

9/5/07 DATE IN	SUSPENSE	D. BROOKS ENGINEER	LOGGED IN 9/7/07	TYPE NSL	APP NO. 77DS0725053365
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



Williams
Rosa Unit #85C

ADMINISTRATIVE APPLICATION CHECKLIST

5699

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]

[A] ☒ Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] ☐ Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] ☐ Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] ☐ Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners
[B] ☐ Offset Operators, Leaseholders or Surface Owner
[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
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE 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 managerial and/or supervisory capacity.

Heather Riley
Print or Type Name

Heather Riley
Signature

Regulatory Specialist
Title
Date 9/4/07
heather.riley@williams.com
e-mail Address

RECEIVED
2007 SEP 5 AM 10:19



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

September 4, 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 #85C
API # 30-039-30220
Sec. 20, T31N, R5W
2,310' FNL & 330' FEL

Dear Mr. Fesmire:

Williams Production Co., LLC, is requesting administrative approval to construct the Rosa Unit #85C 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 330 feet and to the south by 330 feet.

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 #153 in the southeast of 17, the Rosa Unit #85 in the northeast of 20, the Rosa Unit #85A in the northeast of 20, and the Rosa Unit #17A in the southeast of 20. See drainage map.

Mark E. Fesmire
September 4, 2007
Page 2 of 2

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 are not common with the subject unit; however, there are no unleased mineral owners so notice is not required.

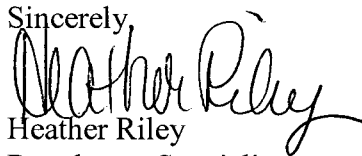
Enclosed for your reference are copies of the Participating Area maps for the Mesaverde and Dakota Formations. All of section 20 and the west half of section 21 are in the PA in the Mesaverde Formation. Neither section 20 nor 21 are in the PA in the Dakota formation.

The spacing unit for the Mesaverde is the north half of the section and the other Mesaverde wells in the spacing unit are the Rosa Unit #85, #85A and #85B.

The spacing unit for the Dakota is the north half of the section and the Rosa Unit #85 is the only other Dakota well 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,

A handwritten signature in black ink, appearing to read "Heather Riley", written over the printed name.

Heather Riley
Regulatory Specialist

Enc.: 1st page of APD
Plat
Topographic map
Drainage Map
PA Maps (MV & DK)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

OMB No. 1004-0136
Expires January 31, 2004

5. Lease Serial No.

NMSF-0078764

6. If Indian, Allottee or Tribe Name

2007 MAR - 3 AM 7:49

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator

Williams Production Company, LLC

3a. Address

P.O. Box 640 Aztec, NM 87410

3b. Phone No. (include area code)

(505) 634-4208

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface 685' FNL & 835' FEL

At proposed prod. zone 2310' FNL 330' FEL

14. Distance in miles and direction from nearest town or post office*

approximately 32 miles northeast of Blanco, New Mexico

10. Field and Pool, or Exploratory

Blanco Mesaverde

11. Sec., T., R., M., or Blk. and Survey or Area

Section 20, 31N R.5W

12. County or Parish

Rio Arriba

13. State

NM

15. Distance from proposed*

location to nearest property or lease line, ft.

(Also to nearest drig. unit line, if any) 330'

16. No. of Acres in lease

2,507.30

17. Spacing Unit dedicated to this well

320.0 (N/2)

18. Distance from proposed location*

to nearest well, drilling, completed, applied for, on this lease, ft.

50'

19. Proposed Depth

6,741'

20. BLM/BIA Bond No. on file

UT0047

470899

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

6,429' GR

22. Approximate date work will start*

April 1, 2007

23. Estimated duration

1 month

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

Larry Higgins

Name (Printed/Typed)

Larry Higgins

Date

3-7-07

Title

Drilling COM

Approved by (Signature)

[Signature]

Name (Printed/Typed)

Office

FFO

Date

4/9/07

Application approval 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.

Conditions of approval, if any, are attached.

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 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 well pad surface is under jurisdiction of the Bureau of Land Management, Farmington Field Office (BLM/FFO).

