



115537534

**WALSH** ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting  
Lease Management  
Contract Pumping

7415 East Main  
Farmington, New Mexico 87402  
(505) 327-4892 • Fax: (505) 327-9834

**Ms. Lori Wrotenbery**  
**New Mexico Oil Conservation Division**  
**2040 S. Pacheco**  
**Santa Fe, NM 8705**

5/16/01

MAY 24 2001

**Re: Non-Standard Dakota Locations**

Dear Ms. Wrotenbery,

On March 25, 2001 Nelson Consulting, acting as an agent for Williams Production Company sent you paper work requesting administrative approval for constructing their BLM approved Mesaverde locations into dual Mesaverde/Dakota locations with the Dakota being non-standard.

Since this request was sent in, Walsh Engineering has been retained by Williams to help them coordinate the application process as well provide engineering services for their drilling and completion operations. Walsh Engineering has reviewed the paper work that was sent to you and feel that for clarity reasons, Williams Production should re-submit the requests with more detail as to why each location is non-standard in the Dakota.

Please find enclosed the administrative application and associated documents detailing the specifics for each location.

I hope that this helps to clear up some key points. If you have any questions or concerns, please contact me anytime.

Sincerely,

John C. Thompson  
Engineer

5/24/01 - 6/13/01 - MS - W - NSL

115537534

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location] [DD-Directional Drilling] [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 - Directional Drilling [X] NSL [ ] NSP [ ] DD [ ] SD

MAY 24 2001

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

[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] [X] 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] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

John C. Thompson Print or Type Name

[Signature] Signature

Engineer/Agent Title

5/16/01 Date



**Ms. Lori Wrotenbery**  
**New Mexico Oil Conservation Division**  
**2040 S. Pacheco**  
**Santa Fe, NM 8705**

April 14, 2001

**Re: Request for Administrative approval for Non-Standard Dakota Location**  
**Rosa Unit 165B (Sec 25/T31N/R6W, 1465' fwl & 225' fwl, Rio Arriba County, New Mexico)**

30-039-26557

Dear Ms. Wrotenbery,

Williams Production Company is requesting an administrative approval to construct the Rosa 165B as a dual Mesaverde/Dakota with the Dakota being non-standard. Williams has already been issued an APD for drilling a standard infill Mesaverde well by the BLM.

Williams intends to make the well a dual well thereby capturing the reserves from the Dakota with a single well bore. Originally, the surface location was picked by considering drainage from the offset Mesaverde wells and topography/archeology constraints. In this case, Williams picked their surface location in an attempt to minimize Mesaverde drainage interference with offset wells.

Therefore, the reasons for requesting administrative approval for a non-standard location are:

1. The current location was picked to minimize the drainage interference with the Rosa 5Y (section 26) to the west and the Rosa 165 to the east (see attached map showing drainage patterns).
2. 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.
3. Utilizing a single well bore for a dual completion would also negate the need for additional disturbance of another well, ie. well pad, road, pipeline ROW, etc.

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.

Please find attached a drilling plat with topographical map showing location, drainage map and a portion of the unit map showing where the well is located within the unit.

If you have any questions or concerns, please feel free to contact me anytime.

Sincerely,

John C. Thompson  
Engineer

c:wp/nsdk1165b

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer 00, Artesia, NM 88211-0719

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

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 72319 / 71599		*Pool Name Blanco Mesaverde / Basin Dakota	
*Property Code 17033		*Property Name ROSA UNIT			*Well Number 1658
*GRID No. 120782		*Operator Name WILLIAMS PRODUCTION COMPANY			*Elevation 6311'

<sup>10</sup> Surface Location

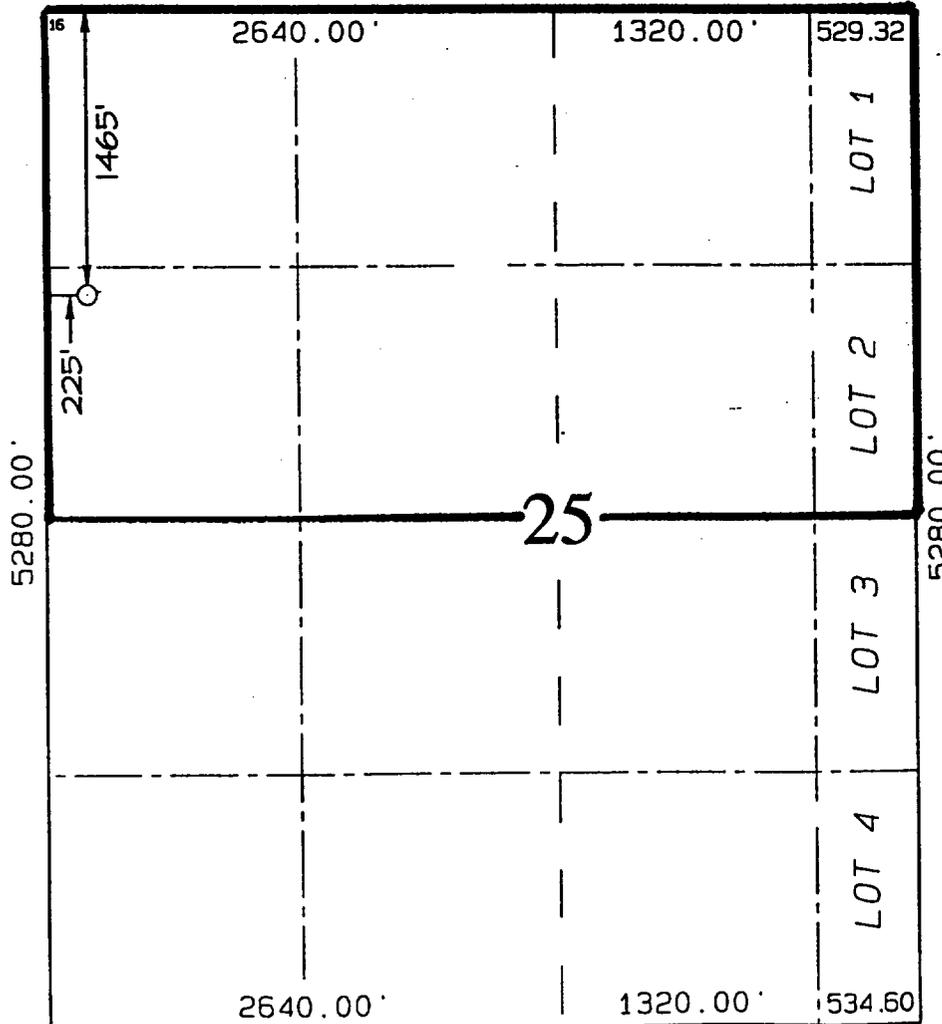
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	25	31N	6W		1465	NORTH	225	WEST	RIO ARRIBA

<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

<sup>12</sup> Dedicated Acres 272.16-N/2	<sup>13</sup> Joint or Infill I	<sup>14</sup> Consolidation Code U	<sup>15</sup> 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



<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.

*Steve Nelson*  
Signature

Steve Nelson  
Printed Name

Agent, Nelson Consulting  
Title

April 2, 2001  
Date

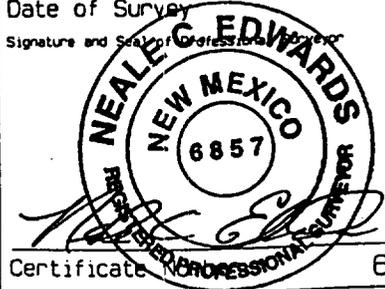
<sup>18</sup> SURVEYOR CERTIFICATION

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.

