

ABOVE THIS LINE FOR DIVISION USE ONLY

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

RECEIVED  
 Williams  
 2009 PM 1:47  
 CGRID - 120782  
 Rosalind #154B

**ADMINISTRATIVE APPLICATION CHECKLIST** 30-039-30804

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]

Rio Arriba  
 6106

[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 9/30/09  
 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](mailto:Heather.riley@williams.com)

**SENT VIA FEDERAL EXPRESS**

September 30, 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 #154B  
API # 30-039-30804  
SHL: 990' FSL & 880' FEL, Sec. 7, T31N, R5W  
BHL: 2190' FSL & 880' FEL, Sec. 7, T31N, R5W*

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 #183C. This is a directional well with a bottom hole location of 2190' FSL & 880' FEL, Sec. 7, T31N, R5W .

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 north half of Section 7 by 210 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 #154 and #154A. Further, drainage patterns from the other offset Mesaverde wells were also considered. They are the Rosa Unit #171, #171A, #171B, and #171C in the N2 of 7, the Rosa Unit #080, #080A, and #080B in the W2 of 8, the Rosa Unit #022, #022A and the #022 in the N2 of 18 and the Rosa Unit #031 and #031B in the NW4 of 17. 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 7 is in the PA in the Mesaverde Formation; therefore, no setbacks apply as to that formation. None of Section 7 is in the PA in the Dakota formation; therefore setback requirements apply. There is no PA in the Mancos so setback requirements apply in that formation as well.

The offset units' working interest owners are uncommon in the Mancos and the Dakota so notice is required. See attached List of Affected Persons. Mineral interest is common.

The spacing unit for all three formations is the south half. The other Mesaverde wells in the spacing unit are the Rosa Unit #154, and #154A. 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.: 1<sup>st</sup> page of APD  
Plat  
Drainage Map  
PA Maps (MV & DK)  
Mineral ownership map  
List of Affected Persons

O: File  
C: RBJ/2  
C: MCV

C: D... Summary  
S: UFS  
BRACED

Sign-9/13/09

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
Bureau of Land Management  
Farmington Field Office

AUG 18 2009

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.  
NMSF-078767  
6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.  
NMSF 18407A-MV  
Rosa Unit 154B  
DK Mancos - lease

8. Lease Name and Well No.  
154B

9. API Well No.  
3003930804

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

11. Sec., T., R., M., or Blk. and Survey or Area  
Sec. 7, 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 990' FSL & 880' FEL  
At proposed prod. zone 2190' FSL & 880' FEL

14. Distance in miles and direction from nearest town or post office\*  
approximately 32 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)  
880'

16. No. of Acres in lease  
2,518.040

17. Spacing Unit dedicated to this well  
231.90 Acres-(S/2)

18. Distance from proposed location\* to nearest well, drilling, completed, applied for, on this lease, ft.  
50' Rosa 154A

19. Proposed Depth  
8,467'

20. BLM/BIA Bond No. on file  
UT0899

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
6,355' GR

22. Approximate date work will start\*  
September 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 8-18-09

Approved by (Signature) *D. Montee* Name (Printed/Typed) AFM Office FFO Date 9/2/09

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 Mesaverde, 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 being used as an application to obtain a pipeline right-of-way. An associated pipeline tie of 198.2 feet would be required for this use.

