

5/13/08 DATE IN	SUSPENSE	Brooks ENGINEER	5/14/08 LOGGED IN	NSL TYPE	PKVPO813534623 APP NO.
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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 Production
Rosa Unit
#88c
Co. LLC

ADMINISTRATIVE APPLICATION CHECKLIST

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 5/13/08

Title

Date

heather.riley@williams.com

e-mail Address

RECEIVED
2008 MAY 13 PM 4:10

Fax Coversheet

Date: 5/13/08# of Pages: 2
(including cover sheet)**PLEASE DELIVER IMMEDIATELY TO:**Name: Kim RomeroCompany: NMCC

Location: _____

Phone Number: (505) 476-3462**MESSAGE FROM:**Name: Heather RileyPhone Number: (505) 634-4222Fax #: 505-634-4205**Remarks :**Admin App Checklist R.U. #RC

_____**PLEASE CALL (505) 634-4244 IF NOT RECEIVED PROPERLY. THANK YOU.**

WILLIAMS PRODUCTION OFFICE
721 So Main Ave - P O Box 840 - Aztec NM 87410
505-634-4200

RECEIVED

2008 MAY 9 PM 2 25



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

May 8, 2008

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 #88C
API # 30-045-34458
Sec. 8, T31N, R6W
330' FNL & 2,310' FWL

Dear Mr. Fesmire:

Williams Production Co., LLC, is requesting administrative approval to construct the Rosa Unit #88C 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 north by 330 feet and to the east by 325 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.

Subsurface

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 #88 in the northwest of 8, the Rosa Unit #88A in the southwest of 8, the Rosa Unit #88B in the southeast of 8, the Rosa Unit #35B in the southwest of 5, and the Rosa Unit #35X in the southwest of 5. See drainage map.

Mark E. Fesmire

May 8, 2008

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 interests and mineral owners to the north are common with the subject unit. The offset working interests to the east are common, the minerals are uncommon; however there are no unleased minerals therefore in accordance with Division Rules notice is not required.

Enclosed for your reference are copies of the Participating Area maps for the Mesaverde and Dakota Formations. All of section 5 and 8 are in the PA in the Mesaverde Formation. Neither section 5 nor 8 are in the PA in the Dakota formation.

The spacing unit for the Mesaverde is the west half of the section and the other Mesaverde wells in the spacing unit are the Rosa Unit #88, #88A and the #88B.

The spacing unit for the Dakota is the west half of the section 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,



Heather Riley

Regulatory Specialist

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

5. Lease Serial No.
NMSF-078765
6. If Indian, Allottee or Tribe Name

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 Lot B: 1060' FNL & 2230' FEL, Section 8, T 31N, R 6W

At proposed prod. zone Lot C: 330' FNL & 2310' FWL, Section 8, T 31N, R 6W

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

approximately 15 miles northeast of Blanco, New Mexico

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

2,460.23

17. Spacing Unit dedicated to this well

320.00 - (W/2)

18. Distance from proposed location*

to nearest well, drilling, completed,

applied for, on this lease, ft.

25'

19. Proposed Depth

6,163'

20. BLM/BIA Bond No. on file

UT0847

UT0848 NW 150

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

6,218' GR

22. Approximate date work will start*

September 1, 2006

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

Name (Printed/Typed)

Date

Title

Larry Higgins

10-5-07

Drilling COM

Approved by (Signature)

Name (Printed/Typed)

Date

Title

Office

FEU

2/29/08

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 directional 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 State of New Mexico, Department of Game and Fish.

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

An associated pipeline tie of 184.2 feet would be required for this location. A pipeline tie right-of-way from the State of New Mexico will be applied for by Williams Filed Services.

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

OPERATOR

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

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

¹ API Number 30-045-34458		² Pool Code 72319 / 71599		³ Pool Name BLANCO MESAVERDE / BASIN DAKOTA	
⁴ Property Code 17033		⁵ Property Name ROSA UNIT			⁶ Well Number 88C
⁷ GRID No. 120782		⁸ Operator Name WILLIAMS PRODUCTION COMPANY			⁹ Elevation 6218'

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
B	8	31N	6W		1060	NORTH	2230	EAST	SAN JUAN

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
C	8	31N	6W		330	NORTH	2310	WEST	SAN JUAN