AUGUST 29, 2000

Date of Survey

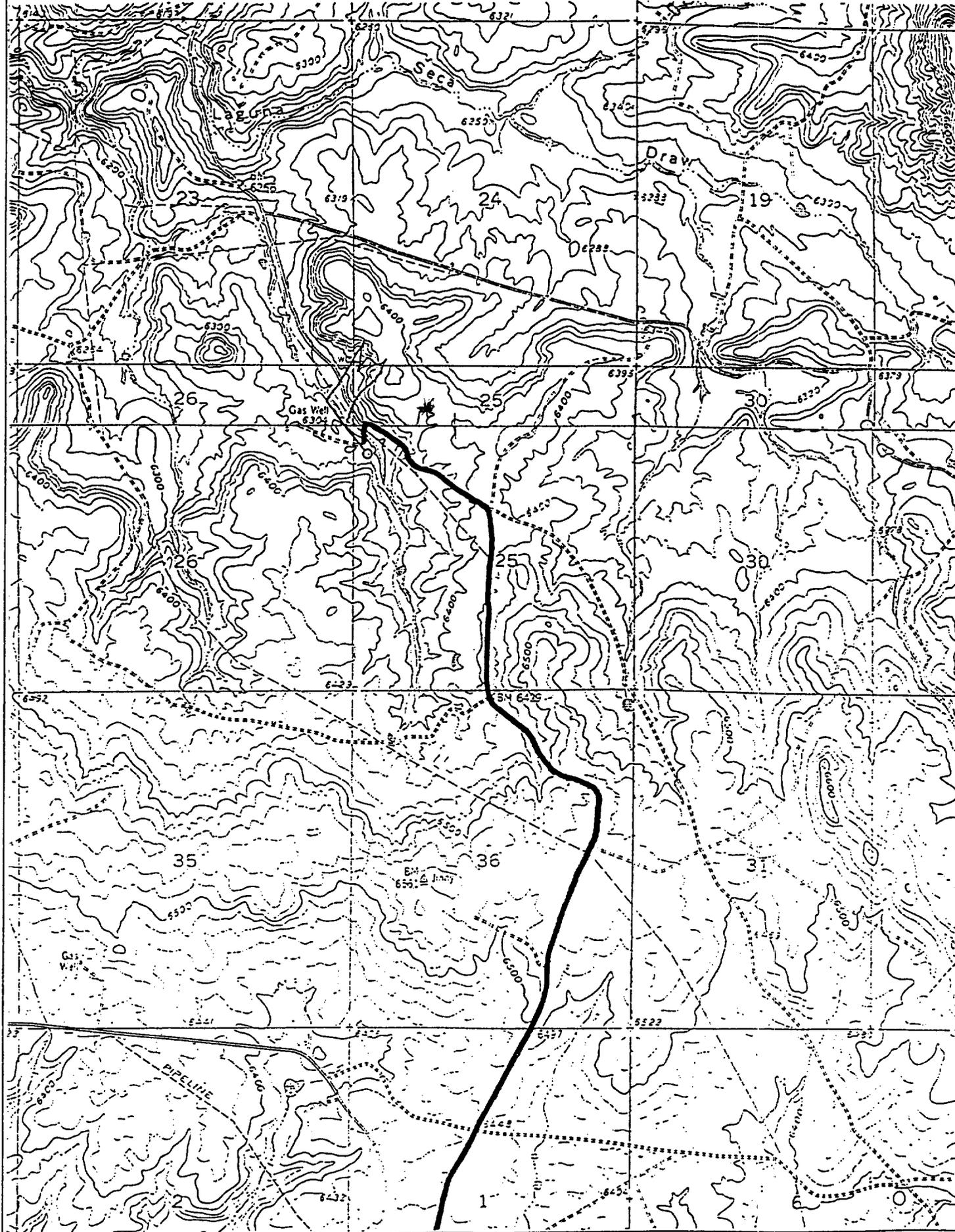
Signature and Seal of Professional Surveyor



Certificate No. 6857

WILLIAMS PRODUCTION COMPANY ROSA UNIT #165B

1465' FNL & 225' FNL, SECTION 25, T31N, R6W, N.M.P.M.  
RIO ARRIBA COUNTY, NEW MEXICO

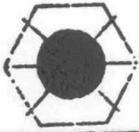


ROSA 14A

209

ROSA 183A

WPX2K2



144

5

185A

ROSA 8B

5Y

ROSA  
165B

165

256

211

26

25



218

165

59

160

5A

35 30

216

42

29

214

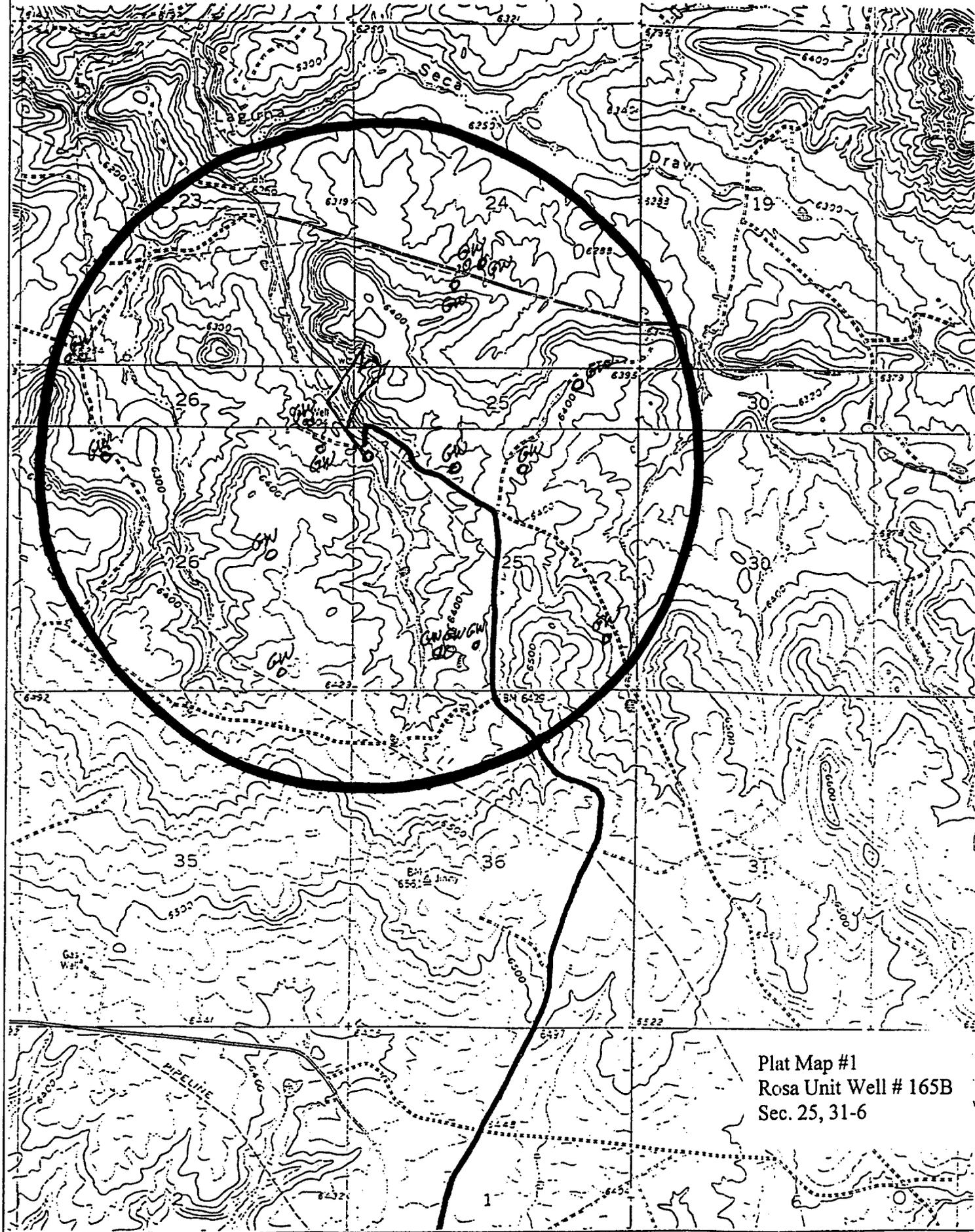
35

36

215  
32

WILLIAMS PRODUCTION COMPANY ROSA UNIT #165B

1465' FNL & 225' FNL, SECTION 25, T31N, R6W, N.M.P.M.  
RIO ARRIBA COUNTY, NEW MEXICO



Plat Map #1  
Rosa Unit Well # 165B  
Sec. 25, 31-6



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON  
Governor  
Jennifer A. Salisbury  
Cabinet Secretary

May 7, 2001

Lori Wrotenbery  
Director  
Oil Conservation Division

Steve Nelson  
c/o Williams Production Company  
One Williams Center  
P. O. Box 3102  
Tulsa, Oklahoma 74101

