

DATE IN 7/1/02	SUBMITTED 7/21/02	ENGINEER MS	LOGGED IN RV	TYPE NSL	APP NO. 218446769
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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



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify HORIZONTAL WELLBORE

[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.

WILLIAM F. CARR
 Print or Type Name

William F. Carr
 Signature

ATTORNEY
 Title

7-1-02
 Date

wcarr@hollandhart.com
 e-mail Address

HOLLAND & HART^{LLP}
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
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TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

July 1, 2002

HAND DELIVERED

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Williams Production Company, L.L.C. for Administrative
Approval of Horizontal Drilling in the Basin-Fruitland Coal Gas Pool, Rio
Arriba County, New Mexico.

Dear Ms. Wrotenbery:

Pursuant to the provisions of Rules 8 and 9 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, as promulgated by Division Order No. R-8768 dated October 17, 1988, Williams Production Company, L.L.C. hereby files its application for an administrative exception to the requirements of Rule 7 as amended by Division Order No. R-8768-B, effective February 10, 2000, for the drilling of its Rosa Unit Well No. 371 as an intentionally deviated horizontal wellbore on a standard coalbed methane gas spacing unit comprised of the W/2 of Section 13, Township 31 North, Range 5 West, NMPM, Rio Arriba County, New Mexico. This spacing unit will be the Project Area for this horizontal well.

Rule 7 provides that wells in the Basin-Fruitland Coal Gas Pool shall be located in the NE/4 or SW/4 of a single governmental section and shall be located no closer than 660 feet to any outer boundary of the spacing unit nor closer than 10 feet to any interior quarter or quarter-quarter section line. The surface location for the proposed Rosa Unit Well No. 371 well is 970 feet from the South line and 1640 feet from the West line of said Section 13 and is therefore at a standard surface location pursuant to Rule 7. However, the vertical portion of the wellbore will cross a quarter section line.

Williams proposes to drill a vertical well to a kick-off point at a depth of 2865.52 feet and build a curve at a rate of 12 degrees per 100 feet until a 90 degree curve is achieved at a vertical depth of 3343 feet. Williams proposes to then drill a

HOLLAND & HART ^{LLP}
ATTORNEYS AT LAW

July 1, 2002
Page 2

lateral in a northwesterly direction along an azimuth of 337 degrees for a bottomhole displacement of approximately 2500 feet to a terminus in the NW/4 of Section 13. The wellbore will be confined to a seven foot target seam from 3341 feet to 3348 feet vertical depth and at all times within a Producing Area 660 feet from the outer boundary of the Project Area.

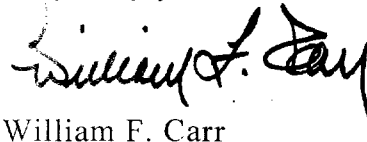
Attached to this application are the following documents:

- Exhibit A.** A plat showing the proposed spacing unit, the standard surface location, projected horizontal wellbore and the proposed lateral end of the wellbore;
- Exhibit B.** A plat identifying all offsetting owners, all of which have voluntarily committed their respective interests to the Rosa Unit;
- Exhibit C.** A copy of Division Form C-102 identifying the proposed 320-acre standard gas spacing or proration unit to be dedicated to the well;
- Exhibit D.** The Halliburton Sperry-Sun Proposal Report for the Rosa Unit Well No. 371 which contains schematic drawings of the proposed well that fully describe the casing, tubing, perforated or openhole interval, kick-off point, and proposed trajectory of the directional drainhole;

The spacing unit for the proposed horizontal well comprised of the W/2 of Section 13 is located within the Rosa Unit, a voluntary exploratory unit operated by Williams Production Company, L.L.C. There are no operators or owners of undrilled tracts offsetting the proposed gas spacing or proration unit for said well since all ownership of each tract is committed to the unit and therefore there no operators or owners to whom notice of this application must be provided pursuant to Rule 9(B).

Your attention to this application is appreciated.

