22. June .07

NSL

PCLP0717343219

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 CHECKL 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] Location - Spacing Unit - Simultaneous Dedication X NSL NSP Check One Only for [B] or [C] Commingling - Storage - Measurement ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM DHC [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery ☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR [D] Other: Specify JUN 22 2007 **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or - Does Not Apply [2] Working, Royalty or Overriding Royalty Interest Owners Oil Conservation Division 1220 S. St. Francis Drive [B]Offset Operators, Leaseholders or Surface Owner Santa Fe, NM 87505 [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 For all of the above, Proof of Notification or Publication is Attached, and/or, [E] [F] Waivers are Attached SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE [3] 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 m<u>anag</u>erial and/or supervisory capacity.



P. O. Box 640 Aztec, NM 87410 (505) 634-4222 (505) 634-4205 (fax) Heather.riley@williams.com

June 20, 2007

Mark E. Fesmire NEW MEXICO OIL CONSERVATION DIVISION 1220 South Saint Francis Drive Santa Fe, NM 87505

Re: Request for Administrative approval for non-standard Dakota Location

Rosa Unit #188C API # 3003929909 SW4 Sec. 34, T31N, R5W 880' FSL & 2450' FWL

Dear Mr. Fesmire:

Williams Production Co., LLC, is requesting administrative approval to construct the Rosa Unit #188C as a dual Mesaverde/Dakota with the Dakota being non-standard. Pursuant to Order No. R-10987-B(2), spacing requirements allow for up to 4 Dakota wells in a standard GPU and they shall be located not closer than 660 feet to the outer boundary of the GPU and not closer than 10 feet to any interior quarter or quarter-quarter section line or subdivision inner boundary. Given these requirements, this location is non-standard to the east by 470 feet.

Williams has already been issued an APD for drilling a standard infill Mesaverde well by the BLM. A copy of the front page of the APD is enclosed for your review.

Williams intends to make the well a dual well thereby capturing the reserves from the Dakota with a single well bore. By itself the Dakota in this area is at best very marginal economically and a dual completion helps capture additional reserves from the Dakota that otherwise would not be able to be economically developed. Utilizing a single well bore for a dual completion would also negate the need for additional disturbance of another wellpad, road, and pipeline.

The surface location was picked by considering drainage patterns from the offset Mesaverde wells. In particular, the drainage patterns we are trying to avoid are from the Rosa Unit #184A in the northeast of 34, the Rosa Unit #188A in the northwest of 34, the Rosa Unit #188C in the southwest of 34, the

Mark E. Fesmire June 20, 2007 Page 2 of 2

Rosa Unit #188B in the southwest of 34, and the Rosa Unit #2A in the northwest of 3 (T30N, R5W). See drainage map.

As the Unit Operator of the Rosa Unit, Williams Production is the only offset operator, thereby this proposed non-standard location would not affect any other operators.

The offset unit's working interest and mineral owners to the east are common with the subject unit therefore there are no "affected persons."

Enclosed for your reference are copies of the Participating Area maps for the Mesaverde and Dakota Formations. As you can see, the east half of section 34 is not in a PA, nor is the west half. Both areas are in a PA in the Mesaverde Formation.

The spacing unit for the Mesaverde is the west half and the other Mesaverde wells in the spacing unit are the Rosa Unit #188, #188A and #188B.

The spacing unit for the Dakota is the west half and there are no other Dakota wells in the spacing unit.

Should you have any questions or concerns, please don't hesitate to contact me at the phone numbers listed above. You can also contact Vern Hansen at our Tulsa office at (918) 573-6169.

Sincerely,

Regulatory Specialist

Enc.: 1st page of the APD

Plat

Topographic map Drainage Map

PA Maps (MV & DK)

Copy: DirtC

Form 3160-3 (September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0136 Expires January 31, 2004