**Re:** *Six administrative applications filed with the New Mexico Oil Conservation Division ("Division") for exceptions to the well location requirements provided within the "Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987, as amended, by Division Orders No. R-10987-B and R-10987-B (1), requesting authorization to drill the following six wells at unorthodox gas well locations within the Basin-Dakota Pool: (i) Rosa Unit Well No. 149-B (API No. 30-039-26599) to be drilled 1440' FNL & 335' FWL (Unit E) of Section 12, T-31-N, R-6-W; (ii) Rosa Unit Well No. 165-B (API No. 30-039-26557) to be drilled 1465' FNL & 225' FWL (Unit E) of Section 25, T-31-N, R-6-W; (iii) Rosa Unit Well No. 31-B (API No. 30-039-26579) to be drilled 570' FNL & 515' FWL (Unit D) of Section 17, T-31-N, R-5-W; (iv) Rosa Unit Well No. 44-B (API No. 30-039-26685) to be drilled 660' FNL & 2535' FWL (Unit C) of Section 35, T-32-N, R-6-W; (v) Rosa Unit Well No. 8-B (API No. 30-039-26632) to be drilled 2010' FNL & 2170' FWL (Unit F) of Section 26, T-31-N, R-6-W; and (vi) Rosa Unit Well No. 30-B (API No. 30-039-26601) to be drilled 20' FSL & 2360' FWL (Unit N) of Section 12, T-31-N, R-6-W: all in Rio Arriba County, New Mexico.*

Dear Mr. Nelson:

I have reviewed the above-described applications and discussed the merits of each with the technical staff of the Division's Aztec district office. These applications are hereby found to be inadequate, unjustified, and unwarranted. Please be further advised that:

- (1) with the inception of Division Order No. R-10987-B, issued in Case No. 12290 and dated June 30, 2000, as amended by Division Order No. R-10987-B (1), dated August 10, 2000, most operators have been given an additional 28.10 acres on the surface within a single quarter section to locate Dakota gas wells at a location considered to be standard;
- (2) review of the Division's records indicate that the deeper Dakota interval appears to have been an afterthought in each well, all of which had approved APD's ("Application for Permit to Drill") to the shallower Mesaverde interval at locations considered to be standard for the Blanco-Mesaverde Pool (which pool has the most relaxed set back requirements of any producing horizon in the State of New Mexico); and

**Williams Production Company**

**May 7, 2001**

**Page 2**

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- (3) in instances where a single wellbore is to be utilized in more than one producing horizon, the operator is expected to drill that well at a location considered to be standard for all intended zones and not just one of the intended formations with the expectation that this is reason enough for approval.

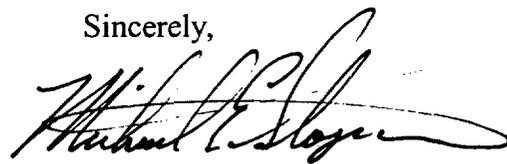
The rules governing the Basin-Dakota Pool were established and modified over time in order to assure orderly development and to maximize recovery of gas reserves in this pool. Not only was the Division involved in creating and establishing operating procedures for this pool, many industry personnel representing various producers spent a tremendous amount of time determining the optimal method and procedures for all to operate in order to prudently develop this prolific reservoir in a manner that does not cause waste nor violate correlative rights.

Pool rules are serious matters for the purpose of orderly development of New Mexico's valuable oil and gas resources. It is very easy to get into a mode of thinking that considers these rules as minor inconveniences and applications for exceptions as "open and shut" issues. Given the poor quality of these applications I detect that that might be occurring at Williams Production Company. As I understand from Mr. Frank Chaves, Supervisor of the Division Aztec district office, this is not the relationship that they are used to experiencing with your company.

These six applications are hereby **denied** and are being returned to you at this time.

Should Williams Production Company wish to pursue these applications, a hearing in Santa Fe before a duly appointed examiner will be required.

Sincerely,



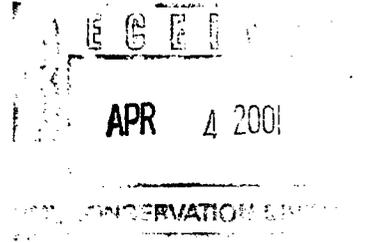
Michael E. Stogner  
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec  
U. S. Bureau of Land Management - Farmington  
Kathy Valdes, NMOCD – Santa Fe  
Ms. Lori Wrotenbery, Director - NMOCD, Santa Fe

109636163

NSL

4/24/01



March 25, 2001

Ms. Lori Wrotenbery  
New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, NM 87505

Re: Non-Standard Location for the Rosa Unit 165B, 1465' FNL, 225' FWL, (30-039-26557)  
Section 25, T31N, R6W, NMPN, Rio Arriba County, NM, Dakota Formation.

Dear Ms. Wrotenbery:

According to rule 104.c(2)(a) Williams Production Company hereby requests an Administrative Approval for a non-standard location in the Basin Dakota pool for the referenced well. The proposed well would be a dual formation Mesa Verde pool (standard location) and a non-standard Dakota pool. The proposed spacing unit is the north half of Section 25 T31N, R6W, which is 272.16 acres, but due to topography is outside the boundaries of the Dakota pool, but within the boundary of the infill Mesa Verde pool. The reasons for the request is topographical (the terrain would require larger cuts and fills), and the poor economics of a stand alone Dakota well.

The Bureau of Land Management-Farmington Field Office issued a APD to us on 3-13-01 a APD application for a stand alone Mesa Verde pool well. If this is a feasible request for OCD to consider, then a Sundry Notice would be filed with BLM. Presently, BLM will not issue a Sundry Notice until an Administrative Approval has been granted.

As the Unit Operator of the Rosa Unit, Williams Production is the only offset operator. Attached is a plat indicating the well location and proposed spacing unit.

Thank you for your consideration and approval of this application. If you have any questions, please do not hesitate to call me at (505) 327-6331.

Sincerely,

Steve Nelson  
President, Nelson Consulting

CC: BLM-FFO  
NMOCD, Aztec, NM

*No Return Address*

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 21, 1994

District II  
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

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

AMENDED REPORT

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code	*Pool Name
		72319 / 71599	Blanco Mesaverde / Basin Dakota
*Property Code	*Property Name		*Well Number
17033	ROSA UNIT		165B
*OGRID No.	*Operator Name		*Elevation
120782	WILLIAMS PRODUCTION COMPANY		6311'

<sup>10</sup> Surface Location

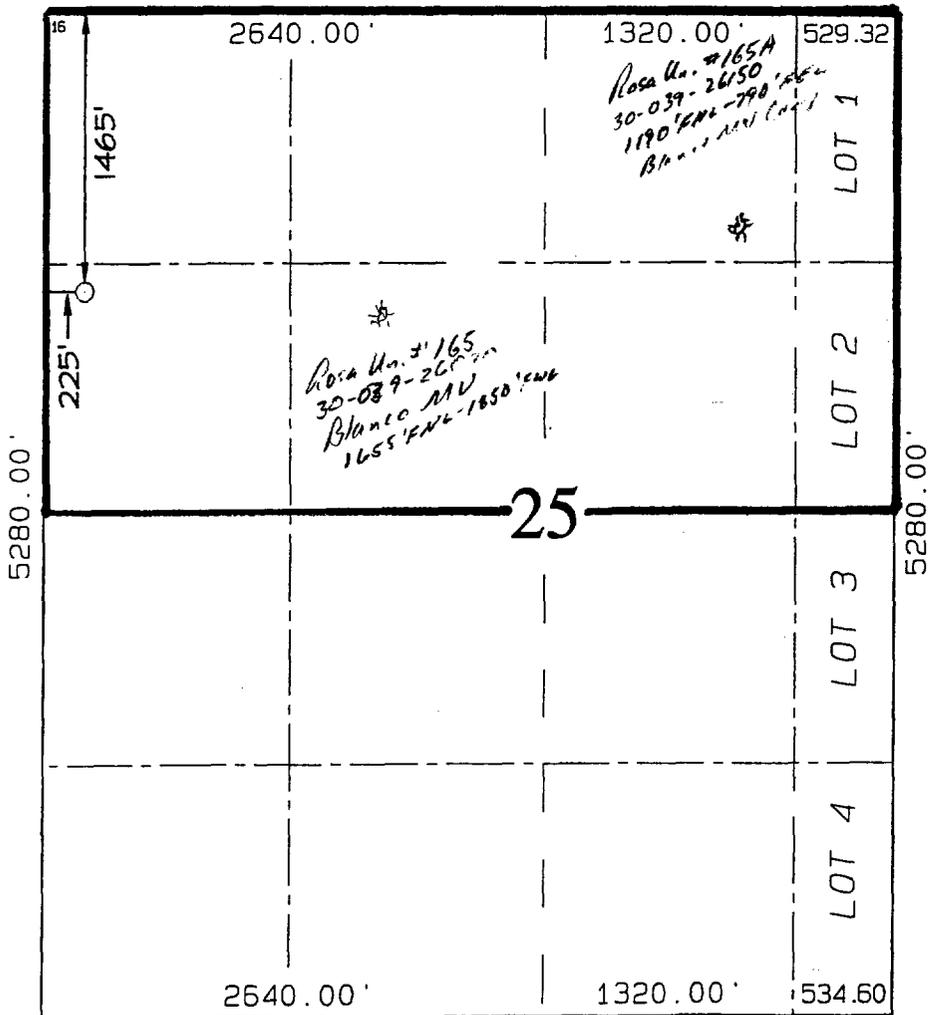
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	25	31N	6W		1465	NORTH	225	WEST	RIO ARRIBA