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

An approximately 250.00-foot access road is needed to access this location. A pipeline tie of 292.50 feet 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.

OPERATOR

This action is subject to technical and procedural review pursuant to 43 CFR 31.95.2 and appeal pursuant to 43 CFR 31.95.4

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, 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 & Natural Resources Department

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

Form C-102
Revised October 12, 2005
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 Number 30-039-30220		*Pool Code 72319 / 71599	*Pool Name BLANCO MESAVERDE / BASIN DAKOTA
*Property Code 17033	*Property Name ROSA UNIT		*Well Number 85C
*GRID No 120782	*Operator Name WILLIAMS PRODUCTION COMPANY		*Elevation 6429'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	20	31N	5W		685	NORTH	835	EAST	RIO ARriba

¹¹ Bottom Hole Location If Different From Surface

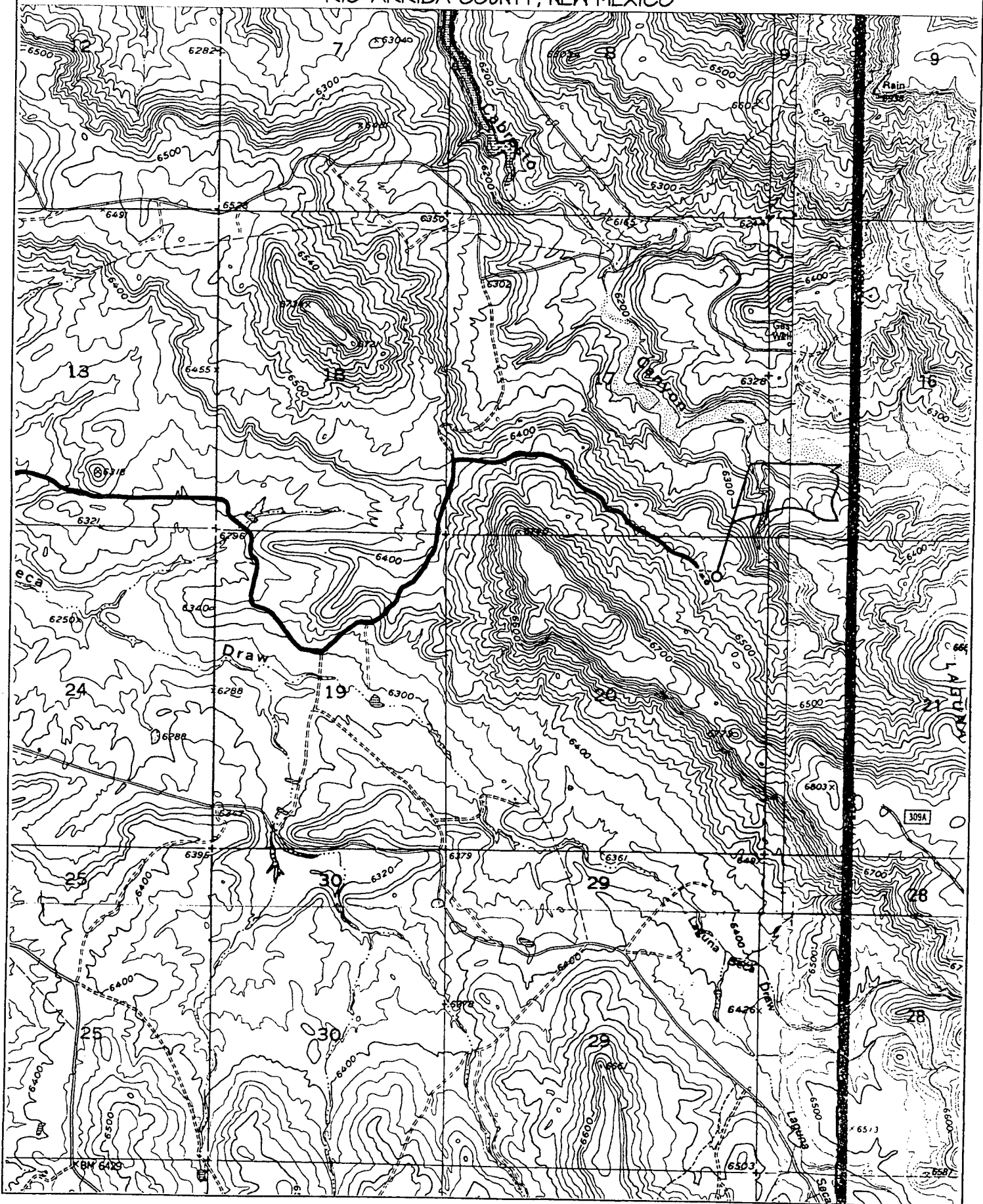
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	20	31N	5W		2310	NORTH	330	EAST	RIO ARriba

