

DATE 9/28/09	SUSPENSE 10/19/09	ENGINEER DB	LOGGED IN 9/28	TYPE NSL	APP NO. PW156927157376
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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 #1450

ADMINISTRATIVE APPLICATION CHECKLIST

30-04535002

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

6103

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 _____

2009 SEP 28 A 10:04

RECEIVED OGD

[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

9/28/09
Date

heather.riley@williams.com
e-mail Address



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

September 24, 2009

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

*Re: Request for Administrative Approval of a Non-Standard Basin Mancos and Basin Dakota Location
Rosa Unit #145D
API # 30-045-35002
SHL: 610' FNL & 610' FEL, Sec. 16, T31N, R6W
BHL: 1800' FNL & 400' FEL, Sec. 16, T31N, R6W*

Dear Mr. Fesmire:

Williams Production Co., LLC ("Williams"), pursuant to the provisions of Division Rule 104, hereby seeks administrative approval of an unorthodox location for the Basin Mancos (97232) and the Basin Dakota (71599) formations in Rosa Unit Well #145D. This is a directional well with a bottom hole location of 1800' FNL & 400' FEL, Sec. 16, T31N, R6W. This well will be a triple completion in the Mesaverde, Basin Mancos and Basin Dakota formations and is part of the Pilot Project pursuant to Order No. R-13123 which allows for one additional Mesaverde infill well on each standard 320-acre gas proration unit.

Pursuant to Order No. R-12984, spacing requirements allow for up to 4 Basin Mancos wells in a standard spacing unit and for wells inside a federal exploratory unit and in a non-participating spacing unit they shall not be closer than 660 feet to the outer boundary of its spacing unit. Additionally, 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 encroaching to the east (Section 15) by 260 feet.

Williams intends to capture the reserves from the Mesaverde, Basin Mancos and Dakota formations with a single well bore. Not only will the multiple completion help capture additional reserves that otherwise would not be able to be economically developed, but utilizing a single well bore for a triple completion will also negate the need for additional disturbance of another wellpad, road, and pipeline.

Mark E. Fesmire
September 24, 2009
Page 2 of 2

The surface for this well is being located on a multi-well pad, therefore, we will be utilizing existing surface disturbance. The bottom hole location was chosen by considering drainage patterns from the existing Mesaverde wells in that spacing unit, i.e. the Rosa Unit #145, #145A, #145B, and #145C. Further, drainage patterns from the other offset Mesaverde wells were also considered. They are the Rosa Unit #185, #185A, #185B, and #185C in the S2 of 16, the Rosa Unit #025A, #025B and #025C in the E2 of 15, the Rosa Unit #075A and #75C in the SW4 of Section 10, and the Rosa Unit #156A and #156B in th3 SE4 of Section 9. See attached 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.

Enclosed for your reference are copies of the Participating Area maps for the Mesaverde and Dakota Formations. All of Sections 16 and 15 are in the PA in the Mesaverde Formation therefore no setback requirements apply. None of the affected units are in the PA in the Dakota, therefore setback requirements do apply. There is no PA in the Mancos so setback requirements apply in that formation as well.

The offset units' working interest owners are uncommon in the Mancos and the Dakota so notice is required. See attached List of Affected Persons. Mineral interest is also uncommon but there are no unleased minerals.

The spacing unit for all three formations is the north half. The other Mesaverde wells in the spacing unit are the Rosa Unit #145, #145A, #145B, and #0145C. There are no other Mancos wells in the unit and the other Dakota well is the #145B.

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
Drainage Map
PA Maps (MV & DK)
Mineral ownership map

O.T.R.
C:file
C: Ditt
C: m/leav/TZ
C: Big2

C: 2 more
C: WBS
C: mcl

RECEIVED

Sign 8/4/09

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

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMSF-078766	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Williams Production Company, LLC		7. If Unit or CA Agreement, Name and No. JAN 173407A-MN DryMines Area CA Rosa Unit	
3a. Address P.O. Box 640 Aztec, NM 87410		8. Lease Name and Well No. Rosa Unit 145D	
3b. Phone No. (include area code) (505) 634-4208		9. API Well No. 3004535000	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 610' FNL & 610' FEL At proposed prod. zone 1800' FNL & 400' FEL		10. Field and Pool, or Exploratory Blanco Mesaverde/Basin Mancos/Basin Dakota	
11. Sec., T., R., M., or Blk. and Survey or Area Section 16, 31N, 6W		12. County or Parish San Juan	
13. State NM		14. Distance in miles and direction from nearest town or post office* approximately 30 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) 400'	16. No. of Acres in lease 2,552.71	17. Spacing Unit dedicated to this well 294.50 320.0' (N/2)	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 175' Rosa 145B	19. Proposed Depth 8,418'	20. BLM/BIA Bond No. on file 0399 UT0847	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,324' GR	22. Approximate date work will start* July 1, 2009	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 APPLICATION FOR PERMIT TO DRILL 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

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>Larry Higgins</i>	Name (Printed/Typed) Larry Higgins	Date 6-25-09
Title Drilling COM		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 8/3/09
Title <i>Acting AFM Minerals</i>	Office	

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 Production Company, LLC, proposes to develop the Blanco Mesaverde, Basin Mancos and Basin Dakota formations 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 Reclamation (BOR).