<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

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
272.16-N/2	I	U	

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



<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

*Steve Nelson*  
Signature

Steve Nelson  
Printed Name

Agent, Nelson Consulting  
Title

April 2, 2001  
Date

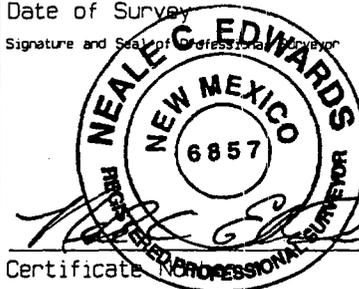
<sup>18</sup> SURVEYOR CERTIFICATION

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.

AUGUST 29, 2000

Date of Survey

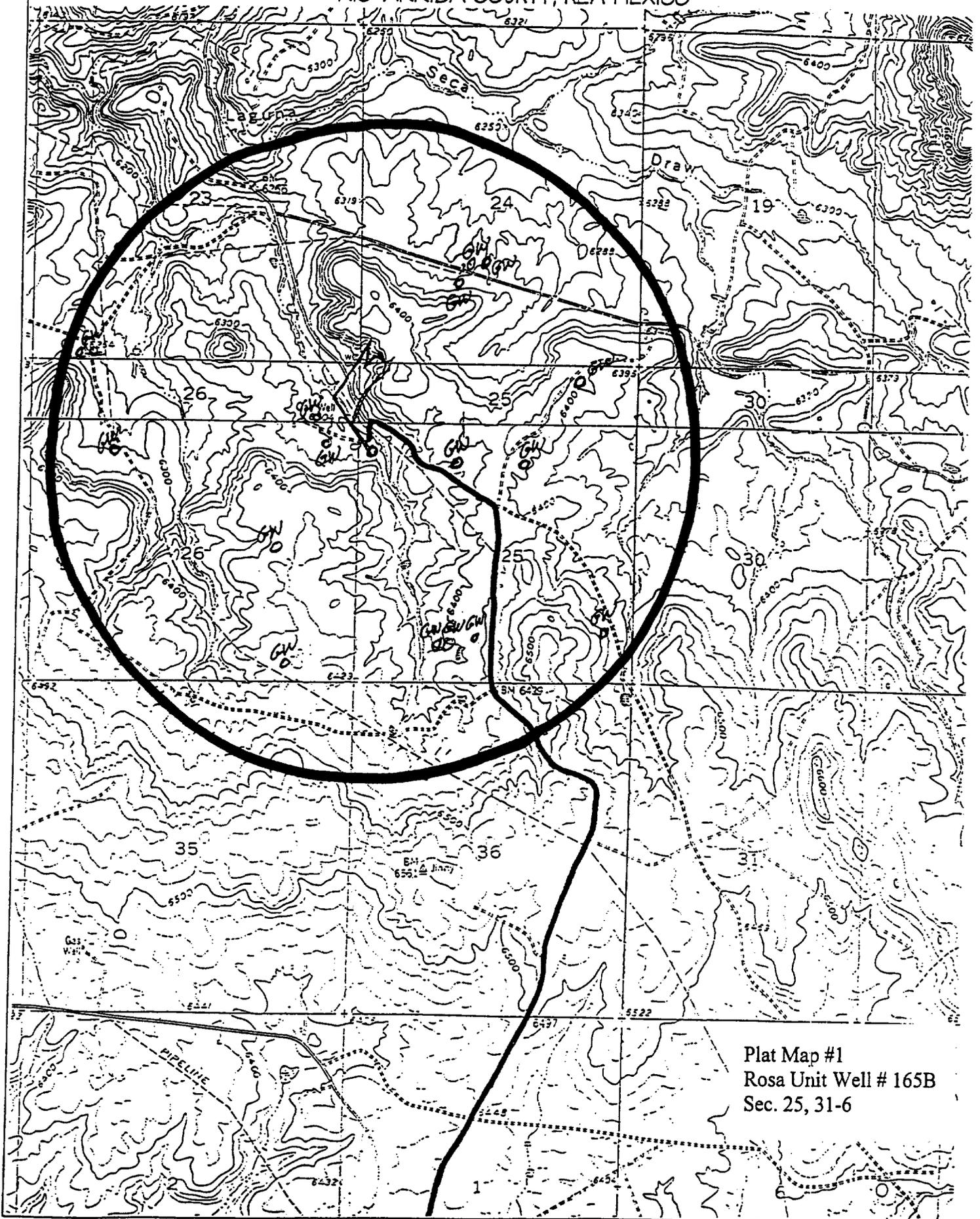
Signature and Seal of Professional Surveyor



Certificate No. 6857

WILLIAMS PRODUCTION COMPANY ROSA UNIT #165B

1465' FNL & 225' FWL, SECTION 25, T31N, R6W, N.M.P.M.  
RIO ARriba COUNTY, NEW MEXICO



Plat Map #1  
Rosa Unit Well # 165B  
Sec. 25, 31-6

**Stogner, Michael**

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**From:** Hayden, Steven  
**Sent:** Tuesday, June 05, 2001 10:09 AM  
**To:** Stogner, Michael  
**Cc:** Ezeanyim, Richard  
**Subject:** Williams Rosa Unit Dakota NSL apps.

Mike,  
I have reviewed the Williams applications for NSLs submitted by Walsh Engineering and have brief comments on each one:

RU #44B, This location is a clear cut topographic necessity. It is the only place in the west half of Section 35 that is even accessible.

RU #149B, Based on the listed reasons of topography and drainage pattern fit for the Mesaverde, this location is reasonable.

RU #30B, The location is reasonable as a fit for the elliptical drainage pattern of the surrounding Mesaverde wells within the available usable topography.

RU # 8B, This seems to be a good fit for the existing and projected elliptical drainage pattern of adjoining Mesaverde wells.

RU #165B, Considering the presence of the canyon bottom/arroyo to the immediate east of this location, this is the best fit possible for the well with respect to the projected elliptical drainage pattern for the Mesaverde here.

RU #31B, This is a reasonable fit for the elliptical drainage pattern here in the Mesaverde, but I would question whether the pattern could not have been as well matched with a location south and a little east along the road shown on the topo sheet included in the application. I am sending a separate air photo that shows this location and surrounding area.