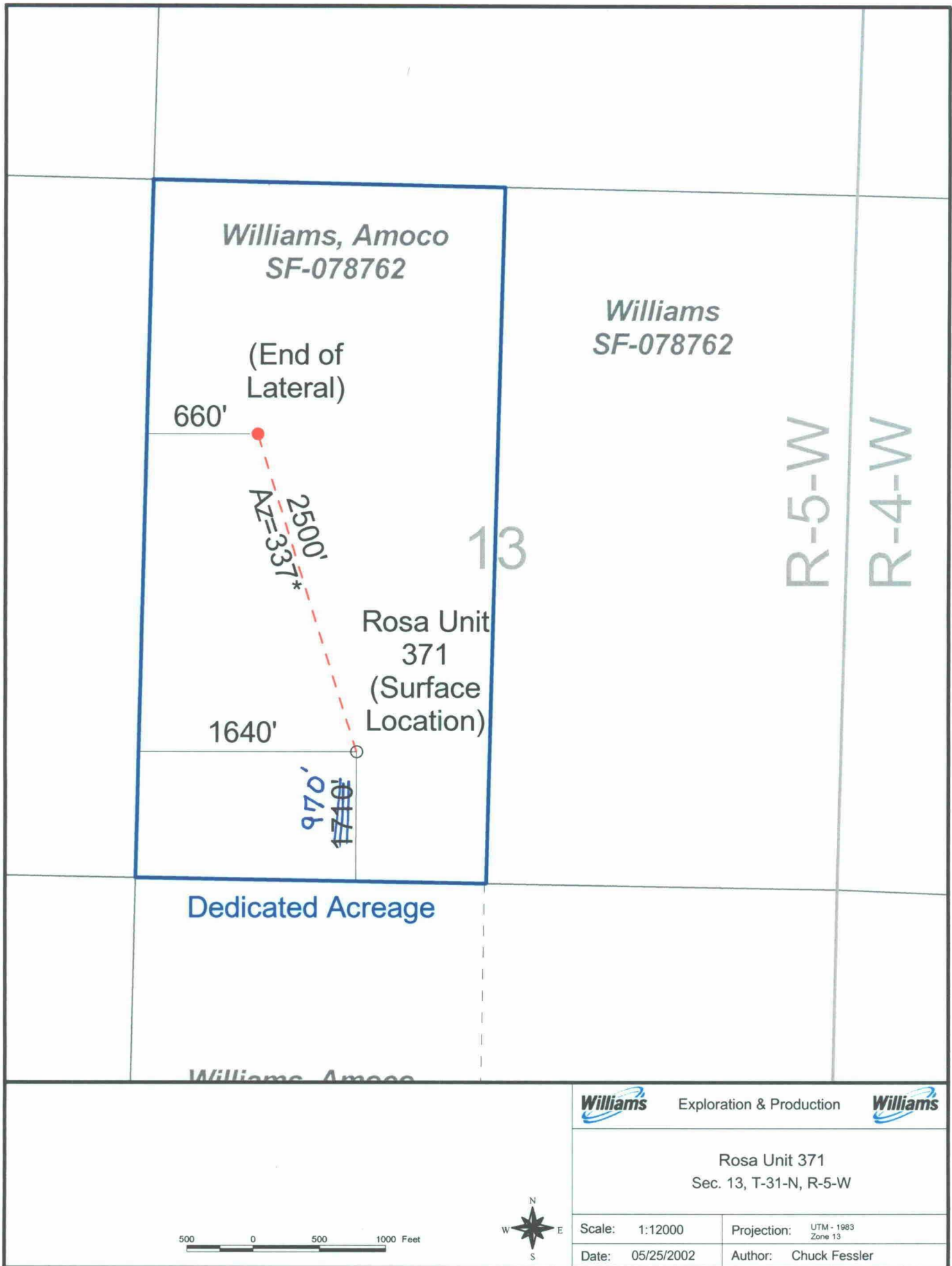
Very truly yours,



William F. Carr
Attorney for Williams Production
Company

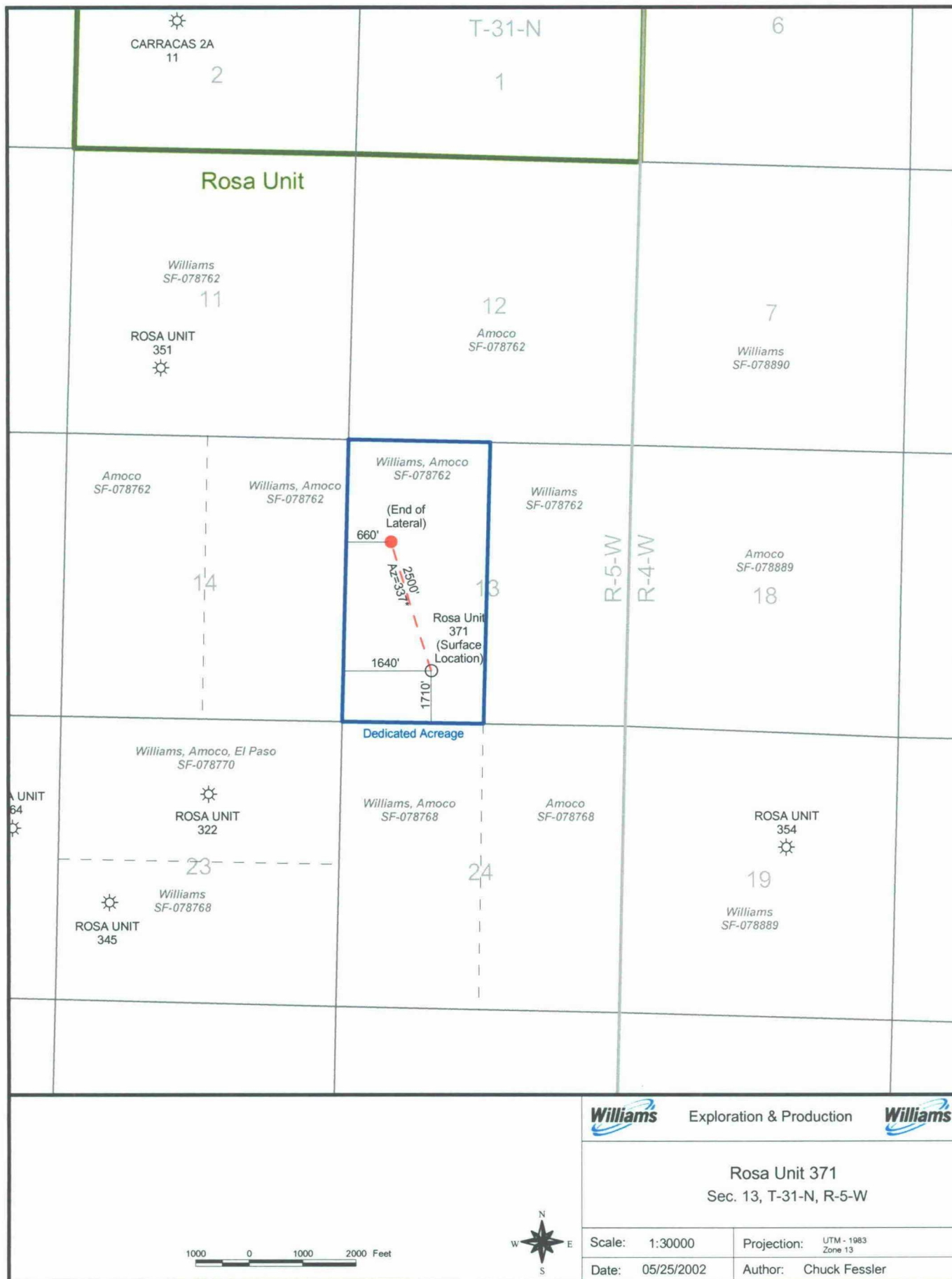
Enclosures

cc: Oil Conservation Division-Aztec



File Path: S:\GIS_Mapping\Projects\Vern_Hansen\Rosa_Unit-371\rosa_unit-371.apr

EXHIBIT A



File Path: S:\GIS_Mapping\Projects\Vern_Hansen\Rosa_Unit-371\rosa_unit-371.apr

EXHIBIT B

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

District II
PO Drawer DD, 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 71629	*Pool Name Basin Fruitland Coal