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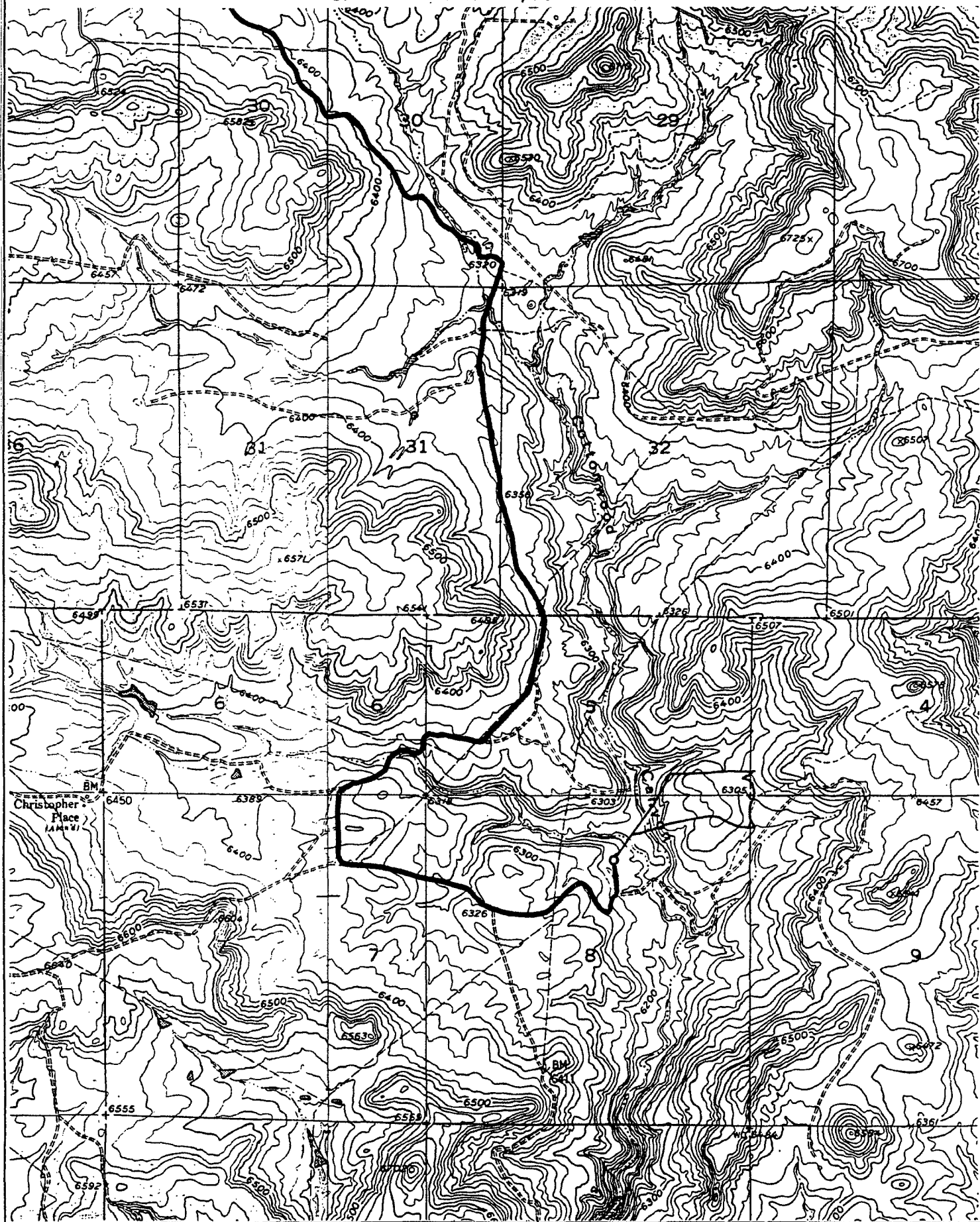
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