Steve Hayden  
NM OCD District III  
1000 Rio Brazos Rd.  
Aztec, NM 87410

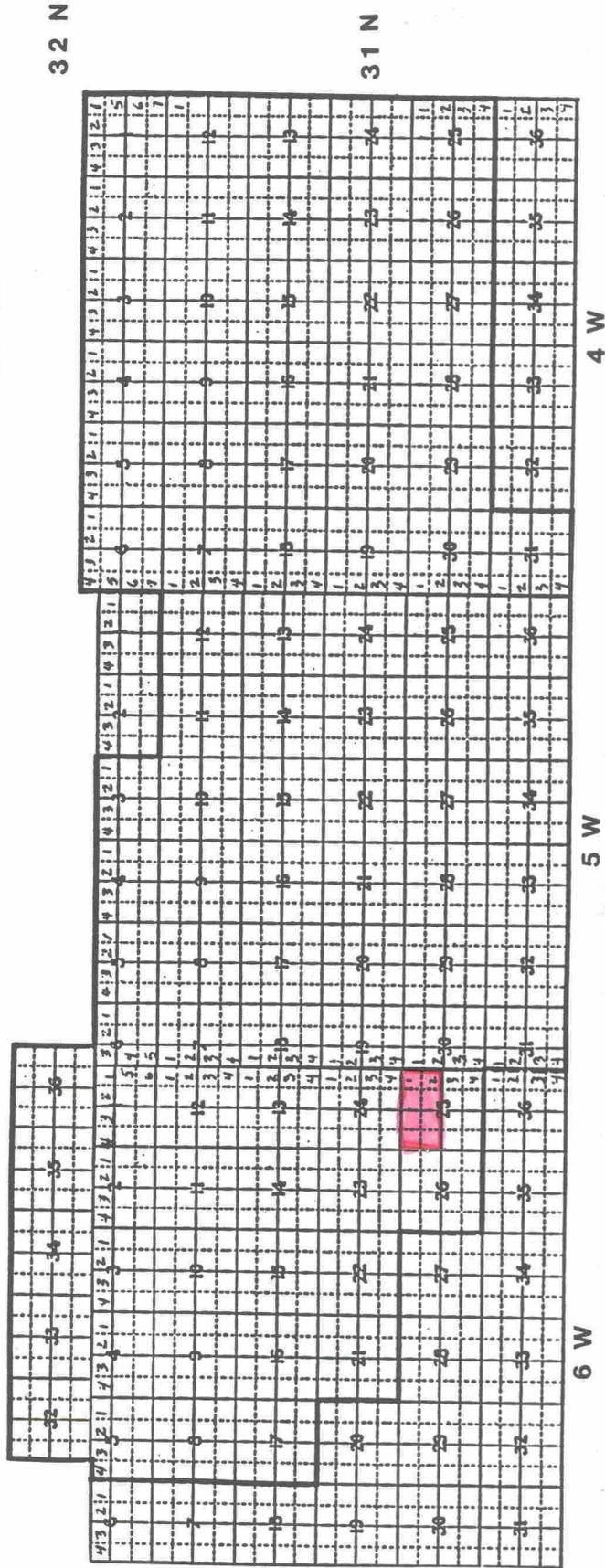
[shayden@state.nm.us](mailto:shayden@state.nm.us)  
(505) 334-6178 Ext. 14  
Fax: (505) 334-6170

# ROSA

RIO ARRIBA & SAN JUAN COUNTIES  
NEW MEXICO

No. I-SEC. No. 587

EFFECTIVE 6-24-48



CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

05/07/01 08:17:56  
OGOMES -TP2C  
PAGE NO: 1

Sec : 25 Twp : 31N Rng : 06W Section Type : NORMAL

D 40.00 <del>Federal owned U</del>	C 40.00 <del>Federal owned U</del>	B 40.00 <del>Federal owned U A</del>	1 16.06 <del>Federal owned U</del>
E 40.00 <del>Federal owned U A</del>	F 40.00 <del>Federal owned U A</del>	G 40.00 <del>Federal owned U A</del>	2 16.10 <del>Federal owned U</del>

PF01 HELP    PF02    PF03 EXIT    PF04 GoTo    PF05    PF06  
PF07 BKWD    PF08 FWD    PF09 PRINT    PF10 SDIV    PF11    PF12

172.16

85.05%

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

05/07/01 08:18:02  
OGOMES -TP2C  
PAGE NO: 2

Sec : 25 Twp : 31N Rng : 06W Section Type : NORMAL

L 40.00  Federal owned U	K 40.00  Federal owned U A	J 40.00  Federal owned U	3 16.14  Federal owned U
M 40.00  Federal owned U	N 40.00  Federal owned U A A	O 40.00  Federal owned U C A	4 16.18  Federal owned U

PF01 HELP    PF02            PF03 EXIT    PF04 GoTo    PF05            PF06  
PF07 BKWD   PF08 FWD      PF09 PRINT   PF10 SDIV     PF11            PF12

CMD : ONGARD 05/07/01 08:19:00  
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TP2C

OGRID Idn : 120782 API Well No: 30 39 26557 APD Status(A/C/P): A  
Opr Name, Addr: WILLIAMS PRODUCTION COMPANY, LLC Aprvl/Cncl Date : 03-13-2001  
PO BOX 58900  
SALT LAKE CITY,UT 84158-0900

Prop Idn: 17033 ROSA UNIT Well No: 165 B

	U/L	Sec	Township	Range	Lot Idn	North/South	East/West
	---	---	-----	-----	-----	-----	-----
Surface Locn :	E	25	31N	06W		FTG 1465 F N	FTG 225 F W
OCD U/L :	E		API County :	39			

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : F  
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 6311

State Lease No: Multiple Comp (S/M/C) : S  
Prpsd Depth : 6008 Prpsd Frmtn : BLANCO MESAVERDE

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

CMD : ONGARD 05/07/01 08:18:21  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TP2C

API Well No : 30 39 26150 Eff Date : 08-21-1999 WC Status : A  
Pool Idn : 72319 BLANCO-MESAVERDE (PRORATED GAS)  
OGRID Idn : 120782 WILLIAMS PRODUCTION COMPANY, LLC  
Prop Idn : 17033 ROSA UNIT

Well No : 165A  
GL Elevation: 6370

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn	: B	25	31N	06W	FTG 1190 F N FTG	790 F E	P

Lot Identifier:

Dedicated Acre: 272.16

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

E6317: No more recs. for this api well no.

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 05/07/01 08:18:26  
 OG6ACRE C102-DEDICATE ACREAGE OGOMES -TP2C

Page No : 1

API Well No : 30 39 26150 Eff Date : 08-21-1999  
 Pool Idn : 72319 BLANCO-MESAVERDE (PRORATED GAS)  
 Prop Idn : 17033 ROSA UNIT Well No : 165A  
 Spacing Unit : 52105 OCD Order : Simultaneous Dedication:  
 Sect/Twp/Rng : Acreage : 272.16 Revised C102? (Y/N) :  
 Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreeage	L/W	Ownership	Lot	Idn
	B	25	31N	06W	40.00	N	FD			
	C	25	31N	06W	40.00	N	FD			
	D	25	31N	06W	40.00	N	FD			
	E	25	31N	06W	40.00	N	FD			
	F	25	31N	06W	40.00	N	FD			
	G	25	31N	06W	40.00	N	FD			
	A	1	25	31N	06W	16.06	N	FD		
	H	2	25	31N	06W	16.10	N	FD		

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
 PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 05/07/01 08:18:39  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP2C  
Page No: 1

OGRID Identifier : 120782 WILLIAMS PRODUCTION COMPANY, LLC  
Pool Identifier : 72319 BLANCO-MESAVERDE (PRORATED GAS)  
API Well No : 30 39 26150 Report Period - From : 01 2000 To : 04 2001

API Well No	Property Name	Prod. Days		Production Volumes			Well Stat
		MM/YY	Prod	Gas	Oil	Water	
30 39 26150	ROSA UNIT	01 00	31	10147			F
30 39 26150	ROSA UNIT	02 00	29	7064			F
30 39 26150	ROSA UNIT	03 00	31	7205			F
30 39 26150	ROSA UNIT	04 00	30	6361		240	F
30 39 26150	ROSA UNIT	05 00	31	4196			F
30 39 26150	ROSA UNIT	06 00	30	5920			F
30 39 26150	ROSA UNIT	07 00	31	6192		80	F

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07 BKWD	PF08 FWD	PF09	PF10 NXTPOOL	PF11 NXTOGD	PF12

CMD : ONGARD 05/07/01 08:18:43  
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP2C  
 Page No: 2

OGRID Identifier : 120782 WILLIAMS PRODUCTION COMPANY, LLC  
 Pool Identifier : 72319 BLANCO-MESAVERDE (PRORATED GAS)  
 API Well No : 30 39 26150 Report Period - From : 01 2000 To : 04 2001

API Well No	Property Name	Prod. MM/YY	Days Prod	Production Volumes Gas	Oil	Water	Well Stat
30 39 26150	ROSA UNIT	08 00	31	5525		80	F
30 39 26150	ROSA UNIT	09 00	30	4311			F
30 39 26150	ROSA UNIT	10 00	31	4577			F
30 39 26150	ROSA UNIT	11 00	30	4569			F
30 39 26150	ROSA UNIT	12 00	31	3785		80	F
30 39 26150	ROSA UNIT	01 01	28	4503			F
30 39 26150	ROSA UNIT	02 01	6	3173			F

Reporting Period Total (Gas, Oil) : 77528 480

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 05/07/01 08:19:15  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TP2C

