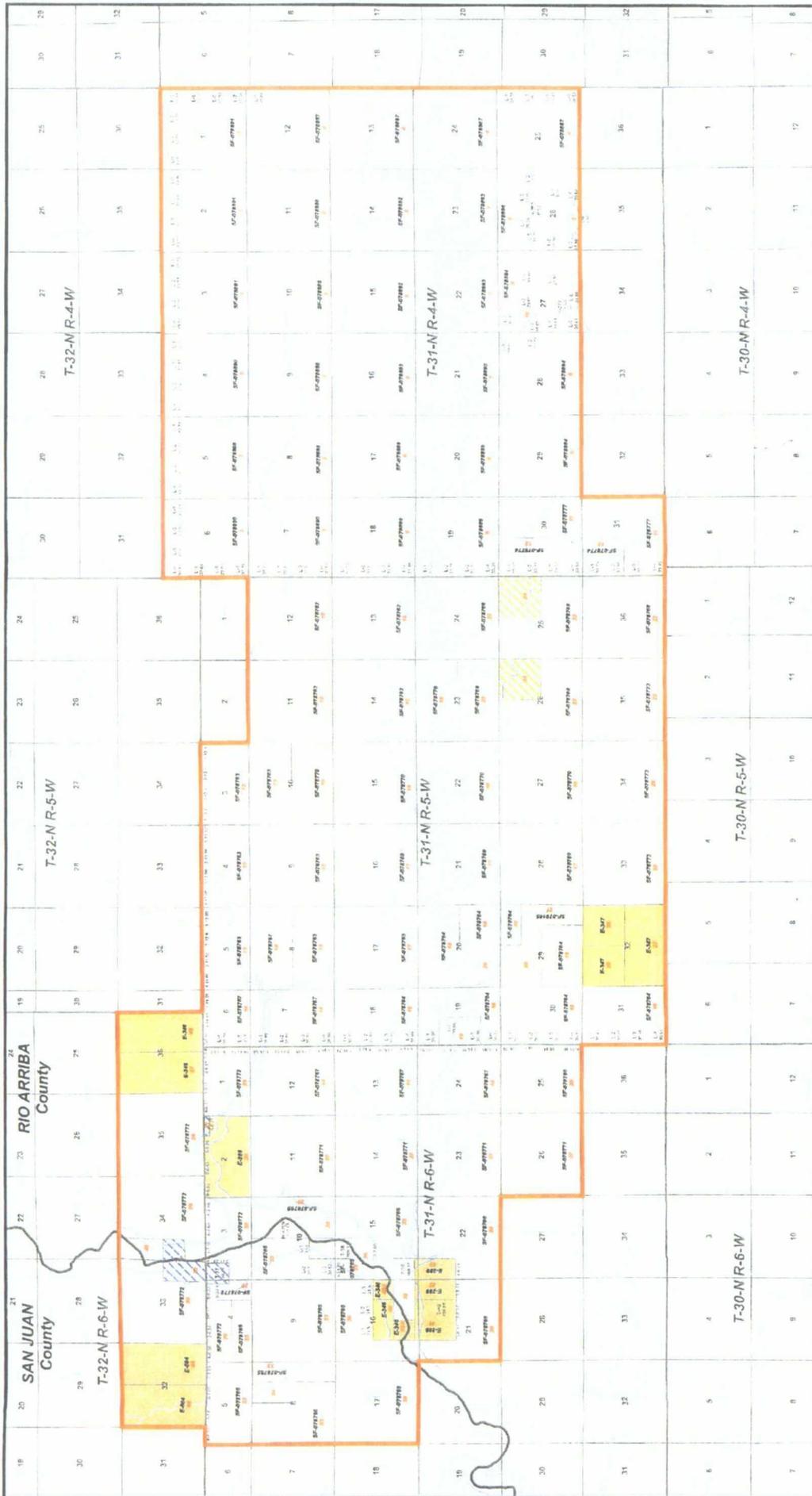






Rosa Unit Tract No: XX
Map Date: 04/27/2006; File Path: \\g:\projects\San_Juan\Facility\Participating_Areas\rosa_unit_04_27.mxd; 5/2/2006 - 8:50 AM