*Property Code 17033	*Property Name ROSA UNIT		*Well Number 371
*OGRIID No. 120782	*Operator Name WILLIAMS PRODUCTION COMPANY		*Elevation 5530'

¹⁰ Surface Location

UL or lot no. N	Section 13	Township 31N	Range 5W	Lot Idn	Feet from the 970	North/South line SOUTH	Feet from the 1640	East/West line WEST	County RIO ARriba
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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
*Dedicated Acres 320.0 Acres - (W/2)					*Joint or Infill	*Consolidation Code	*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

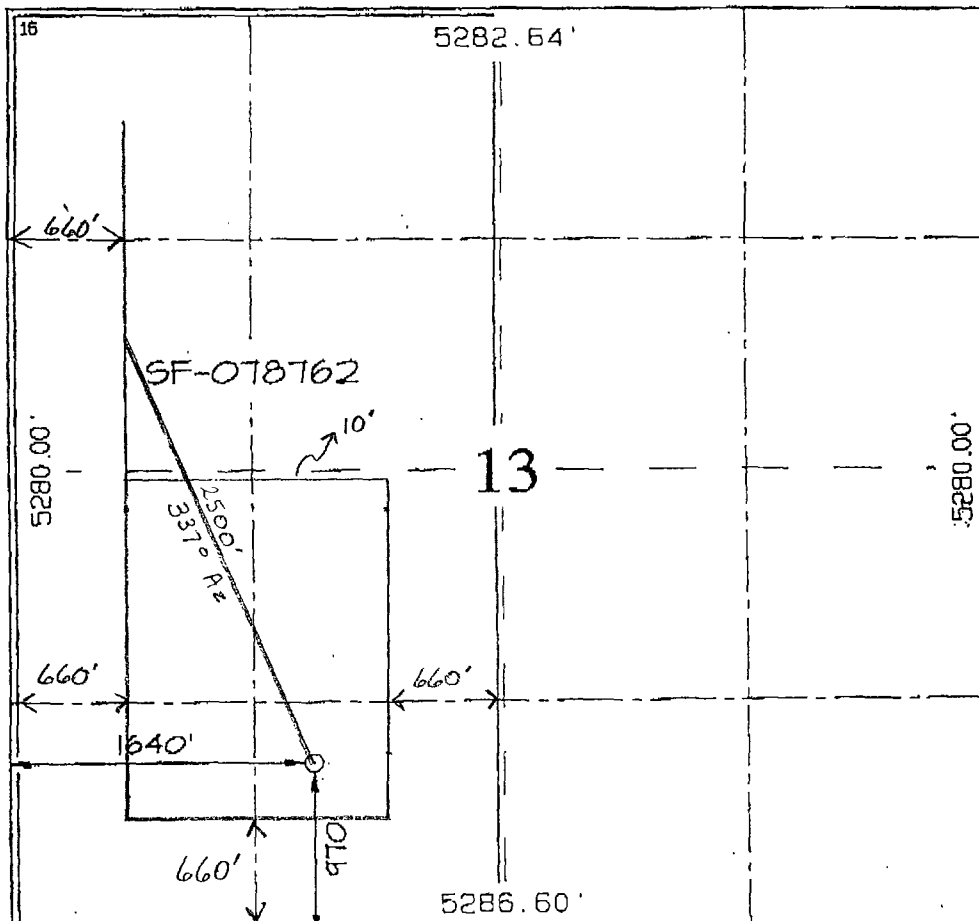
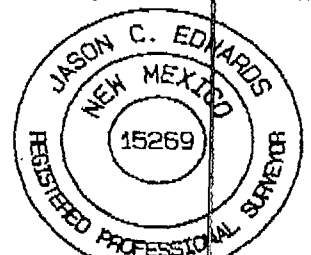
	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature John C. Thompson</p> <p>Printed Name Agent/Engineer</p> <p>Title 5/23/02</p> <p>Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that 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.</p> <p>Survey Date: FEBRUARY 8, 2002</p> <p>Signature and Seal of Professional Surveyor</p> <p></p> <p>JASON C. EDWARDS Certificate Number 15269</p>

