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

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

Form C-103
May 27, 2004

WELL API NO.
30-039-25411

5. Indicate Type of Lease
STATE ☐ FEE X

6. State Oil & Gas Lease No.
SF-078771

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.)

7. Lease Name or Unit Agreement Name
Rosa Unit

1. Type of Well: Oil Well ☐ Gas Well x Other

8. Well Number 1E

2. Name of Operator
WILLIAMS PRODUCTION COMPANY, LLC

9. OGRID Number
120782

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

10. Pool name or Wildcat
Blanco Mesaverde/Basin Dakota

4. Well Location
830' FSL &830' FEL
Section 11 Township 31N Range 06W NMPM County RIO ARRIBA

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
6345

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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
OTHER: X Commingle		OTHER: ☐	

RCVD SEP 27'11
OIL CONS. DIV.
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 5356'-5973', Basin Dakota 7887'-7981'.
iv. Fixed percentage allocation based upon production data of 13% Blanco MV and 87% Basin Dakota. This is based on the historic production of all wells that have MV/DK production. 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.

OHC 3659 AZ

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 9/26/2011

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

For State Use Only

APPROVED BY: Charlie Perrin TITLE Deputy Oil & Gas Inspector, District #3 DATE OCT 04 2011

Conditions of Approval (if any):

A

Exploration & Production

Production Allocation Recommendation
Rosa Unit #1E
Mesa Verde/Dakota

WELLNAME:	Rosa Unit #1E	**FIELD:**	San Juan
LOCATION:	SE/4 SE/4 Section 11(P),T31N, R6W	**COUNTY:**	Rio Arriba
API No.:	30-039-25411	**Date:**	September 21, 2011

Current Status: The Rosa Unit #1E 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 8033'
- A single string of 2-3/8" tubing will be run to ~7945'
- 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 = 4661.311 MMcf
Total Production from MV = 600.948 MMcf
Total Production from DK = 4060.363 MMcf

MV allocation = MV production / Total production = 600.948 MMcf/ 4661.311 MMcf = **13%**

DK allocation = DK production / Total production = 4060.363 MMcf / 4661.311 MMcf = **87%**