RECEIVED  
SEP 03 2009  
WAX

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

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

OPERATOR

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

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

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
97232 / 72319 / 71599	BASIN MANCOS / BLANCO MESAVERDE / BASIN DAKOTA	
<sup>4</sup> Property Code	<sup>5</sup> Property Name	<sup>6</sup> Well Number
17033	ROSA UNIT	154B
<sup>7</sup> OGRID No.	<sup>8</sup> Operator Name	<sup>9</sup> Elevation
120782	WILLIAMS PRODUCTION COMPANY	6355'

<sup>10</sup> Surface Location

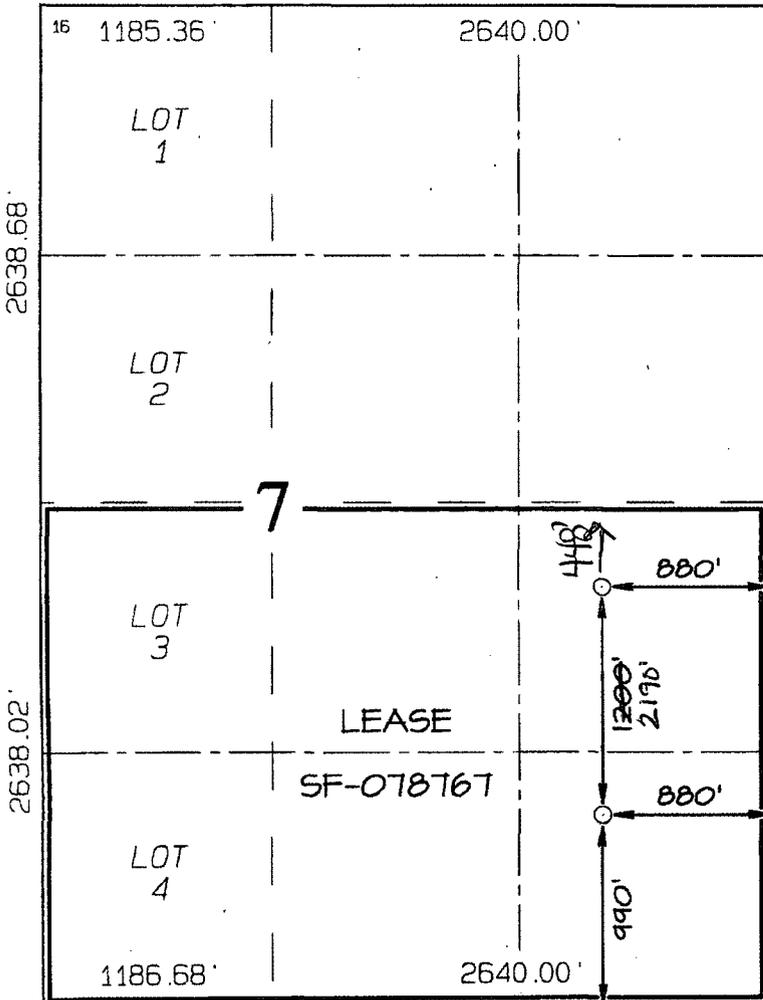
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	7	31N	5W		990	SOUTH	880	EAST	RIO ARRIBA

<sup>11</sup> 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
I	7	31N	5W		2190	SOUTH	880	EAST	RIO ARRIBA

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
231.90 Acres - (S/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



BOTTOM-HOLE  
LAT: 36.91280°N  
LONG: 107.39774°W  
DATUM: NAD1983

SURFACE LOCATION  
LAT: 36.90951°N  
LONG: 107.39774°W  
DATUM: NAD1983

<sup>17</sup> 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 \_\_\_\_\_

<sup>18</sup> 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: JULY 18, 2009