EXHIBIT C



Williams Production Company
New Mexico
Rio Arriba County
Rosa Unit # 371 - Plan 06/18/02

Sperry-Sun

Proposal Report

18 June, 2002

Data Source: Information from Gary Sizemore

Proposal Ref: pro5830

EXHIBIT D

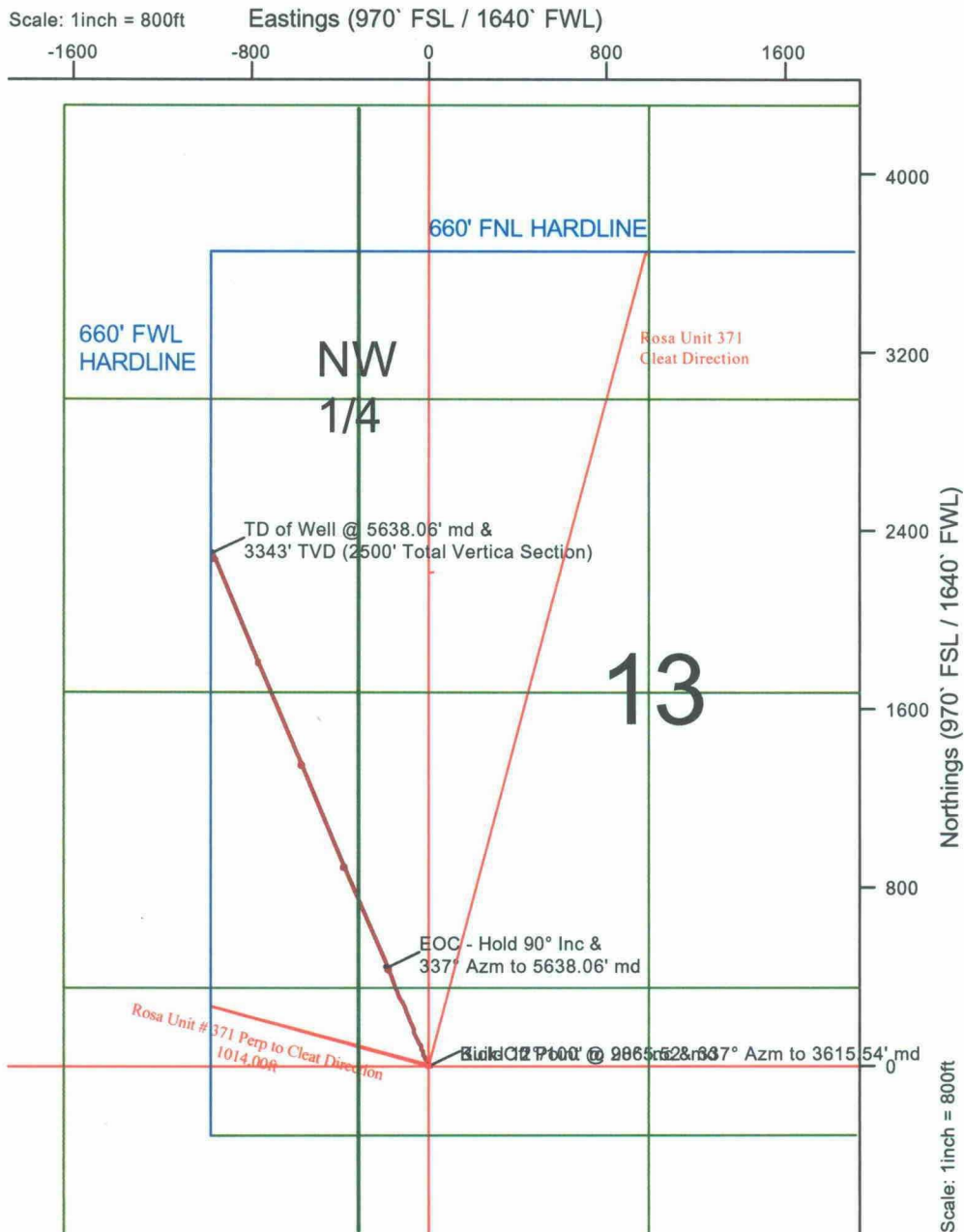
HALLIBURTON

Proposal Report for Rosa Unit # 371 - Plan 06/18/02

Data Source: Information from Gary Sizemore

Measured Depth (ft)	Incl. (Deg)	Azim. (Deg)	Station Coordinates TVD (ft)	Northings (ft)	Eastings (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Comment
0.00	0.000	0.000	0.00	0.00 N	0.00 E	0.00		
2721.00	0.000	0.000	2721.00	0.00 N	0.00 E	0.00	0.00	Ojo Alamo Ss
2840.00	0.000	0.000	2840.00	0.00 N	0.00 E	0.00	0.00	Kirtland Shale
2865.52	0.000	0.000	2865.52	0.00 N	0.00 E	0.00	0.00	Build 12°/100' to 90° Inc & 337° Azm to 3615.54' md
2880.00	1.738	337.000	2880.00	0.20 N	0.09 W	0.22	12.00	
2910.00	5.337	337.000	2909.94	1.91 N	0.81 W	2.07	12.00	
2940.00	8.937	337.000	2939.70	5.34 N	2.27 W	5.80	12.00	
2970.00	12.537	337.000	2969.17	10.48 N	4.45 W	11.39	12.00	
3000.00	16.137	337.000	2998.23	17.32 N	7.35 W	18.81	12.00	
3030.00	19.737	337.000	3026.77	25.82 N	10.96 W	28.05	12.00	
3060.00	23.337	337.000	3054.67	35.96 N	15.26 W	39.06	12.00	
3090.00	26.937	337.000	3081.82	47.69 N	20.24 W	51.80	12.00	
3120.00	30.537	337.000	3108.12	60.96 N	25.88 W	66.22	12.00	
3144.62	33.491	337.000	3129.00	72.97 N	30.98 W	79.27	12.00	Fruitland Fm
3150.00	34.137	337.000	3133.47	75.73 N	32.14 W	82.27	12.00	
3180.00	37.736	337.000	3157.75	91.93 N	39.02 W	99.87	12.00	