	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. Unit	Author: T.J.
Date: 4/27/2006		





 Williams Exporation & Production Williams

Rosa Unit Rosa Unit
 San Juan and Rio Arriba Counties, New Mexico
 Scale: 1:72,000 Projection: NAD 1983 State Plane (NAD West)

Date: 3/5/2008 Author: TJ

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

Rosa Unit Tract No: XX
 Map Document: (S:\Project\San_Juan\Rosas_Unit\rosas_unit.mxd)
 3/5/2008 - 1:15:48 PM



WILLIAMS PRODUCTION COMPANY, LLC
One Williams Center
P.O. Box 3102
Tulsa, OK 74101-3102
918/573-2878

September 23, 2009

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 #129D Mancos/Dakota formation well to be drilled to a bottom hole location at 925 feet from the South line and 2451 feet from the West line of Section 34, Township 32 North, Range 6 West, N.M.P.M., San Juan and Rio Arriba Counties, 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 proposed Rosa Unit #129D Mancos/Dakota formation well to be drilled to a bottom hole location at 925 feet from the South line and 2451 feet from the West line of Section 34, Township 32 North, Range 6 West, N.M.P.M., San Juan and Rio Arriba Counties, New Mexico. The W/2 of Sec. 34, T32N, R6W, a standard 320.00 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 "B West", written over a horizontal line.

Brennan West
Landman

**Rosa Unit #129D Mancos and Dakota Formation Well
Affected Interest Owners
W/2 of Sec. 34, T32N, R6W (Mancos and Dakota Drill Block Owners)**

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

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Thursday, October 01, 2009 4:40 PM
To: 'Riley, Heather '
Subject: Rosa Unit #129D; NSL Application

Dear Ms. Riley

On this application also, the list of affected owners who were notified is captions W/2 of Sec. 34. The W/2 of Section 34 is the drill block on which the well is located.

Should this list be captions "E/2 of Sec. 34 (Mancos and Dakota Drill Block Owners)?

Sincerely

David K. Brooks
Legal Examiner
505-476-3450

Brooks, David K., EMNRD

From: Riley, Heather [Heather.Riley@Williams.com]
Sent: Tuesday, October 13, 2009 2:57 PM
To: Brooks, David K., EMNRD
Cc: West, Brennan ; Winters, Lacey
Subject: RE: Rosa Unit #129D; NSL Application

Mr. Brooks,

This one should read:

E/2 of Sec. 34, T32N, R6W (Mancos and Dakota Drill Block Owners)

Thanks,

Heather Riley
Regulatory Specialist
WILLIAMS PRODUCTION CO., LLC
P. O. Box 640
Aztec, NM 87410
(505) 634-4222 (Office)
(505) 634-4205 (Fax)
(970) 749-8747 (Cell)

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Thursday, October 01, 2009 4:40 PM
To: Riley, Heather
Subject: Rosa Unit #129D; NSL Application

Dear Ms. Riley

On this application also, the list of affected owners who were notified is captions W/2 of Sec. 34. The W/2 of Section 34 is the drill block on which the well is located.

Should this list be captions "E/2 of Sec. 34 (Mancos and Dakota Drill Block Owners)?"

Sincerely

David K. Brooks
Legal Examiner
505-476-3450

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This inbound email has been scanned for malicious software and transmitted safely to you using Webroot Email Security.

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Tuesday, October 20, 2009 8:46 AM
To: 'Riley, Heather '
Cc: Hayden, Steven, EMNRD; 'wesley_ingram@blm.gov'
Subject: Williams Production Co. - Rosa Unit Wells ##129D, 145D, 160D and 183C; NSL Applications

Dear Ms. Riley

The referenced administrative applications were granted on October 19 by the following orders.

#129D NSL-6014
#145D NSL-6013
#160D NSL-6015
#183C NSL-6012

The signed original orders will be posted on OCD's website.

Sincerely

David K. Brooks
Legal Examiner
505-476-3450