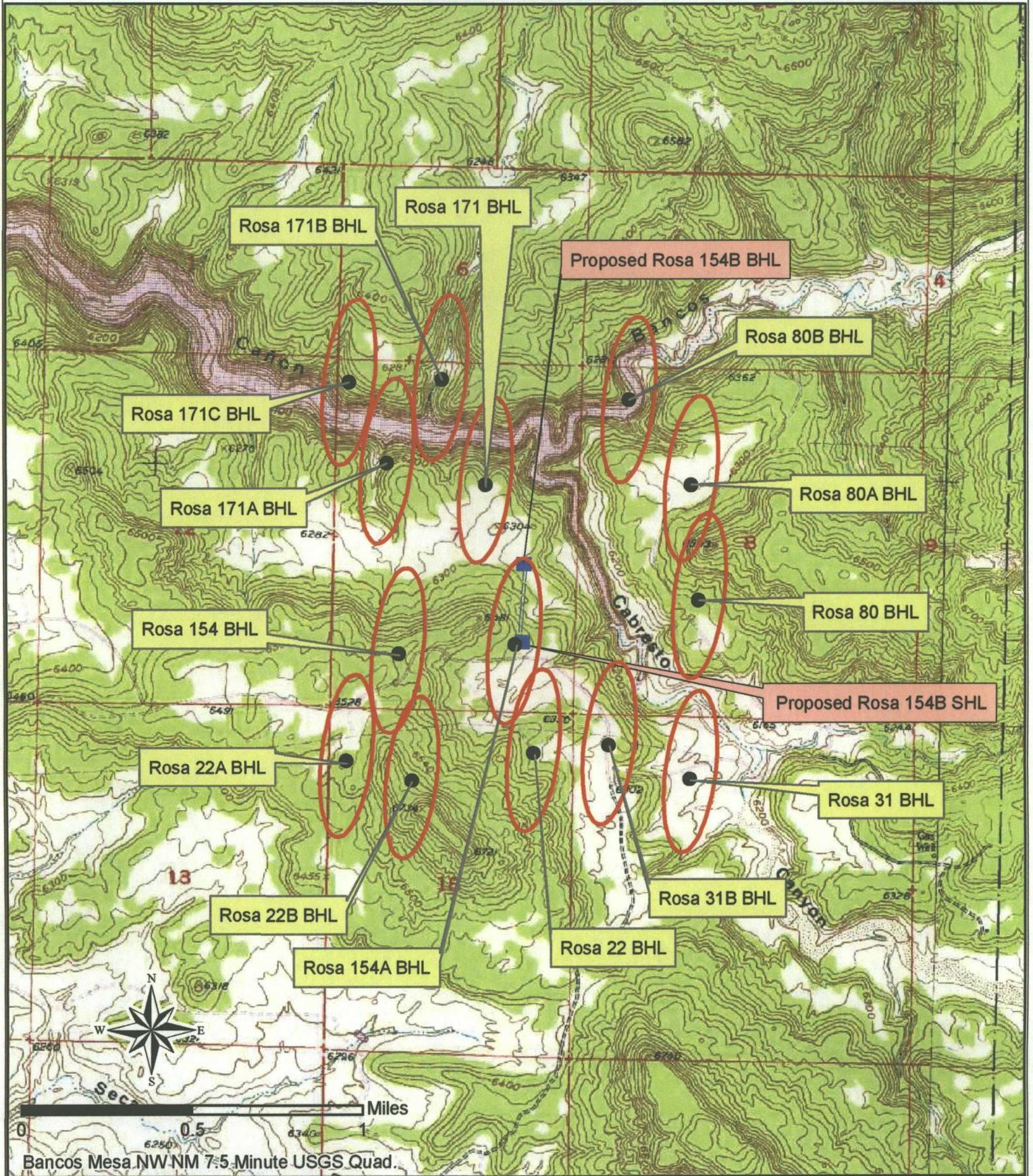
Signature and Seal of Professional Surveyor