5. Lease Serial No.

NMSF-078773

6. If Indian, Allottee or Tribe Name

APPLICATION FOR PERMIT TO DR	ILL OR R	EENTER 2	7 8 34	o. If Indian, Another of Th	ibe ivame			
la. Type of Work: DRILL REENTER		RECEIV	T 0	7. If Unit or CA Agreemen				
		ULOFIL		Rosa Unit NM				
b. Type of Well:	tiple Zone	8. Lease Name and Well No. 188C						
2. Name of Operator Williams Production Company, LLC				9. API Well No. 30 -03 9-2	9909			
a. Address	3b. Phone No	. (include area code)		10. Field and Pool, or Explo				
P.O. Box 640 Aztec, NM 87410	(505)	634-4208	}	Blanco Mesaverde				
Location of Well (Report location clearly and in accordance with any				11. Sec., T., R., M., or Blk.	and Survey or Area			
At surface 880' FSL & 2450' FWL		, ,	}		-			
At proposed prod. zone same			1	Section 34, 31N, 5V	,			
Distance in miles and direction from nearest town or post office*				12. County or Parish	13. State			
approximately 31 miles northeast of Blanco, New Mexico			.	Rio Arriba	NM NM			
5. Distance from proposed* location to nearest property or lease line, fl.		Acres in lease		Unit dedicated to this well	- Min			
3. Distance from proposed location*	1,920 19. Propose			320.0 (W/2) D. BLM/BIA Bond No. on file				
to nearest well, drilling, completed, applied for, on this lease, ft.		•	<u> </u>	2	00			
1500' 1. Elevations (Show whether DF, KDB, RT, GL, etc.)	6,491	imate date work will	start*	23. Estimated duration				
6,712' GR		1, 2006	Juit	1 month				
0,712 GK	24. Atta			T GOTAL				
ne following, completed in accordance with the requirements of Onshor	e Oil and Gas	Order No.1, shall be a	attached to this	form:				
Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System I SUPO shall be filed with the appropriate Forest Service Office).	ands, the	Item 20 above 5. Operator certifi). ication. e specific infor	unless covered by an existi				
. Signature	Name	(Printed/Typed)		Date				
I never traces		Larry Higgins		5	-11-06			
ortle Drilling COM A A								
pproved by (Signature) Illan Kee We	Name	(Printed/Typed)		Date	1/13/8			
AT 11	Office	F	3					
application approval does not warrant of certify that the applicant holds I perations thereon. Conditions of approval, if any, are attached.	egal or equital	ble title to those rights	in the subject l	ease which would entitle the	applicant to conduct			

*(Instructions on reverse)

Williams Exploration and Production Company, LLC, proposes to drill a well to develop the Blanco Mesaverde formation at the above described location in accordance with the attached drilling and surface use plans.

The surface is under jurisdiction of the Carson National Forest, Jicarilla Ranger District.

This location has been archaeologically surveyed La Plata Archaeological Consultants. Copies of their report have been submitted directly to the CNF/JRD.

A 1150-foot on-lease access road and a 1352.30-foot pipeline tie would be required for this location. Williams Field Services has filed a pipeline route plan for the associated pipeline. The pipeline would be owned and operated by Williams Field Services.

District I 1625 N. French Dr., Hobbs, NM 88240 State of New Mexico
Energy, Minerals & Natural Resources Department

Santa Fe, NM 87505

District II 1301 W. Grand Avenue, Artesia, NM BB210

District III 1000 Rio Brazos Rd., Aztec, NM 87410

APT Number

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

2Pnn1 Code

Revised October 12, 2005
Instructions on back
Submit to Appropriate District Office
State Lease – 4 Copies
Fee Lease – 3 Copies