3210.00	41.336	337.000	3180.88	109.51 N	46.48 W	118.97	12.00	
3240.00	44.936	337.000	3202.77	128.39 N	54.50 W	139.47	12.00	
3270.00	48.536	337.000	3223.33	148.49 N	63.03 W	161.32	12.00	
3300.00	52.136	337.000	3242.48	169.75 N	72.05 W	184.41	12.00	
3330.00	55.736	337.000	3260.13	192.07 N	81.53 W	208.65	12.00	
3360.00	59.336	337.000	3276.23	215.36 N	91.42 W	233.96	12.00	
3390.00	62.936	337.000	3290.71	239.54 N	101.68 W	260.23	12.00	
3420.00	66.535	337.000	3303.52	264.51 N	112.28 W	287.36	12.00	
3450.00	70.135	337.000	3314.59	290.17 N	123.17 W	315.23	12.00	
3480.00	73.735	337.000	3323.89	316.42 N	134.31 W	343.75	12.00	
3510.00	77.335	337.000	3331.38	343.16 N	145.66 W	372.79	12.00	
3540.00	80.935	337.000	3337.04	370.27 N	157.17 W	402.25	12.00	
3570.00	84.535	337.000	3340.83	397.66 N	168.80 W	432.01	12.00	
3571.83	84.754	337.000	3341.00	399.34 N	169.51 W	433.83	12.00	Top of Coal Interval
3600.00	88.135	337.000	3342.75	425.22 N	180.49 W	461.94	12.00	
3615.54	90.000	337.000	3343.00	439.52 N	186.57 W	477.48	12.00	EOC - Hold 90° Inc & 337° Azm to 5638.06' md
3700.00	90.000	337.000	3343.00	517.26 N	219.57 W	561.94	0.00	
3800.00	90.000	337.000	3343.00	609.32 N	258.64 W	661.94	0.00	
3900.00	90.000	337.000	3343.00	701.37 N	297.71 W	761.94	0.00	
4000.00	90.000	337.000	3343.00	793.42 N	336.79 W	861.94	0.00	
4100.00	90.000	337.000	3343.00	885.47 N	375.86 W	961.94	0.00	
4200.00	90.000	337.000	3343.00	977.52 N	414.93 W	1061.94	0.00	
4300.00	90.000	337.000	3343.00	1069.57 N	454.00 W	1161.94	0.00	
4400.00	90.000	337.000	3343.00	1161.62 N	493.08 W	1261.94	0.00	