API Well No : 30 39 26070 Eff Date : 09-03-1999 WC Status : A  
Pool Idn : 72319 BLANCO-MESAVERDE (PRORATED GAS)  
OGRID Idn : 120782 WILLIAMS PRODUCTION COMPANY, LLC  
Prop Idn : 17033 ROSA UNIT

Well No : 165  
GL Elevation: 6393

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn	: F	25	31N	06W	FTG 1655 F N	FTG 1850 F W	P

Lot Identifier:

Dedicated Acre: 272.16

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) : U

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 05/07/01 08:19:22  
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TP2C

Page No : 1

API Well No : 30 39 26070 Eff Date : 08-21-1999  
Pool Idn : 72319 BLANCO-MESAVERDE (PRORATED GAS)  
Prop Idn : 17033 ROSA UNIT Well No : 165  
Spacing Unit : 52105 OCD Order : Simultaneous Dedication:  
Sect/Twp/Rng : Acreage : 272.16 Revised C102? (Y/N) :  
Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot Idn
		B	25	31N	06W	40.00	N	FD	
		C	25	31N	06W	40.00	N	FD	
		D	25	31N	06W	40.00	N	FD	
		E	25	31N	06W	40.00	N	FD	
		F	25	31N	06W	40.00	N	FD	
		G	25	31N	06W	40.00	N	FD	
	A	1	25	31N	06W	16.06	N	FD	
	H	2	25	31N	06W	16.10	N	FD	

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 05/07/01 08:19:33  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP2C  
Page No: 1

OGRID Identifier : 120782 WILLIAMS PRODUCTION COMPANY, LLC  
Pool Identifier : 72319 BLANCO-MESAVERDE (PRORATED GAS)  
API Well No : 30 39 26070 Report Period - From : 01 2000 To : 04 2001

API Well No	Property Name	Prod. MM/YY	Days Prod	Production Volumes Gas	Oil	Water	Well Stat
30 39 26070	ROSA UNIT	01 00	31	3821		60	F
30 39 26070	ROSA UNIT	02 00	29	31526			F
30 39 26070	ROSA UNIT	03 00	31	14395		120	F
30 39 26070	ROSA UNIT	04 00	3	46		1380	F
30 39 26070	ROSA UNIT	05 00	29	10154		660	F
30 39 26070	ROSA UNIT	06 00	30	5751		660	F
30 39 26070	ROSA UNIT	07 00	31	5290		829	F

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 05/07/01 08:19:38  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP2C  
Page No: 2

OGRID Identifier : 120782 WILLIAMS PRODUCTION COMPANY, LLC  
Pool Identifier : 72319 BLANCO-MESAVERDE (PRORATED GAS)  
API Well No : 30 39 26070 Report Period - From : 01 2000 To : 04 2001

API Well No	Property Name	Prodn. MM/YY	Days Prod	Production Volumes Gas	Oil	Water	Well Stat
30 39 26070	ROSA UNIT	08 00	31	4323		180	F
30 39 26070	ROSA UNIT	09 00	30	4459		600	F
30 39 26070	ROSA UNIT	10 00	31	4518		840	F
30 39 26070	ROSA UNIT	11 00	10	3546		720	F
30 39 26070	ROSA UNIT	12 00	12	3859		840	F
30 39 26070	ROSA UNIT	01 01	12	3647			F
30 39 26070	ROSA UNIT	02 01	12	2736			F

Reporting Period Total (Gas, Oil) : 98071 6889

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

ROW/APD

<b>APPLICATION FOR PERMIT TO DRILL OR DEEPEN</b>		5. Lease Designation and Serial No. SF-078766
1a. Type of Work <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>		6. If Indian, Allottee or Tribe Name
b. Type of Well Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> Single Well <input checked="" type="checkbox"/> Multiple Zone <input type="checkbox"/>		7. If Unit or CA, Agreement Designation Rosa Unit
2. Name of Operator <b>Williams Production Company</b>		8. Well Name and No. RU-#165B
3. Address and Telephone No. <b>P.O. Box 3102, MS 37-2, Tulsa, OK. 74101</b>		9. API Well No. <b>30-039-26557</b>
4. Location of Well (Footages) At Surface <b>1465' FNL 225' FWL, SWNW</b>  proposed prod. zone		10. Field and Pool, or Exploratory Area Blanco-Mesa Verde
14. Distance in Miles and Directions from Nearest Town or Post Office <b>Approximately 19.2 miles east of Navajo Dam Post Office (straight line)</b>		11. Sec., T., R., M., or BLK. and Survey or Area <b>Section 25, T31N, R6W</b>
15. Distance from Proposed Location to Nearest Property or Lease Line, Ft <b>225'</b>	16. No. of Acres in Lease <b>2552.71 acres</b>	17. No. of Acres Assigned to This Well <b>272.16 acres, N/2</b>
18. Distance from Proposed Location to Nearest Well Drilling, Completed, or Applied for, on this Lease, FT <b>1020'</b>	19. Proposed Depth <b>6008' KB</b>	20. Rotary or Cable Tools <b>Rotary</b>
21. Elevations (Show whether DF, RT, GR, etc) <b>6311' GR</b>	22. Approximate Date Work will Start <b>April 1, 2001</b>	



**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	SIZE & GRADE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	250'	130 sx-181 cu ft Type III
8-3/4"	7"	20#	3613'	405 sx-844 cu ft Type III
6-1/4"	4-1/2"	10.5#	3513'-6008'	175sx-242 cu ft Type III 80sx-116 cu ft 185sx-268 cu ft Class H + 50/50 poz

Williams Production Co. proposes to drill a vertical well to develop the Blanco Mesa Verde Formation in the described location above, and in accordance with the attached Operation and Surface Use plans. **The surface is under the jurisdiction of the Bureau of Land Management, Farmington Field Office.** Independent Contract Archaeology has surveyed the proposed location for Cultural Resources, and the report has been submitted to BLM for review.

This proposed well would not require a new access road (see Pipeline & Well Plats #3 and #4). The proposed 1577-foot long pipeline would tie into the Williams Gas Gathering System on the Rosa Unit #5Y. This proposed well tie would follow and utilize an existing gas field road (see the attached Pipeline Plat Map # 4).

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

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

I, Steve Nelson propose to deepen, give present productive zone and proposed new productive zone.  
Signed Steve Nelson Title Agent      COPIES: BLM+4, WELL FILE+1  
Date November 7, 2000

(This space for Federal or State office use)

Permit No. \_\_\_\_\_ Approval Date \_\_\_\_\_  
Application approval does not warrant or certify that 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:

APPROVED BY: /s/ Jim Lovate TITLE \_\_\_\_\_ DATE MAR 13 2001

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 21, 1994

District II  
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

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

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

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-039-26559</b>		*Pool Code <b>72319</b>	*Pool Name <b>Blanco Mesaverde</b>
*Property Code <b>17033</b>	*Property Name <b>ROSA UNIT</b>		*Well Number <b>165B</b>
*OGRID No. <b>120782</b>	*Operator Name <b>WILLIAMS PRODUCTION COMPANY</b>		*Elevation <b>6311'</b>