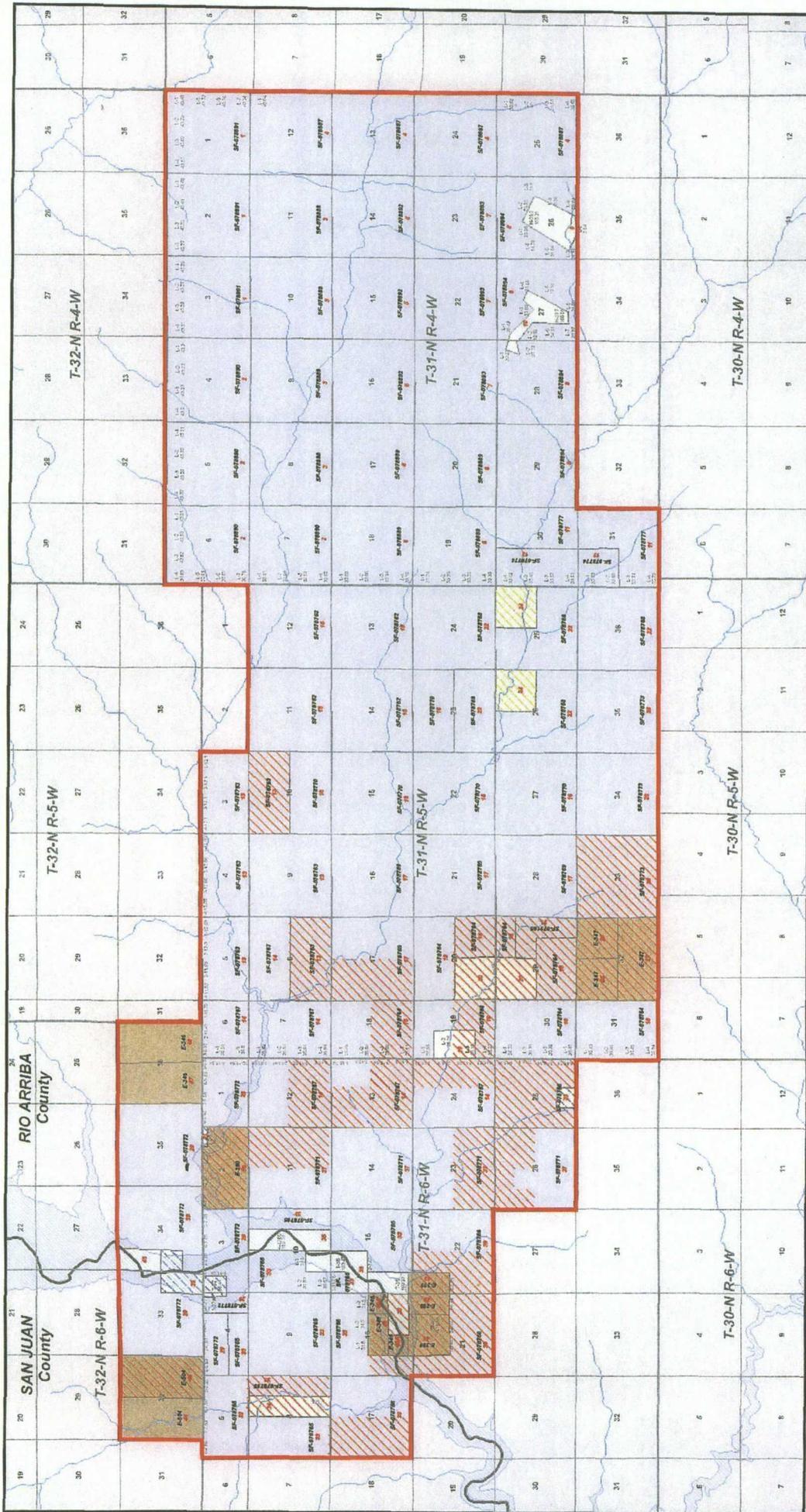


**JASON C. EDWARDS**  
Certificate Number 15269

380 x 880 = 334400  
200.709 na 871200

NSL Application Drainage Map  
Williams Production Company, LLC  
Proposed Rosa Unit No. 154B  
T31N, R05W, Section 7 NMPM  
Rio Arriba County, New Mexico