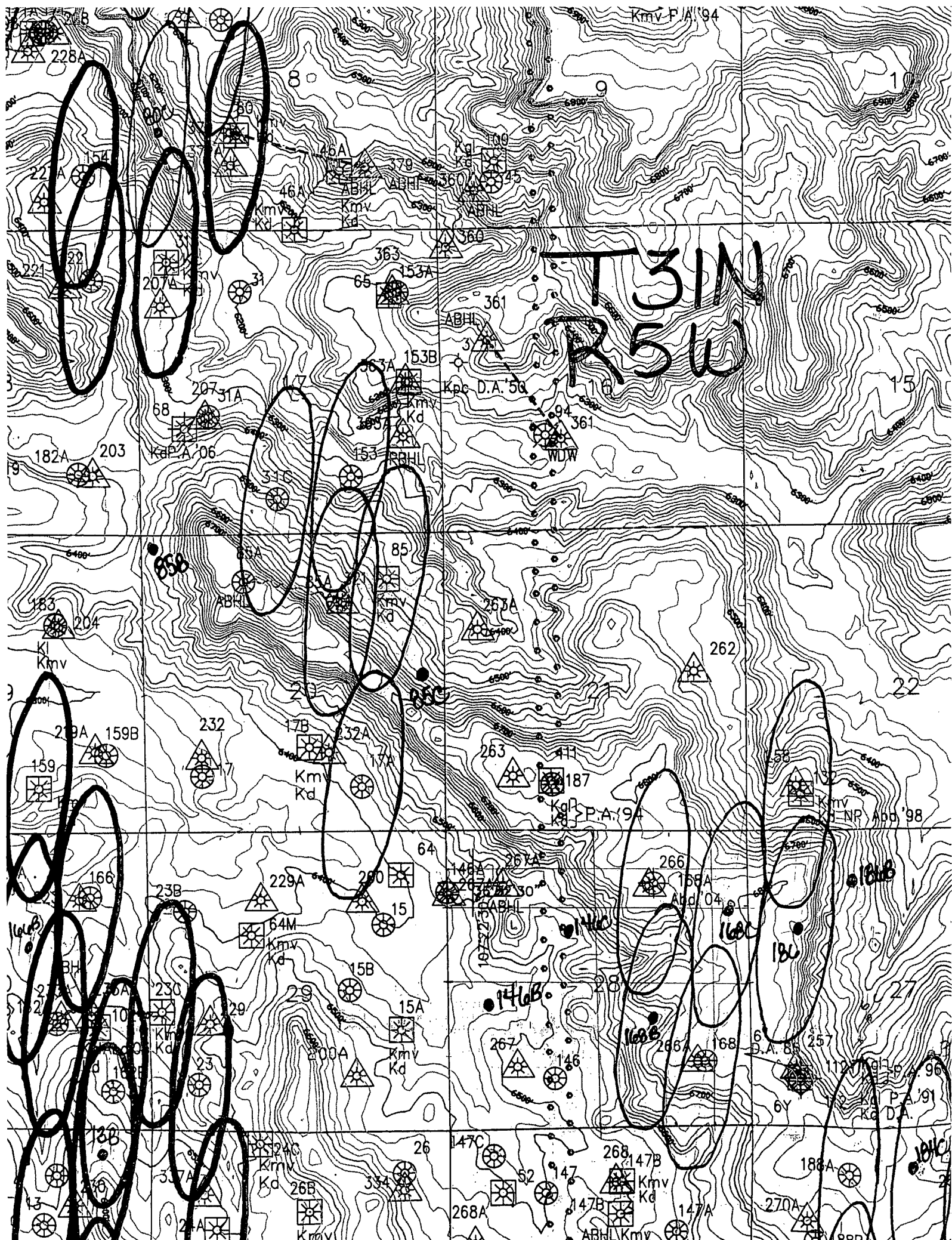
¹² Dedicated Acres 320.0 Acres - (N/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