<sup>10</sup> Surface Location

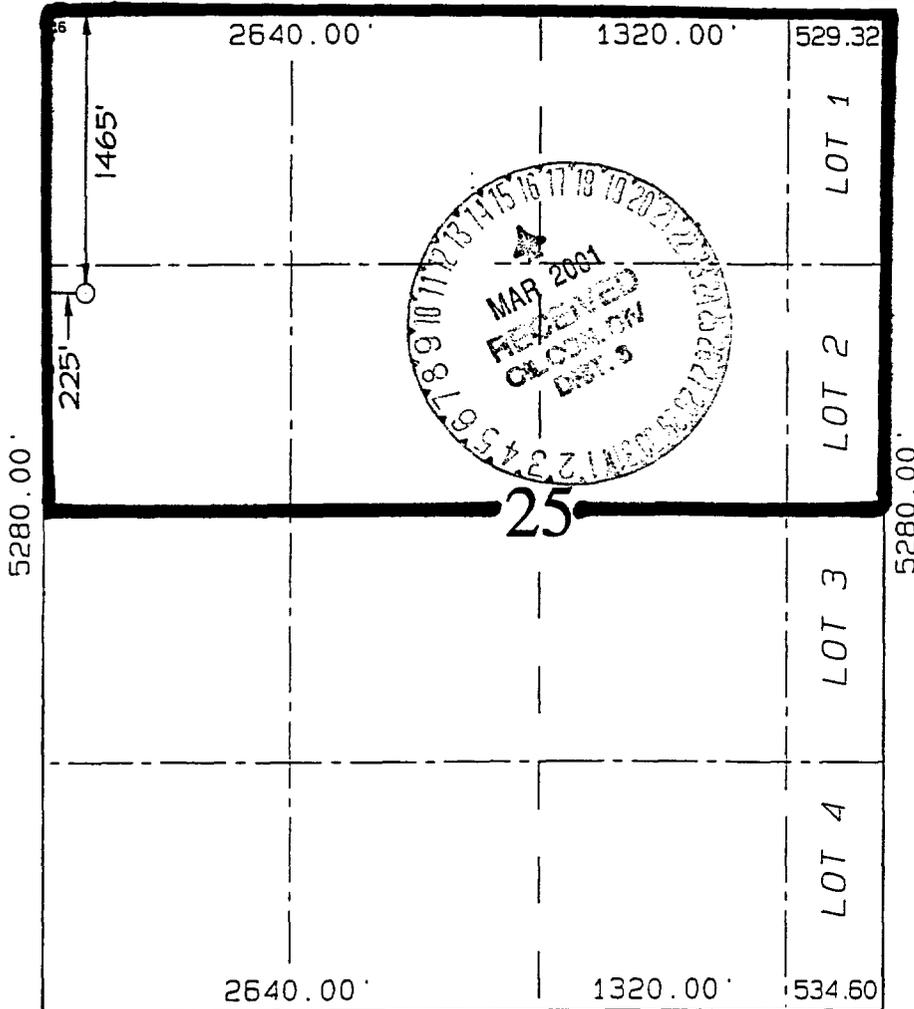
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>E</b>	<b>25</b>	<b>31N</b>	<b>6W</b>		<b>1465</b>	<b>NORTH</b>	<b>225</b>	<b>WEST</b>	<b>RIO ARriba</b>

<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

<sup>12</sup> Dedicated Acres <b>N/2</b> <b>272.16</b>	<sup>13</sup> Joint or Infill <b>I</b>	<sup>14</sup> Consolidation Code <b>U</b>	<sup>15</sup> Order No.
--	---	--	-------------------------

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



<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.

*Steve Nelson*  
Signature

**Steve Nelson**  
Printed Name  
**Agent, Nelson Consulting**  
Title

**November 7, 2000**  
Date

<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.

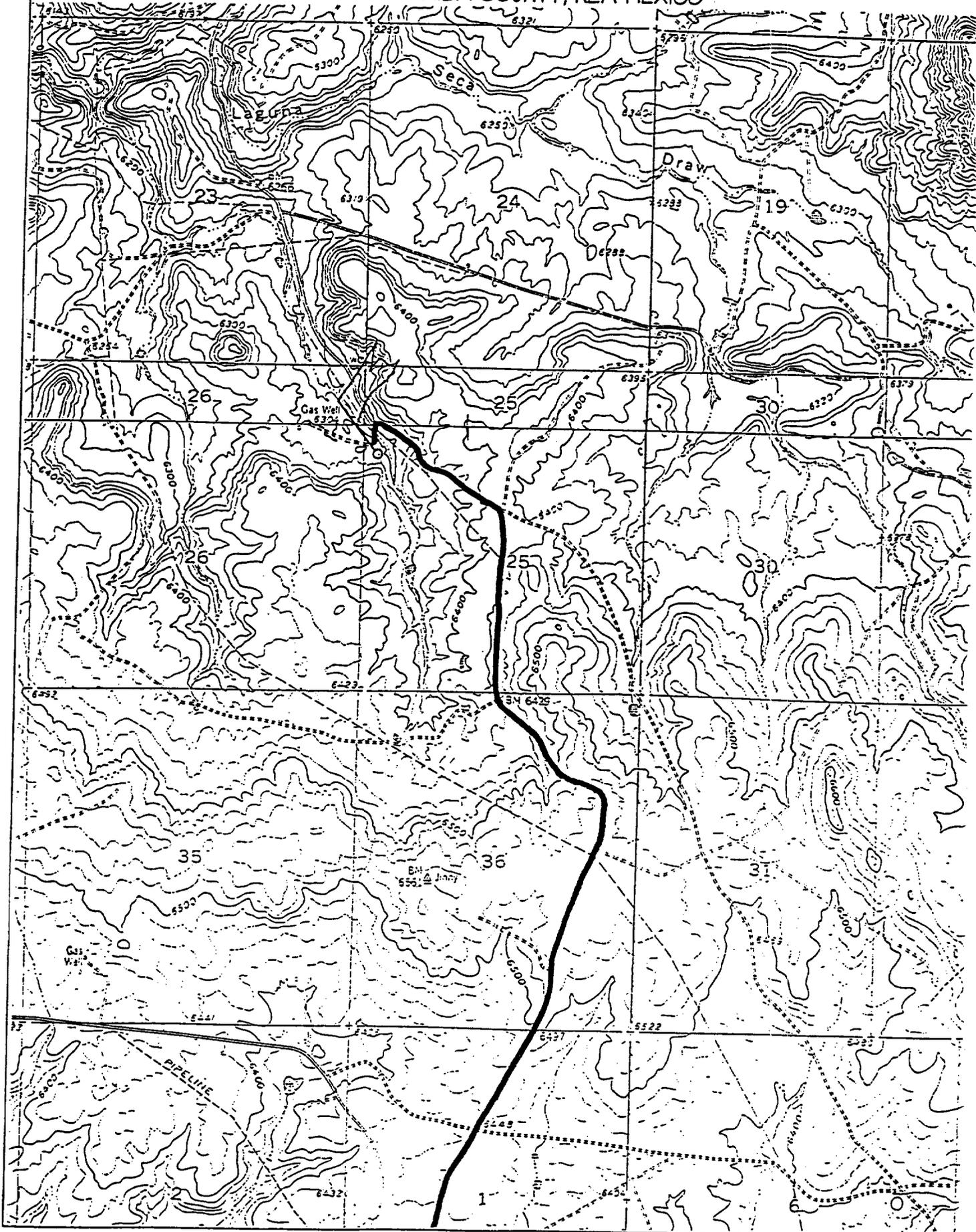
**AUGUST 29, 2000**  
Date of Survey

*Neale C. Edwards*  
Signature and Seal  
**NEALE C. EDWARDS**  
**NEW MEXICO**  
**6857**  
Professional Surveyor  
Certificate No. **6857**

WILLIAMS PRODUCTION COMPANY ROSA UNIT #165B

1465' FNL & 225' FWL, SECTION 25, T31N, R6W, N.M.P.M.

RIO ARriba COUNTY, NEW MEXICO



**B. FLOAT EQUIPMENT:**

1. SURFACE CASING: 9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (3) joints of Surface Casing.
2. INTERMEDIATE CASING: 7" cement nose guide shoe with a self-fill insert float. Place float collar one joint above the shoe. Install one Turbulent centralizer on each of the bottom (3) joints and one standard centralizer every (4) joints to the surface casing. Total centralizers = (26) regular and (3) turbulent.
3. PRODUCTION CASING: 4-1/2" whirler type cement nose guide shoe with a latch collar on top of 20" bottom joint. Place marker joint above 5630'. Place one positive standoff turbolizer every other joint. Total turbolizers is 34.

**C. CEMENTING:**

1. SURFACE: Slurry: 130sx (181 cu.ft.) of "Type III" + 2% CaCl<sub>2</sub> + ¼ # of cello-flake/sk (Yield = 1.39 cu.ft./sk, Weight = 14.5 #/gal.). The 125% excess should circulate cement to the surface. WOC 12 hours. Test csg to 1500psi.
2. INTERMEDIATE: Lead: 405sx (844 ft<sup>3</sup>) of "Type III" 65/35 poz + 8% gel + 1% CaCl<sub>2</sub> + ¼ # cello-flake/sk (Yield = 2.09 ft<sup>3</sup>/sk, Weight = 12.1 #/gal.). Tail: 175sx (242 ft<sup>3</sup>) of class "Type III" + 1% CaCl<sub>2</sub> + ¼ # cello-flake/sk. (Yield = 1.39 ft<sup>3</sup>/sk, Weight = 14.5#/gal.). The 100% excess in lead and tail should circulate cement to the surface. Total volume = 1086 ft<sup>3</sup>. WOC 12 hours. Run a temperature survey after 8 hours if cement is not circulated to the surface. Test csg. to 1500psi.
3. PRODUCTION LINER: Lead: 80sx (116 ft<sup>3</sup>) of Class-H + 50/50 poz + 4 % gel + 0.4% FL-52. (Yield = 1.45 cu.ft./sk, Weight = 13.2 #/gal.). Tail: 185sx (268 ft<sup>3</sup>) of Class-H + 50/50 poz + 4 % gel + 0.4% FL-5 + ¼# celloflake/sk and 4% Phenoseal (Yield = 1.45 ft<sup>3</sup>/sk, Weight = 13.2 #/gal.). Displace cement at a minimum of 8 BPM. The 50% excess in lead and tail should cover liner top. Total volume 384 ft<sup>3</sup>. WOC 12 hours.