New Mexico
Rio Arriba County
Sec. 13-T31N-R6W
Rosa Unit # 371



Prepared by:
Admin

Date/Time:
18 June, 2002 - 15:01

Checked:

Approved:

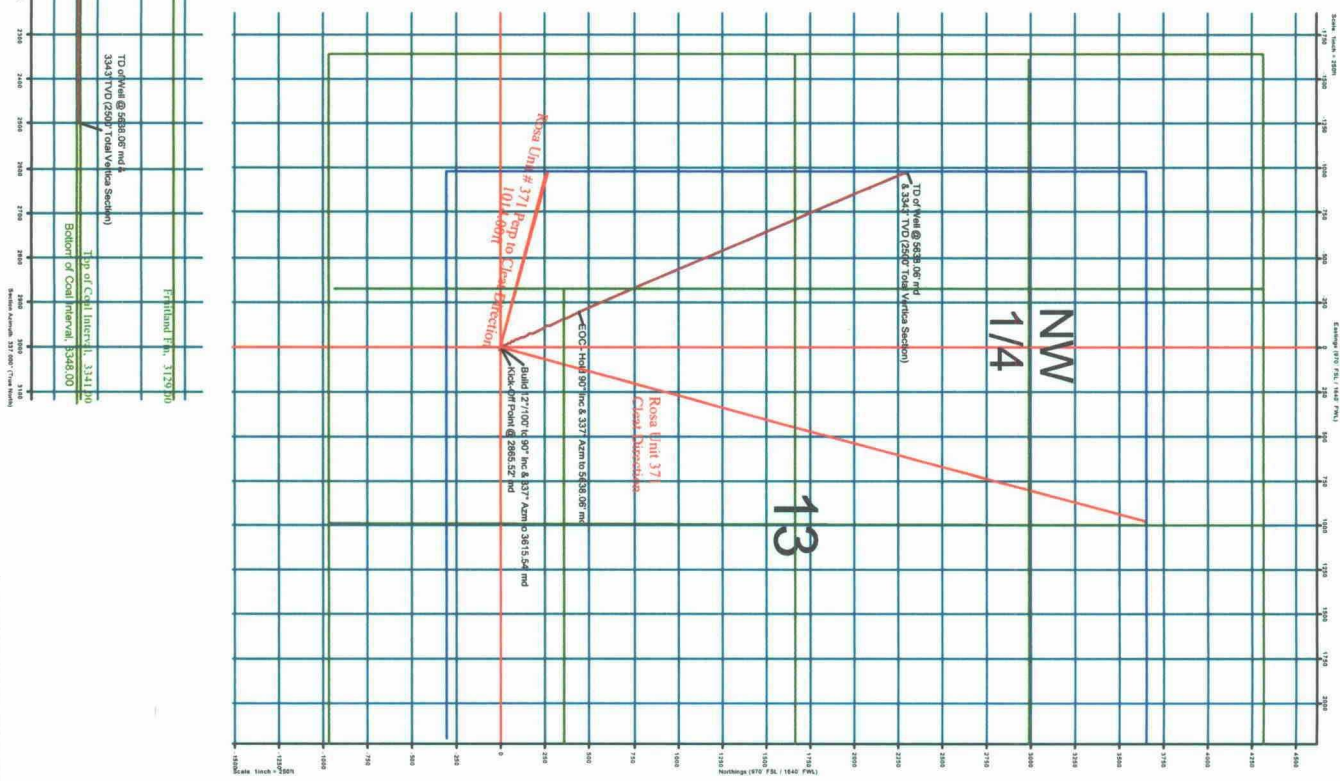
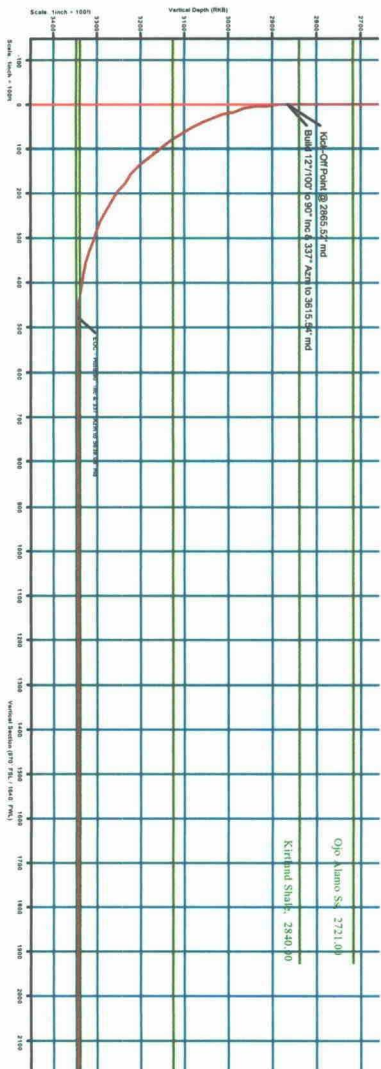
New Mexico
Rio Arriba County
Sec. 13-T31N-R6W
Rosa Unit # 371



