

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesa, 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 and Natural Resources

Form C-103
 May 27, 2004

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

WELL API NO. 30-045-30816
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE
6. State Oil & Gas Lease No. State
7. Lease Name or Unit Agreement Name Rosa Unit
8. Well Number 167B
9. OGRID Number 120782
10. Pool name or Wildcat Blanco MV/Basin Dakota

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
WILLIAMS PRODUCTION COMPANY, LLC

3. Address of Operator
P.O. Box 640, Aztec, NM 87410

4. Well Location
955' FNL & 2205' FEL
Section 8B Township 31N Range 06W NMPM County SAN JUAN, NM

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6219' GR

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input checked="" type="checkbox"/> Commingle		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> RCVD NOV 15 '11 OIL CONS. DIV. OTHER: <input type="checkbox"/>	
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DIST. 3

- i. Pre-approved Pool Division Order R-13122.
- ii. Pools to be commingled: Blanco MV 72319, Basin Dakota 71599.
- iii. Perforated intervals: Blanco MV 4510'-5772', Basin Dakota 7716'-7839'.
- iv. Fixed percentage allocation based upon production data of 46% Blanco MV and 54% Basin Dakota. This is based on the historic MV/DK of this well. See attached recommendation for details. This allocation may be adjusted at a later date based on a spinner survey after production has stabilized.
- v. Commingling will not reduce the value of reserves.
- vi. Interest owners in the spacing unit have not been notified of the intent to downhole commingle per order R-12991.
- vii. The BLM has been notified on sundry notice form 3160-5.

X

OHC 3673AZ

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Ben Mitchell TITLE Regulatory Specialist DATE 11/14/2011

Type or print name Ben Mitchell E-mail address: ben.mitchell@williams.com Telephone No. 505-333-1806
For State Use Only

APPROVED BY: Charles TITLE SUPERVISOR DISTRICT # 3 DATE 11-18-11

Conditions of Approval (if any):

* If no PLT 2011 Approved test CSG Between Perts & top Perts to surface
 W



Exploration & Production

**Production Allocation Recommendation
Rosa Unit #167B
Mesa Verde/Dakota**

WELLNAME:	Rosa Unit #167B	FIELD:	San Juan
LOCATION:	NW/4 NE/4 Section 8(B),T31N, R6W	COUNTY:	San Juan
API No.:	30-045-30816	Date:	September 24, 2011

Current Status: The Rosa Unit #167B is currently a dual completion well producing from the Mesa Verde and Dakota formations. Williams recommends commingling this well.

Commingle Procedure:

- Mesa Verde tubing will be pulled
- Dakota tubing will be pulled
- Production packer will be removed
- Well will be cleaned out to PBTD at 7885'
- A single string of 2-3/8" tubing will be run to ~7810'
- One set of wellhead facilities will be removed
- Well will be produced as a MV/DK commingle

Allocation Method: Historic production data from both zones in this well was gathered and analyzed. Cumulative production was considered to calculate baseline allocations. Williams will run a completion profiler once the well is commingled to re-evaluate allocation percentages.

Cumulative production used for baseline allocation:

Total Production from well = 606.760 MMcf
Total Production from MV = 278.901 MMcf
Total Production from DK = 327.859 MMcf

MV allocation = MV production / Total production = 278.901 MMcf / 606.760 MMcf = **46%**

DK allocation = DK production / Total production = 327.859 MMcf / 606.760 MMcf = **54%**