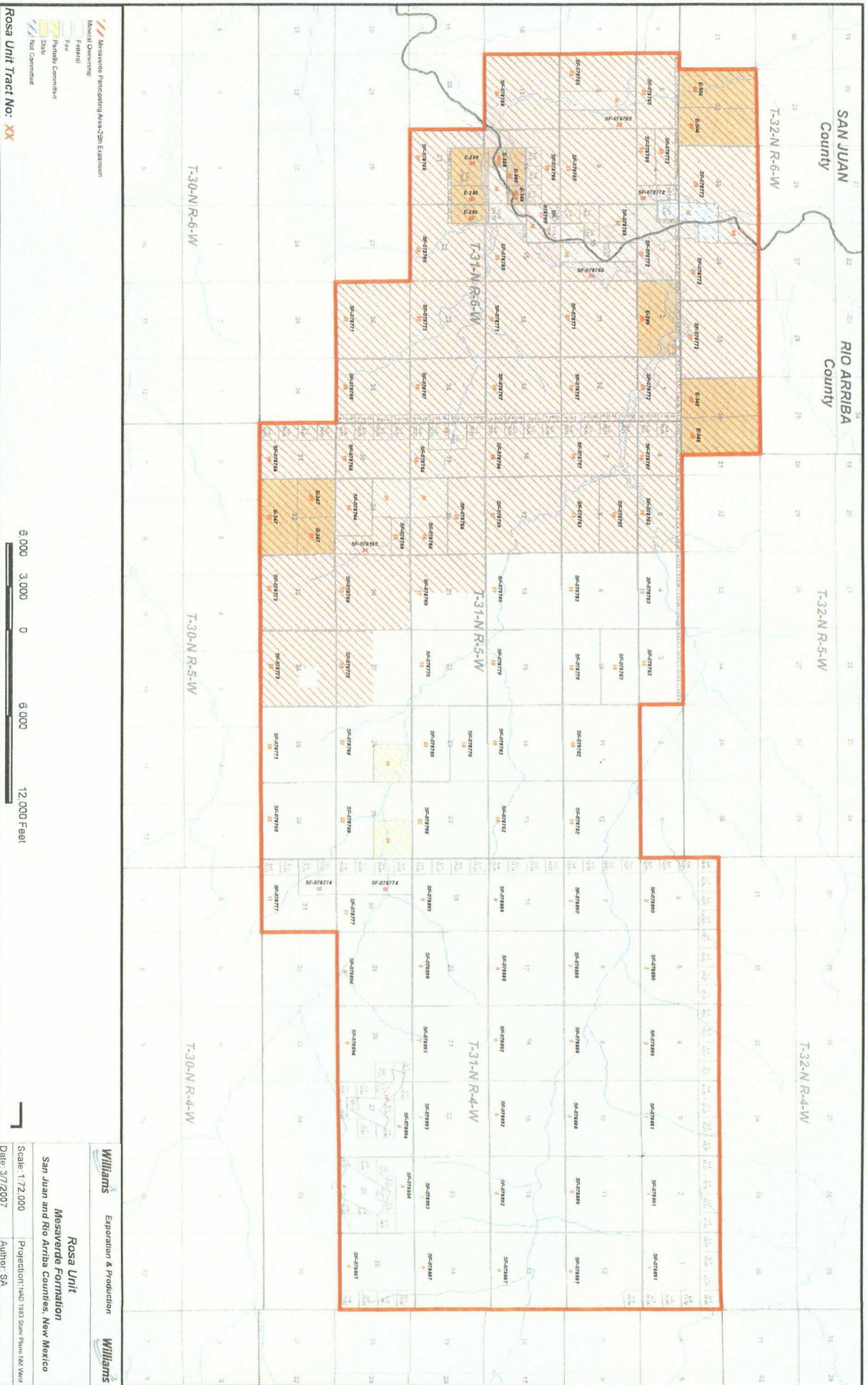
<p>16</p> <p>5280.00'</p> <p>5284.62'</p> <p>LEASE SF-078764</p> <p>20</p> <p>5280.00'</p> <p>SURFACE LOCATION LAT: 36.89040°N LONG: 107.37956°W DATUM: NAD83</p> <p>BOTTOM-HOLE LOCATION LAT: 36.88595°N LONG: 107.37783°W DATUM: NAD83</p> <p>685'</p> <p>835'</p> <p>2310'</p> <p>330'</p> <p>2640.00'</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Survey