

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:

Administrative application dated March 25, 2001 for Williams Production Company's proposed Rosa Unit Well No. 24-B (API No. 30-039-26630) to be drilled at an unorthodox infill gas well location for the Basin-Dakota Pool 860 feet from the South line and 1975 feet from the West line (Unit N) of Section 32, Township 31 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.

Dear Mr. Nelson:

The location of Williams Production Company's proposed Rosa Unit Well No. 24-B appears to be standard for an infill gas well within an existing standard 320-acre stand-up gas spacing and proration unit comprising the W/2 of Section 32 in the Basin-Dakota Pool. My review of this application indicates it to be unnecessary since the well location and spacing requirements within the "Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987-B, dated June 30, 2000, as amended by Division Order No. R-10987-B (1), dated August 10, 2000 [not Division Rule 104.C (2) (a) as your application shows], provides for wells to be located not closer to a quarter section line then 660 feet. This well is 860 feet from the South line of Section 32 and 665 feet from the eastern line of the SW/4 of Section 32.

I am therefore withdrawing this application and returning it to you at this time.

Should you have any questions concerning this matter please contact me in Santa Fe at (505) 476-3465 or Steve Hayden in Aztec, New Mexico at (505) 334-6178.

Sincerely

Michael E. Stogner

Chief Hearing Officer/Engineer

cc:

New Mexico Oil Conservation Division - Aztec

New Mexico State Land Office - Santa Fe Kathy Valdes, NMOCD - Santa Fe

NSL

4/24/01

March 25, 2001

Ms. Lori Wrotenbery New Mexico Oil Conservation Division 2040 S. Pacheco Santa Fe, NM 87505 APR 4 200

. No West Address

Re: Non-Standard Location for the Rosa Unit 24B, 860' FSL, 1975' FWL, (30-039-26630) Section 32, T31N, R5W, NMPN, Rio Arriba County, NM, Dakota Formation.

Dear Ms. Wrotenbery:

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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 west half of Section 32 T31N, R5W, which is 320 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 Oil Conservation Division -Aztec Office issued a APD to us on 1-10-01 for a standalone 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

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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

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 Numbi		71			AU	MEAGE DED	ICALION P	_AT		
•	er er	72	*Pool Code 72319 / 71599			³Pool Name Blanco Mesaverde / Basin Dakota					
*Property Code 17033 *OGRID No.		*Property Name ROSA UNIT *Operator Name							*Well Number 24B		
120782		WILLIAMS PRODUCTION COMPANY							6518 ·		
¹⁰ Surface Location											
UL or lot no.	Section 32	Township 31N	Range 5W	Lot Idn	Feet from th		North/South line SOUTH	Feet from the 1975	East/West line WEST		County RIO ARRIBA
Buttom Hole Location If Different From Surface											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from th	ne l	North/South line	Feet from the	East/West line		County
Dedicated Acres		13 Joint or Infil	1 ³⁴ Cons	olidation Code	¹⁵ Order No.	<u>-</u>					
320 - W/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											
4 Ha	# 244	5282.64					17 OPERATOR CERTIFICATION				

30-033-2556 RATUR CERTIFICATION hereby certify that the information contained herein is rue and complete to the best of my knowledge and belief Signature Steve Nelson Printed Name Agent, Nelson Consulting 280.00 April 2, 2001 Date *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. DECEMBER 7, 2000 Date of Surve 14/5 NO PIONESSION 5280.00 Certificate 6857