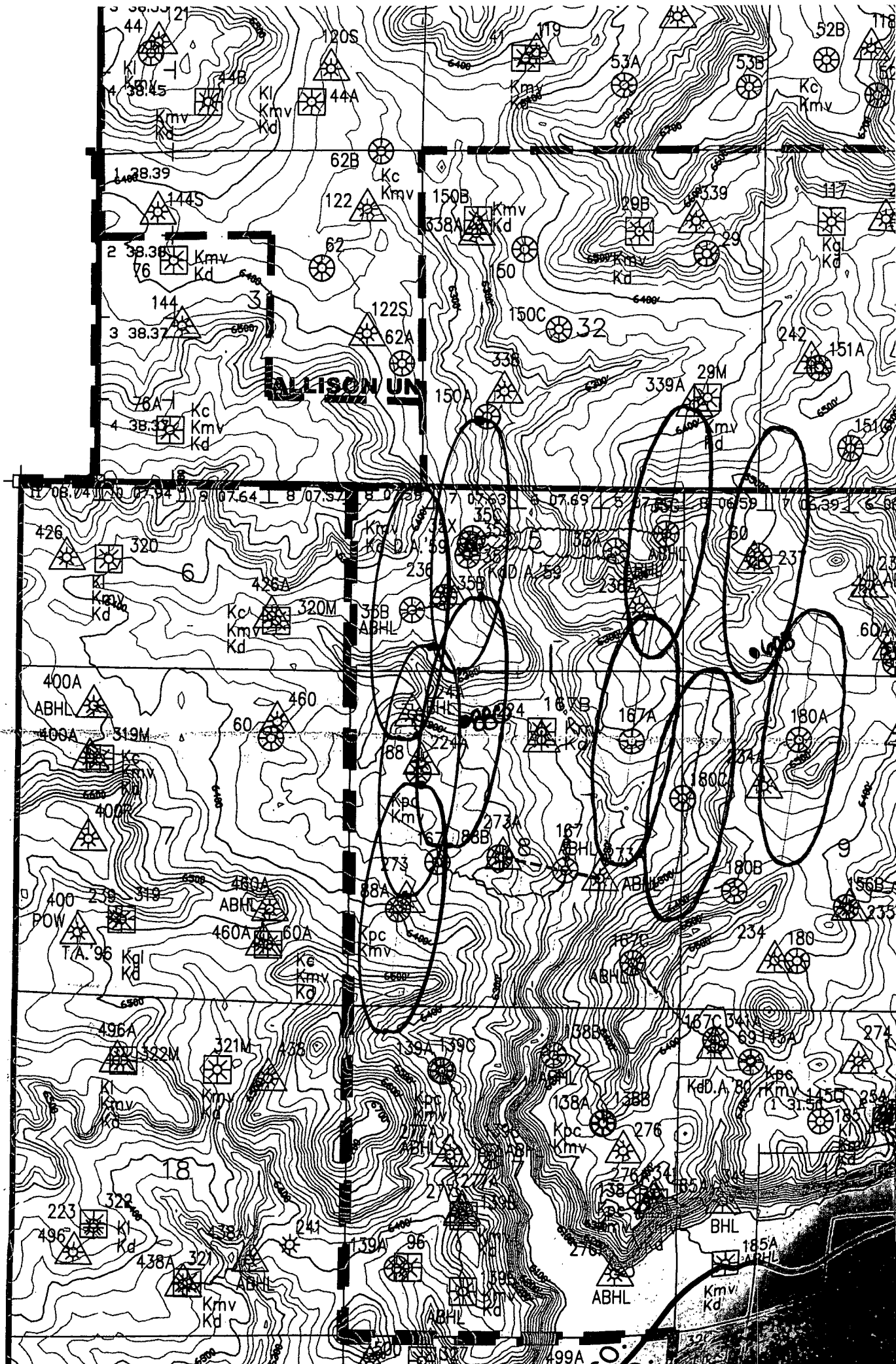
<div><p>¹⁶</p><p>BOTTOM-HOLE LAT: 36.92038°N LONG: 107.48737°W DATUM: NAD1983</p><p>SURFACE LOCATION LAT: 36.91838°N LONG: 107.48482°W DATUM: NAD1983</p><p>LEASE SF-078765</p><p>8</p><p>twin ned w/224</p><p>5276.04'</p></div>	<div><p>¹⁷ OPERATOR CERTIFICATION</p><p>I hereby certify that the information 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></div> <div><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>Date of Survey: MARCH 26, 2007</p><p>Signature and Seal of Professional Surveyor</p><div><p>JASON C. EDWARDS Certificate Number 15269</p></div></div>
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WILLIAMS PRODUCTION COMPANY RO. . UNIT #88C