Date: NOVEMBER 20, 2006</p> <p>Signature and Seal of Professional Surveyor</p> <p> JASON C. EDWARDS Certificate Number 15269</p>
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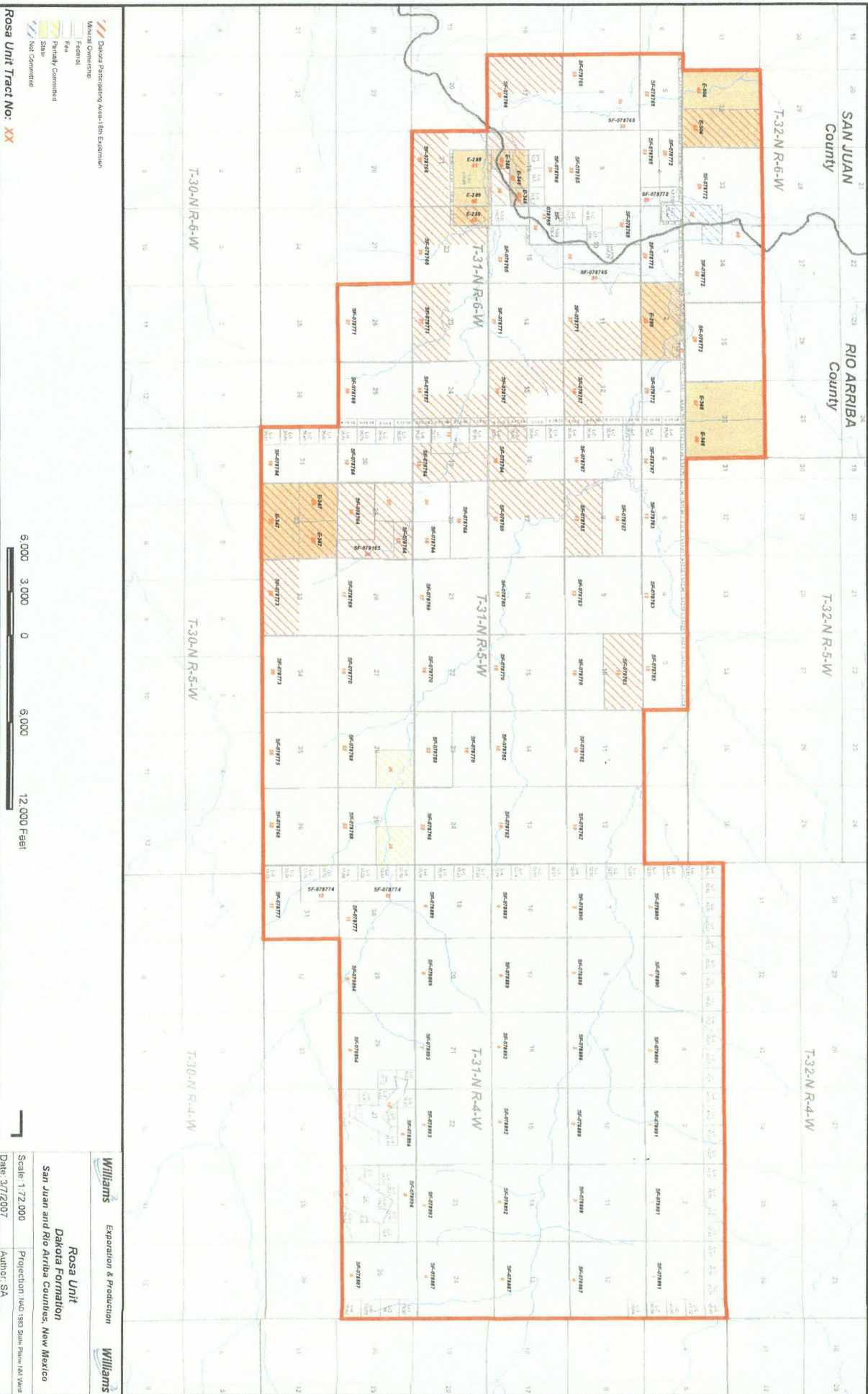
WILLIAMS REDUCTION COMPANY ROS, JNIT #85C
685' FNL & 835' FEL, SECTION 20, T31N, R5W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO





T3IN
R5W





Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Wednesday, October 03, 2007 1:46 PM
To: 'Riley, Heather (E&P)'
Subject: Rosa Unit #85C

Heather

I am looking at you NSL application for the referenced well.

This is an application for an NSL in the Dakota. You state that the unit is not in the Dakota PA, and that the working interest ownership is not common between the subject unit and the offsetting units. If that is correct, notice is required to all working interest owners in offsetting Dakota units to the east, south, and, if applicable, to the southeast. You have correctly concluded that notice to mineral owners is not required, but notice to WI owners is required. See Section 19.15.14.1210.A(2)(b) NMAC.

Please advise us who these owners are and furnish proof of notice.

Please call if you have questions.

David K. Brooks
Legal Examiner
505-476-3450

10/3/2007

Brooks, David K., EMNRD

From: Riley, Heather (E&P) [Heather.Riley@Williams.com]
Sent: Tuesday, October 09, 2007 2:13 PM
To: Brooks, David K., EMNRD
Cc: Hansen, Vern (E&P); Higgins, Larry (E&P); Winters, Lacey (E&P)
Subject: RE: Rosa Unit #85C

David,

It looks like my letter was incorrect concerning the working interest ownership. I forwarded your email on to our land department and received this clarification:

The Rosa Unit #85C Dakota well has a dedication of the N/2 of Sec. 20, T31N, R5W. The working interest ownership is common with the S/2 of Sec. 20, and all of Sec. 21 to the East. BP is the working interest owner of all of Sections. 20 and 21, T31N, R5W which covers the acreage being encroached upon.

Will this email suffice to correct the application?

Heather Riley
Regulatory Specialist
Williams Production Co., LLC
(505) 634-4222 (office)
(970) 749-8747 (cell)

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Wednesday, October 03, 2007 2:46 PM
To: Riley, Heather (E&P)
Subject: Rosa Unit #85C

Heather

I am looking at you NSL application for the referenced well.

This is an application for an NSL in the Dakota. You state that the unit is not in the Dakota PA, and that the working interest ownership is not common between the subject unit and the offsetting units. If that is correct, notice is required to all working interest owners in offsetting Dakota units to the east, south, and, if applicable, to the southeast. You have correctly concluded that notice to mineral owners is not required, but notice to WI owners is required. See Section 19.15.14.1210.A(2)(b) NMAC.

Please advise us who these owners are and furnish proof of notice.

Please call if you have questions.

David K. Brooks
Legal Examiner
505-476-3450

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient

10/9/2007

Well File Search - Select API Number to View

Please select the API Number you wish to view from the list below by clicking the radio button next to the API Number. Then click the "Continue" button to see the thumbnails for the API you selected.

The search results are broken out by groups of 25 on each page. Switching pages can be done by clicking the "Next 25" or "Previous 25" links.