**IV COMPLETION**

**A. CBL**

1. Run Cement Bond Log across all intervals to be perforated and find Top of Cement behind all casing strings.

**B. PRESSURE TEST**

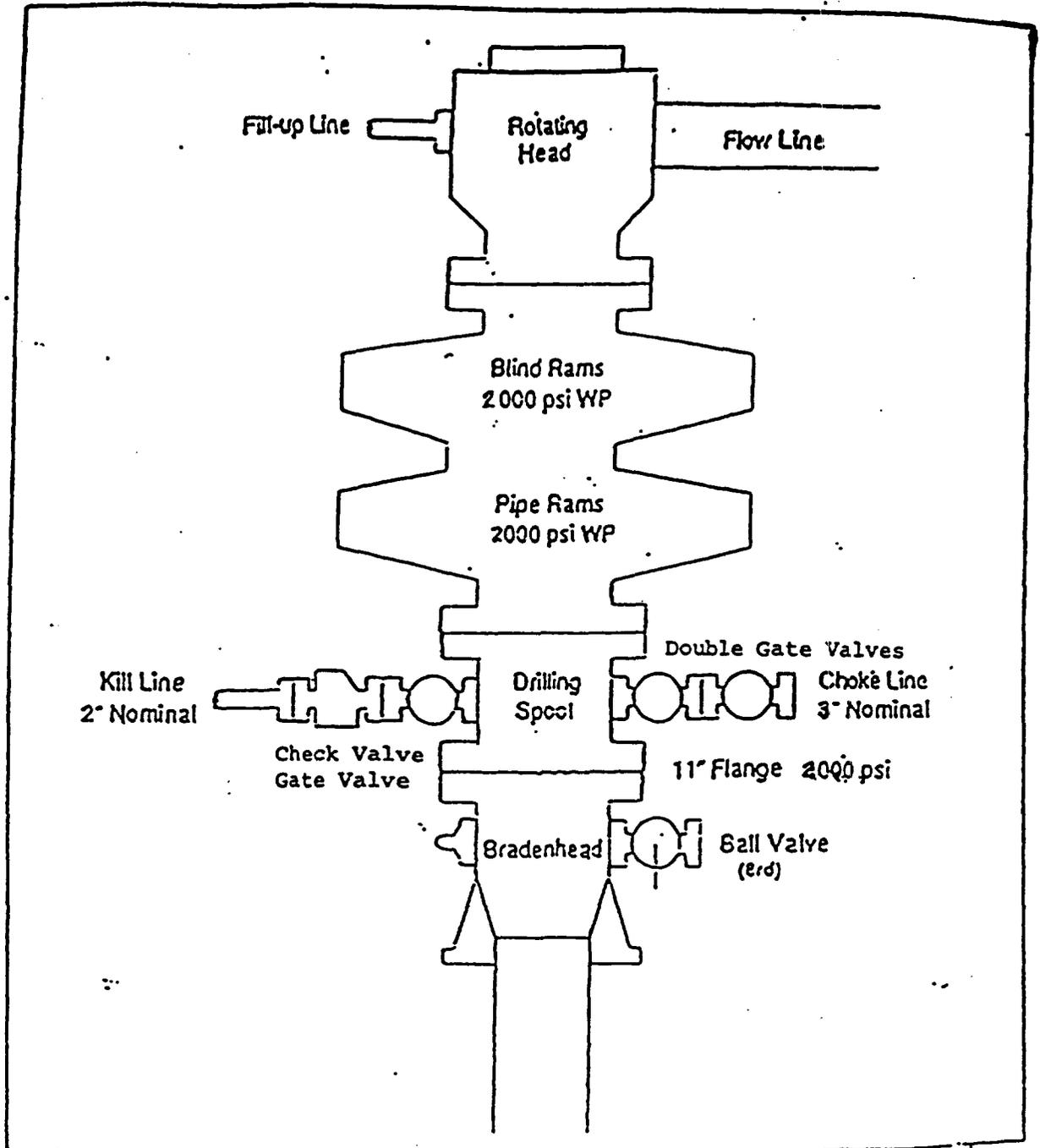
1. Pressure test 7" & 4-1/2" casing to 3300# for 15 minutes.

**C. STIMULATION**

1. Stimulate with approximately 80,000# of 20/40 sand in slick water.
2. Isolate Point Lookout with a CIBP.
3. Perforate the Menefee/Cliff House as determined from the open hole logs.
4. Stimulate with approximately 80,000# of 20/40 sand in slick water.

EXHIBIT 1

BOP STACK ARRANGEMENT



All ram type preventers and related equipment will be hydraulically tested at nipple-up and after any use under pressure to 1500 psi. The blind rams will be hydraulically activated and checked for operational readiness each time pipe is pulled out of the hole. All checks of the BOP stack and equipment will be noted on the daily drilling report. The BOP equipment will include a key cock with handle, floor safety valve with change overs for each tool joint in the string, and choke manifold all rated to 2000 psi.

## **Stogner, Michael**

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**From:** Hayden, Steven  
**Sent:** Thursday, April 19, 2001 7:59 AM  
**To:** Stogner, Michael  
**Subject:** FW: Williams NSLs

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**From:** Hayden, Steven  
**Sent:** Thursday, April 19, 2001 7:56 AM  
**To:** Stogner, Michael  
**Subject:** Williams NSLs

Mike,

I got several copies of NSL requests yesterday from Steve Nelson consulting for Williams to get some Dakota NSLs in the Rosa Unit. This is much like the BP/Amoco form letters with the added bonus that Mr. Nelson apparently doesn't know the difference between a standard location and pool boundaries. It must be very easy to make it as a consultant these days...

Steve

Sorry, I forgot to give you the well numbers:

RU #8B  
#24B  
#30B  
#31B  
#44B  
#149B  
#165B



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

May 22, 2001

**Williams Production Company**  
**One Williams Center**  
**P. O. Box 3102, MS 37-4**  
**Tulsa, Oklahoma 74101**

**Re:** *Six administrative applications filed with the New Mexico Oil Conservation Division ("Division") for exceptions to the well location requirements provided within the "Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987, as amended, by Division Orders No. R-10987-B and R-10987-B (1), requesting authorization to drill the following six wells at unorthodox gas well locations within the Basin-Dakota Pool: (i) Rosa Unit Well No. 149-B (API No. 30-039-26599) to be drilled 1440' FNL & 335' FWL (Unit E) of Section 12, T-31-N, R-6-W; (ii) Rosa Unit Well No. 165-B (API No. 30-039-26557) to be drilled 1465' FNL & 225' FWL (Unit E) of Section 25, T-31-N, R-6-W; (iii) Rosa Unit Well No. 31-B (API No. 30-039-26579) to be drilled 570' FNL & 515' FWL (Unit D) of Section 17, T-31-N, R-5-W; (iv) Rosa Unit Well No. 44-B (API No. 30-039-26685) to be drilled 660' FNL & 2535' FWL (Unit C) of Section 35, T-32-N, R-6-W; (v) Rosa Unit Well No. 8-B (API No. 30-039-26632) to be drilled 2010' FNL & 2170' FWL (Unit F) of Section 26, T-31-N, R-6-W; and (vi) Rosa Unit Well No. 30-B (API No. 30-039-26601) to be drilled 20' FSL & 2360' FWL (Unit N) of Section 12, T-31-N, R-6-W: all in Rio Arriba County, New Mexico.*

To whom it may concern:

**Williams Production Company** filed these six administrative applications with no return address for the responsible individual. I am therefore forwarding/returning the attached material to the only address for Williams Production Company on record.

Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec