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Form 3160-5
(February 2005)

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

FORM APPROVED
OMB No 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well		5. Lease Serial No. SF-078764
<input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator Williams Production Company, LLC		7. If Unit of CA/Agreement, Name and/or No. Rosa Unit
3a. Address PO Box 640 Aztec, NM 87410	3b. Phone No. (include area code) 505-333-1806	8. Well Name and No. Rosa Unit #23C
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2060' FSL & 220' FWL, (L) sec 29, T31N, R5W		9. API Well No. 30-039-27609
		10. Field and Pool or Exploratory Area MV/DK
		11. Country or Parish, State RIO ARRIBA, NM

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other / <u>Commingle</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation. Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Williams Production plans to commingle the Blanco Mesa Verde and Basin Dakota on this well as per attached procedure. Commingle authorization has been filed with the NMOCD. (copy attached)

RCVD NOV 16 '11

OIL CONS. DIV.

DIST. 3

See OHC Requirement

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Ben Mitchell		Title Regulatory Specialist
Signature <i>[Signature]</i>		Date 11/10/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>[Signature]</i>	Title bco	Date 11-14-11
Conditions of approval, if any, are attached. Approval of this notice 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.		
Office FFD		

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 page 2)

NMOCD

[Signature]

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

Form C-103
May 27, 2004

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

WELL API NO. 30-039-26920 27609
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. SF-078764
7. Lease Name or Unit Agreement Name Rosa Unit
8. Well Number 23C
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
2060' FSL & 220' FWL
Section 29L Township 31N Range 05W NMPM County RIO ARRIBA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6399' 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 ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☒ Commingle

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

- i. Pre-approved Pool Division Order R-13122.
- ii. Pools to be commingled: Blanco MV 72319, Basin Dakota 71599.
- iii. Perforated intervals: Blanco MV 5209'-5866', Basin Dakota 7898'-8080'.
- iv. Fixed percentage allocation based upon production data of 58% Blanco MV and 42% 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.

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 11/10/2011

Type or print name Ben Mitchell
For State Use Only

E-mail address: ben.mitchell@williams.com

Telephone No. 505-333-1806

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):



Production Allocation Recommendation
Rosa Unit #23C
Mesa Verde/Dakota

WELLNAME: Rosa Unit #23C

LOCATION: NW/4 SW/4 Section 29(L), T31N, R5W

API No.: 30-039-27609

FIELD: San Juan

COUNTY: Rio Arriba

Date: November 3, 2011

Current Status: The Rosa Unit #23C is currently a dual completion well producing from the Mesa Verde and Dakota formations. Williams recommends commingling this well.

Commingling 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 8085'
- A single string of 2-3/8" tubing will be run to ~8055'
- 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 = 448.397 MMcf

Total Production from MV = 260.567 MMcf

Total Production from DK = 187.830 MMcf

MV allocation = MV production / Total production = 260.567 MMcf / 448.397 MMcf = **58%**

DK allocation = DK production / Total production = 187.830 MMcf / 448.397 MMcf = **42%**