15 Records Found

Displaying Screen 1 of 1

- | API Number | ULSTR | Footages |
|---|--------------|---------------------------------|
| <input type="radio"/> 3003907952 | M -20-31N-5W | 990 FSL & 990 FWL |
| Well Name & Number: ROSA UNIT No. 017 | | |
| Operator: WILLIAMS PRODUCTION COMPANY, LLC | | |
| <input type="radio"/> 3003922778 | A -20-31N-5W | 800 FNL & 990 FEL <i>DL, MV</i> |
| Well Name & Number: ROSA UNIT No. 085 | | |
| Operator: WILLIAMS PRODUCTION COMPANY, LLC | | |
| <input type="radio"/> 3003923750 | L -20-31N-5W | 1470 FSL & 960 FWL |
| Well Name & Number: PRE-ONGARD WELL No. 121 | | |
| Operator: PRE-ONGARD WELL OPERATOR | | |
| <input type="radio"/> 3003924357 | M -20-31N-5W | 1300 FSL & 955 FWL |
| Well Name & Number: PRE-ONGARD WELL No. 232 | | |
| Operator: PRE-ONGARD WELL OPERATOR | | |
| <input type="radio"/> 3003924643 | M -20-31N-5W | 1310 FSL & 985 FWL |
| Well Name & Number: ROSA UNIT No. 232 | | |
| Operator: WILLIAMS PRODUCTION COMPANY, LLC | | |
| <input type="radio"/> 3003924962 | B -20-31N-5W | 1205 FNL & 1765 FEL <i>FC</i> |
| Well Name & Number: ROSA UNIT No. 321 | | |
| Operator: WILLIAMS PRODUCTION COMPANY, LLC | | |
| <input type="radio"/> 3003925576 | O -20-31N-5W | 790 FSL & 1450 FEL |
| Well Name & Number: ROSA UNIT No. 017A | | |
| Operator: WILLIAMS PRODUCTION COMPANY, LLC | | |
| <input type="radio"/> 3003926272 | O -20-31N-5W | 790 FSL & 1450 FEL |
| Well Name & Number: ROSA UNIT No. 017A | | |
| Operator: WILLIAMS PRODUCTION COMPANY, LLC | | |
| <input type="radio"/> 3003926314 | B -20-31N-5W | 1185 FNL & 1845 FEL <i>MV</i> |
| Well Name & Number: ROSA UNIT No. 085A | | |
| Operator: WILLIAMS PRODUCTION COMPANY, LLC | | |
| <input type="radio"/> 3003926947 | D -20-31N-5W | 10 FNL & 10 FWL <i>MV</i> |
| Well Name & Number: ROSA UNIT No. 085B | | |
| Operator: WILLIAMS PRODUCTION COMPANY, LLC | | |
| <input type="radio"/> 3003926971 | J -20-31N-5W | 1480 FSL & 2360 FEL |
| Well Name & Number: ROSA UNIT No. 017B | | |
| Operator: WILLIAMS PRODUCTION COMPANY, LLC | | |
| <input type="radio"/> 3003929507 | J -20-31N-5W | 1385 FSL & 2020 FEL |
| Well Name & Number: ROSA UNIT No. 232A | | |
| Operator: WILLIAMS PRODUCTION COMPANY, LLC | | |
| <input type="radio"/> 3003929881 | L -20-31N-5W | 1935 FSL & 480 FWL |
| Well Name & Number: ROSA UNIT No. 321A | | |

Operator: WILLIAMS PRODUCTION COMPANY, LLC

☐ 3003930130 D -20-31N-5W 10 FNL & 10 FWL

Well Name & Number: ROSA UNIT No. 085B

Operator: WILLIAMS PRODUCTION COMPANY, LLC

☐ 3003930220 A -20-31N-5W 685 FNL & 835 FEL

Well Name & Number: ROSA UNIT No. 085C

Operator: WILLIAMS PRODUCTION COMPANY, LLC

MV

MV

15 Records Found

Displaying Screen 1 of 1

Continue

Go Back