Pool Name

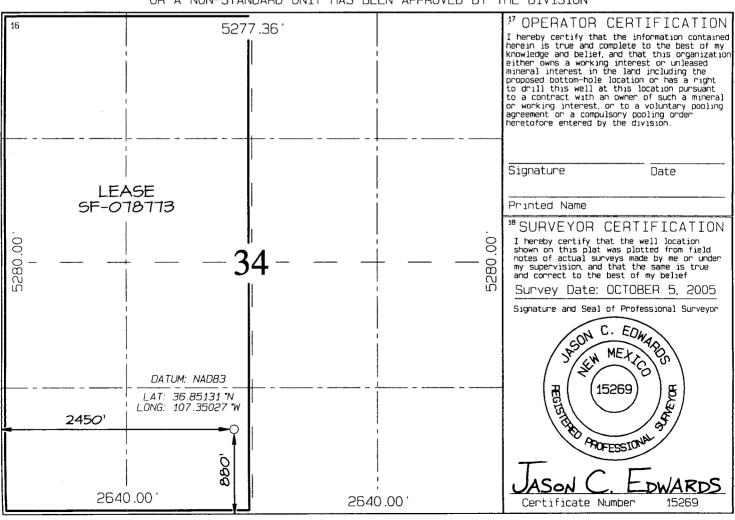
___ AMENDED REPORT

Form C-102

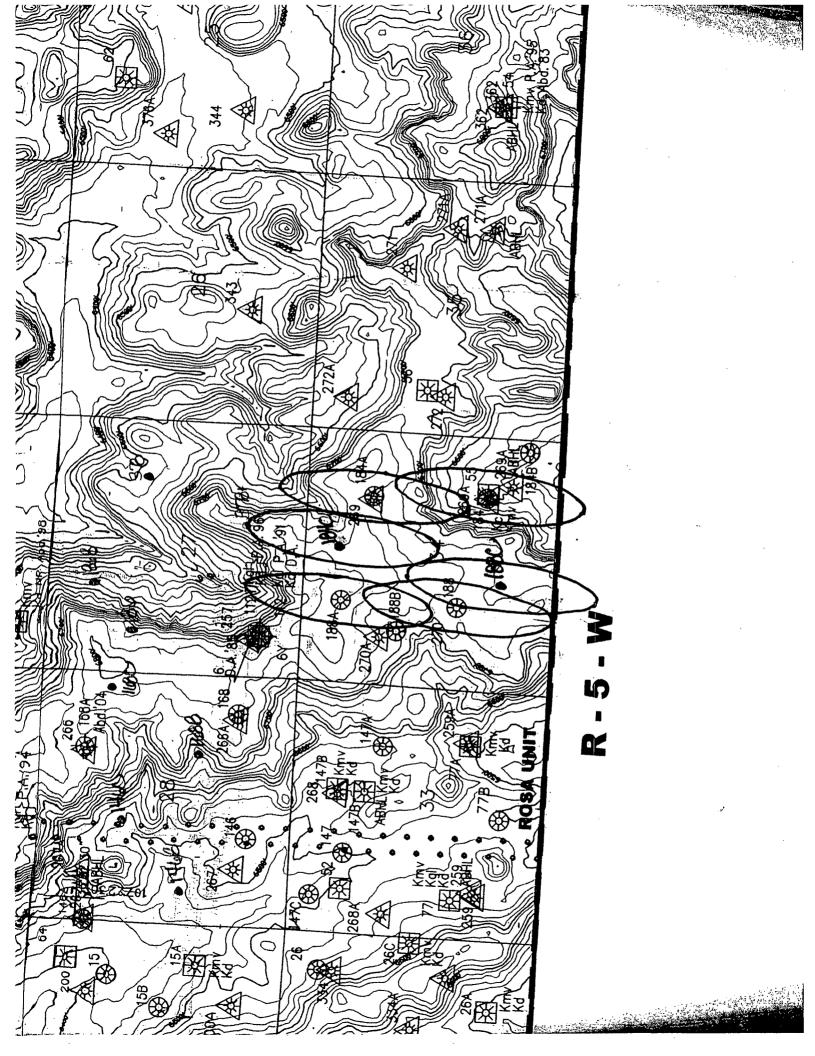
WELL LOCATION AND ACREAGE DEDICATION PLAT

A	AT Mamper		727	319 / 7	I	RI ANCO M	N DAKOTA			
							LUAVENDE /	DAJI		
1.Property	Code				*Propert	⁵Well Number				
17033	3				ROSA	188C				
'OGRID N	VO .				*Operator		*Elevation			
12078	2			WILL	IAMS PRODU	6712'				
				-	¹⁰ Sunface	Location				
UL or lot no.	Section	Township	Township Range Lot Id		Feet from the	North/South line Feet from t		East/We	st line	County
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		11 B	ottom	Hole L	ocation I	f Different	From Surf	ace		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County
12 Dedicated Acres	J20.U	Acres		(MV)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order Na.			
	320.0) Acres	- M/2	(DK)						

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



880' FSL \$ 2450' FWL, SECTION 34, T3IN, R5W, N.M.P.M. 309A 0 309C Laguna Seca 會



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