 Exploration & Production


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

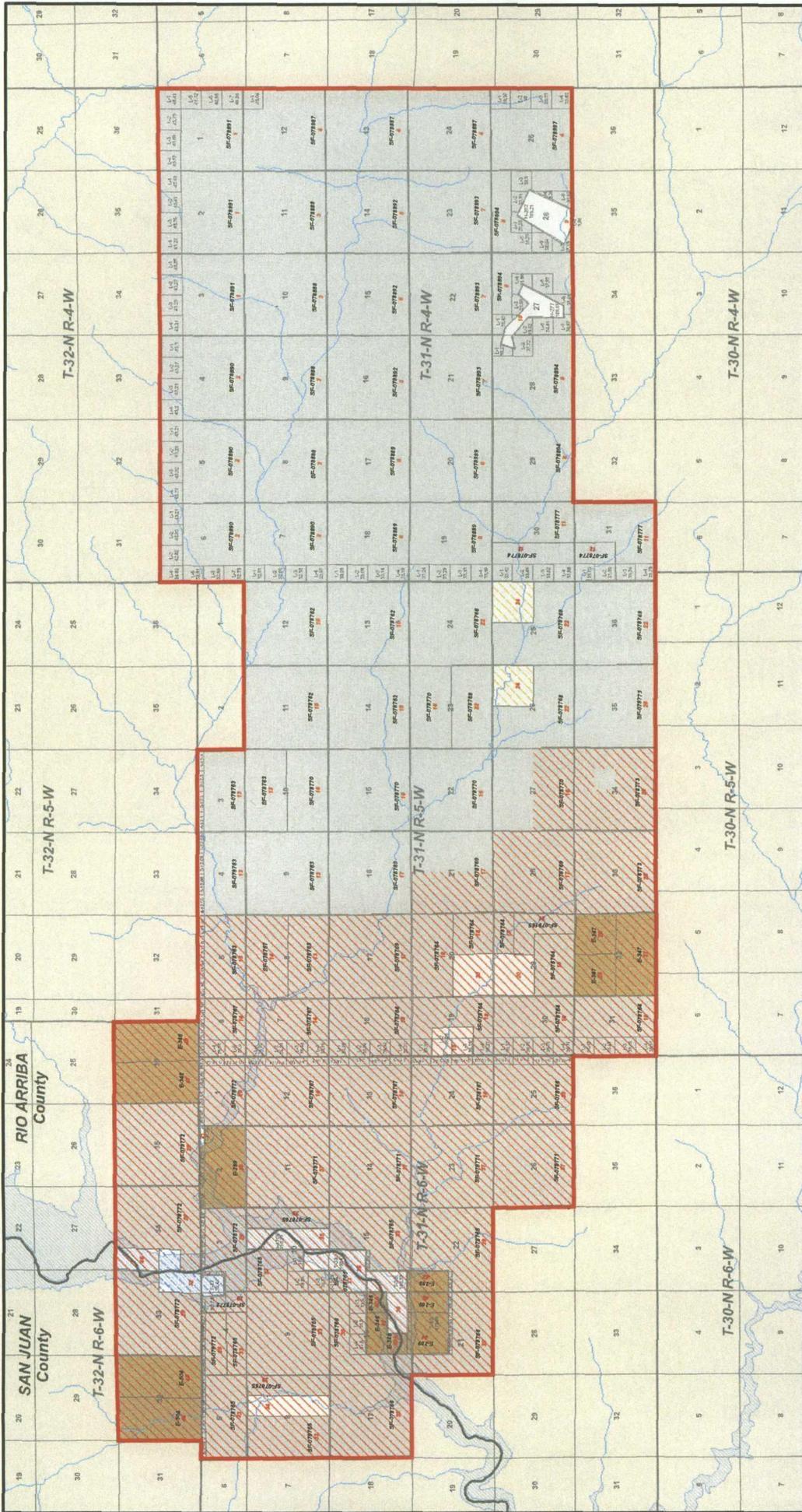
Scale: 1:72,000  
 Projection: NAD 1983 State Plane NM West  
 Date: 4/6/2006  
 Author: TJ