Proposal Data for Plan 06/18/02

Proposal Data for Plan 06/18/02						
Vertical Origin :		RNS				
Horizontal Origin :		970' FSL / 1640' FWL				
Measurement Units :		ft				
North Reference :		True North				
Dogleg severity :				Doglegs per 100 feet		
Vertical Section Azimuth :		337.000°				
Vertical Section Description :		970' FSL / 1640' FWL				
Vertical Section Origin :		0.00 N.O.00 E				
Measured Depth	Incl.	Azim.	Vertical Depth	Northings	Eastings	Vertical Section
						Dogleg Rate
0.00	0.000	0.000	0.00	0.00 N	0.00 E	0.00
2865.52	0.000	0.000	2865.52	0.00 N	0.00 E	0.00
3615.54	90.000	337.000	3343.00	439.52 N	186.57 W	477.48
5638.06	90.000	337.000	3343.00	2301.26 N	976.83 W	2500.00
						0.00

5638
3615
2022



CMD : ONGARD
OG5SECT INQUIRE LAND BY SECTION

07/05/02 14:54:48
OGOMES -TPQX
PAGE NO: 1

Sec : 13 Twp : 31N Rng : 05W Section Type : NORMAL

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Federal owned U	Federal owned U	Federal owned U	Federal owned U
E	F	G	H
40.00	40.00	40.00	40.00
Federal owned U	Federal owned U	Federal owned U	Federal owned U

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CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

07/05/02 14:54:51
OGOMES -TPQX
PAGE NO: 2

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M 40.00 Federal owned U	N 40.00 Federal owned U A	O 40.00 Federal owned U	P 40.00 Federal owned U

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06
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