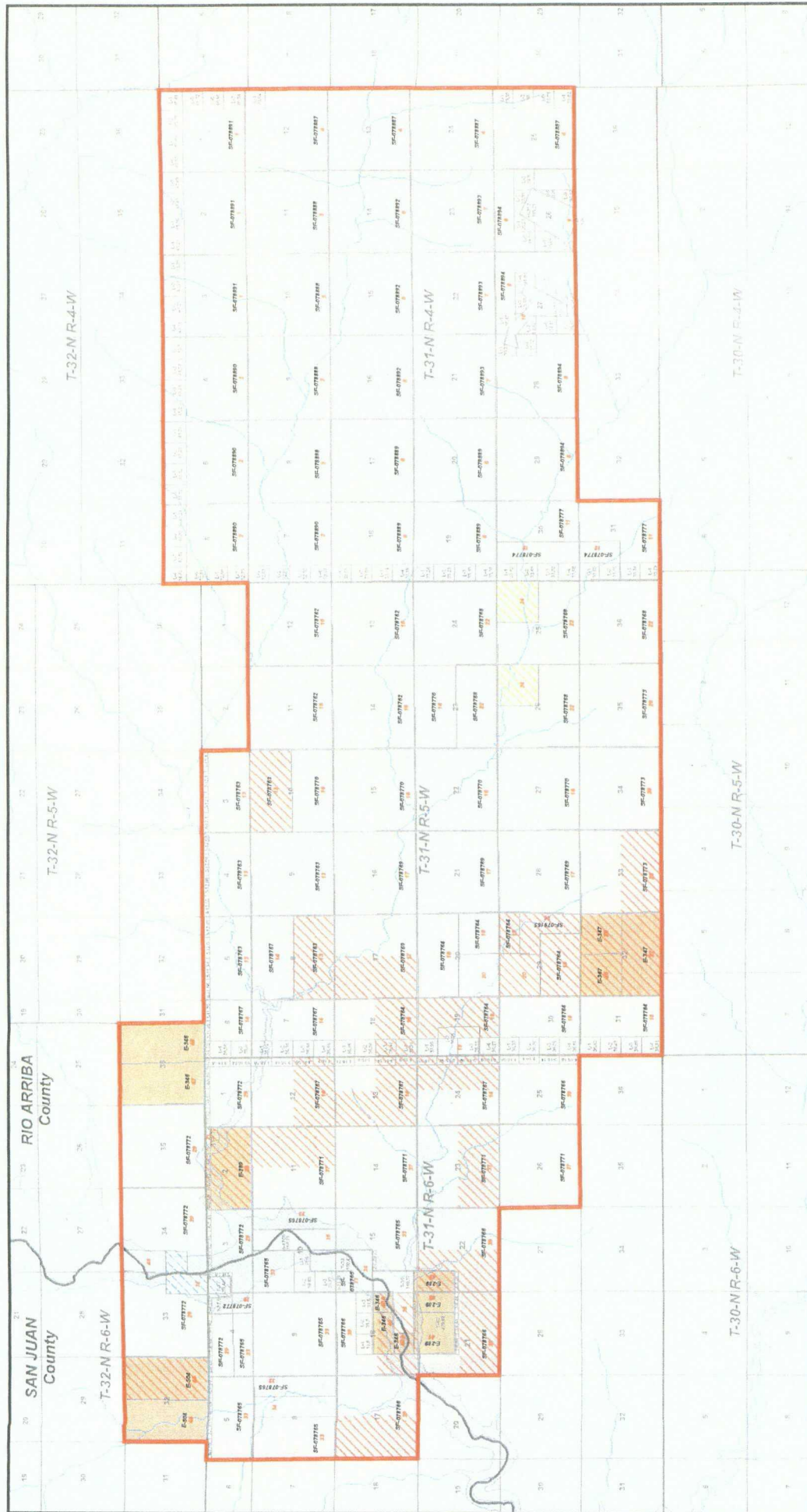
1060' FNL & 2230' FEL, SECTION 8, T31N, R6W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO





T
31



Williams

Exploration & Production

Rosa Unit

Dakota Formation

San Juan and Rio Arriba Counties, New Mexico

Williams

Exploration & Production

Scale: 1:72,000

Date: 3/7/2007

Projection: NAD 1983 State Plane NM West

Author: SA

Rosa Unit Tract No: xx

Map Document: G:\Project\San_Juan\Rosa_Unit\Participating_Areas\unit_06.mxd

3/7/2007 - 11:03:28 AM