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

Rosa Unit Tract No: **XX**

Map Document: (w:\m\g\01\g\Project\San\_JuanRosa\_Unit\Participating\_Areas\rose\_ure\_06\_m\_16-22.mxd)  
 5/2/2006 - 8:32:26 AM

-  Dakota Participating Area - Initial 22nd Expansion
-  Mineral Ownership
-  Fee
-  Partially Committed
-  State
-  Not Committed



**Williams** 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

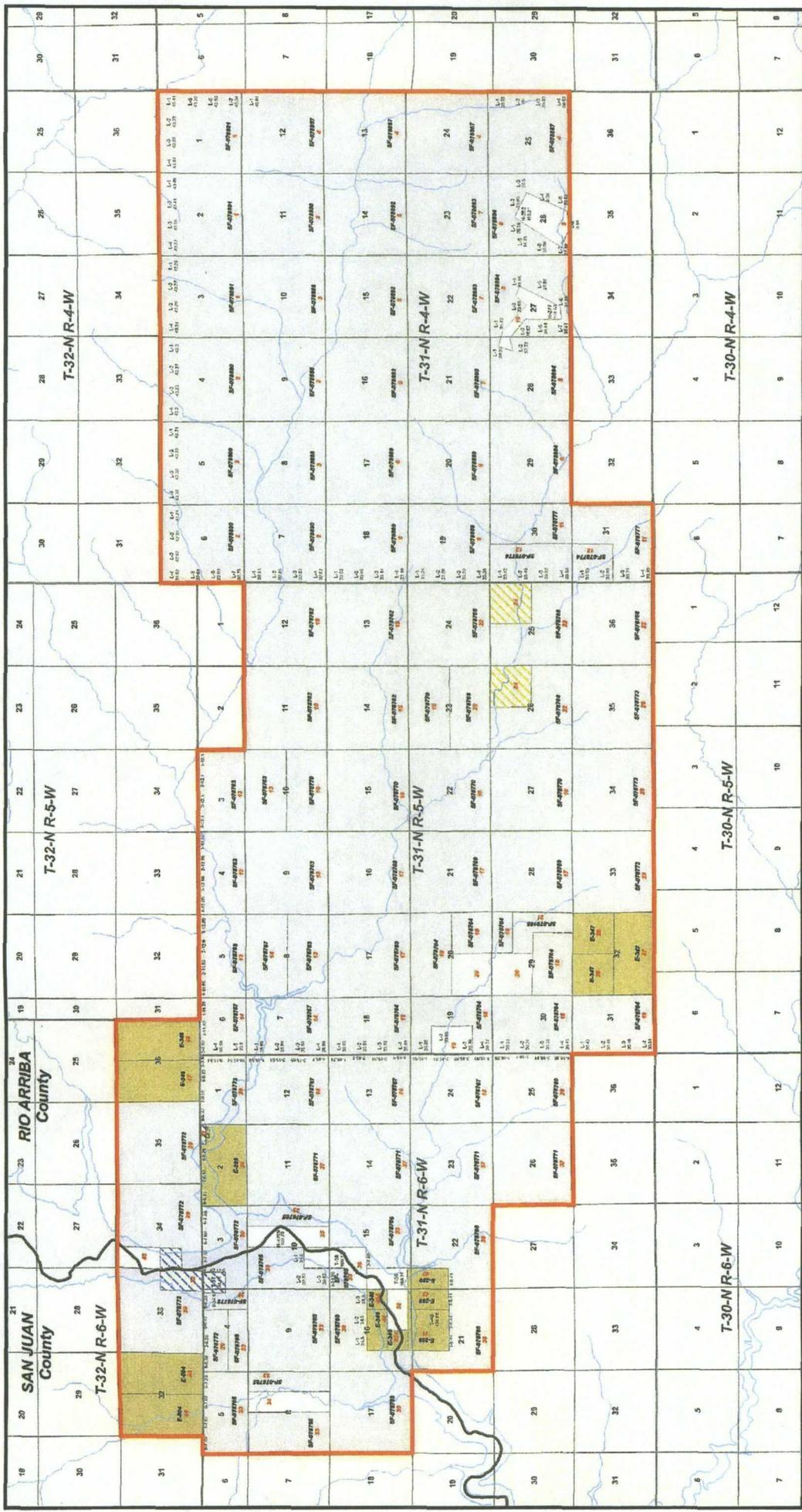
**Williams** Mesaverde Participating Area-20th Extension

Mineral Ownership  
 Pending  
 Fully Committed  
 Partially Committed  
 State  
 Not Committed

**Rosa Unit Tract No: XX**

Map Document: (G:\Project\San\_Juan\Rosa\_Unit\Participating\_Areas\rosas-unit\_01.mxd)  
3/7/2007 - 11:09:57 AM

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



**Rosa Unit Tract No. XX**

Map Document: G:\Projects\San\_Juan\Ros\_Utilities-ent.mxd  
3/6/2008 - 1:10:48 PM

Mixed Ownership  
 Federal  
 Fee  
 Privately Committed  
 State  
 Not Committed

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

Williams    Exploration & Production  
 Williams    **Rosa Unit**  
 San Juan and Rio Arriba Counties, New Mexico  
 Scale: 1:72,000    Projection: NAD 1983 State Plane NM West  
 Date: 3/6/2008    Author: TJ



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

September 30, 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 #154B Mancos/Dakota formation well to be drilled to a bottom hole location at 2190 feet from the South line and 800 feet from the East line of Section 7, Township 31 North, 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 proposed Rosa Unit #154B Mancos/Dakota formation well to be drilled to a bottom hole location at 2190 feet from the South line and 800 feet from the East line of Section 7, Township 31 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. The S/2 of Sec. 7, T31N, R5W, a standard 231.90 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  
Williams Production Company, LLC

**Rosa Unit #154B Mancos and Dakota Formation Well  
Affected Interest Owners  
S/2 of Sec. 7, T31N, R5W (Mancos and Dakota Drill Block Owners)**

XTO Energy, Inc.  
Attn: Edwin S. Ryan, Jr.  
810 Houston St.  
Fort Worth, TX 76102

**Brooks, David K., EMNRD**

---

**From:** Brooks, David K., EMNRD  
**Sent:** Monday, October 05, 2009 10:47 AM  
**To:** 'Riley, Heather '  
**Subject:** Rosa U #154B; NSL Application

Dear Ms. Riley

The list of affected owners attached to this application is entitled "S/2 of Sec. 7, T31N, R52 (Mancos and Dakota Drill Block Owners).

Since the unit encroached upon is the N/2 of Sec. 7, please confirm that this is actually a list of the affected drill block owners in the N/2 of Sec. 7.

Thanks  
David Brooks

**Brooks, David K., EMNRD**

---

**From:** Riley, Heather [Heather.Riley@Williams.com]  
**Sent:** Tuesday, October 13, 2009 2:56 PM  
**To:** Brooks, David K., EMNRD  
**Cc:** West, Brennan ; Winters, Lacey  
**Subject:** RE: Rosa U #154B; NSL Application

Mr. Brooks,

This one should read:

**N/2 of Sec. 7, T31N, R5W (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:** Monday, October 05, 2009 10:47 AM  
**To:** Riley, Heather  
**Subject:** Rosa U #154B; NSL Application

Dear Ms. Riley

The list of affected owners attached to this application is entitled "S/2 of Sec. 7, T31N, R52 (Mancos and Dakota Drill Block Owners).

Since the unit encroached upon is the N/2 of Sec. 7, please confirm that this is actually a list of the affected drill block owners in the N/2 of Sec. 7.

Thanks  
David Brooks

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