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

No new access road will be required for this proposed well.

This APD is also serving as an application to obtain a pipeline right-of-way to the BOR. An associated pipeline tie of 100.2 feet would be required for this well.

This well was originally staked as the Rosa Unit No. 612.

OPERATOR

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
SPECIAL PERMITS.

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.8
and 43 CFR 3165.4

District I
1525 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	*Pool Code	*Pool Name
	97232 / 72319 / 71599	BASIN MANCOS / BLANCO MESAVERDE / BASIN DAKOTA
*Property Code	*Property Name	*Well Number
17033	ROSA UNIT	145D
*OGRID No.	*Operator Name	*Elevation
120782	WILLIAMS PRODUCTION COMPANY	6324'

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	16	31N	6W		610	NORTH	610	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface

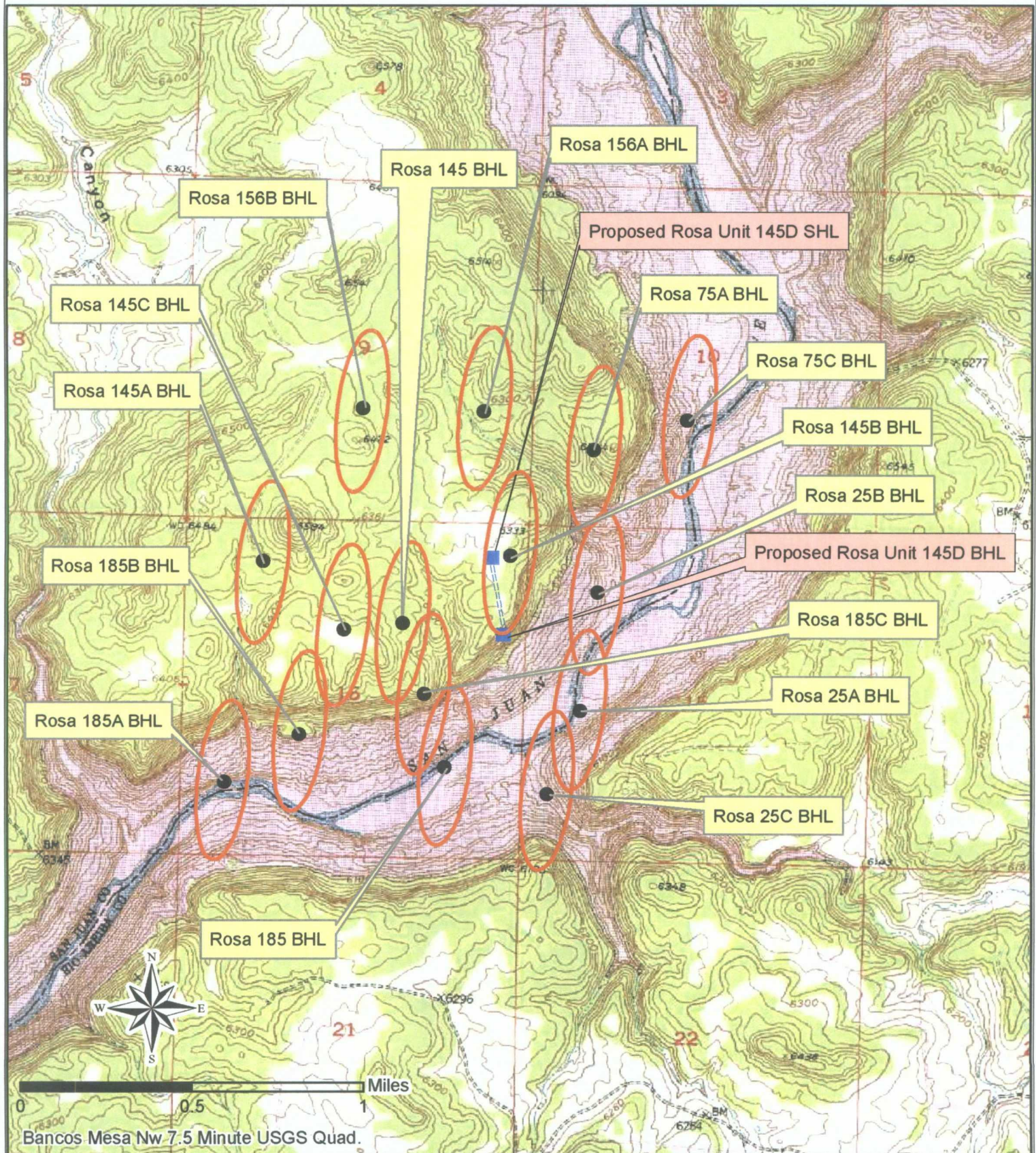
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	16	31N	6W		1800	NORTH	400	EAST	SAN JUAN

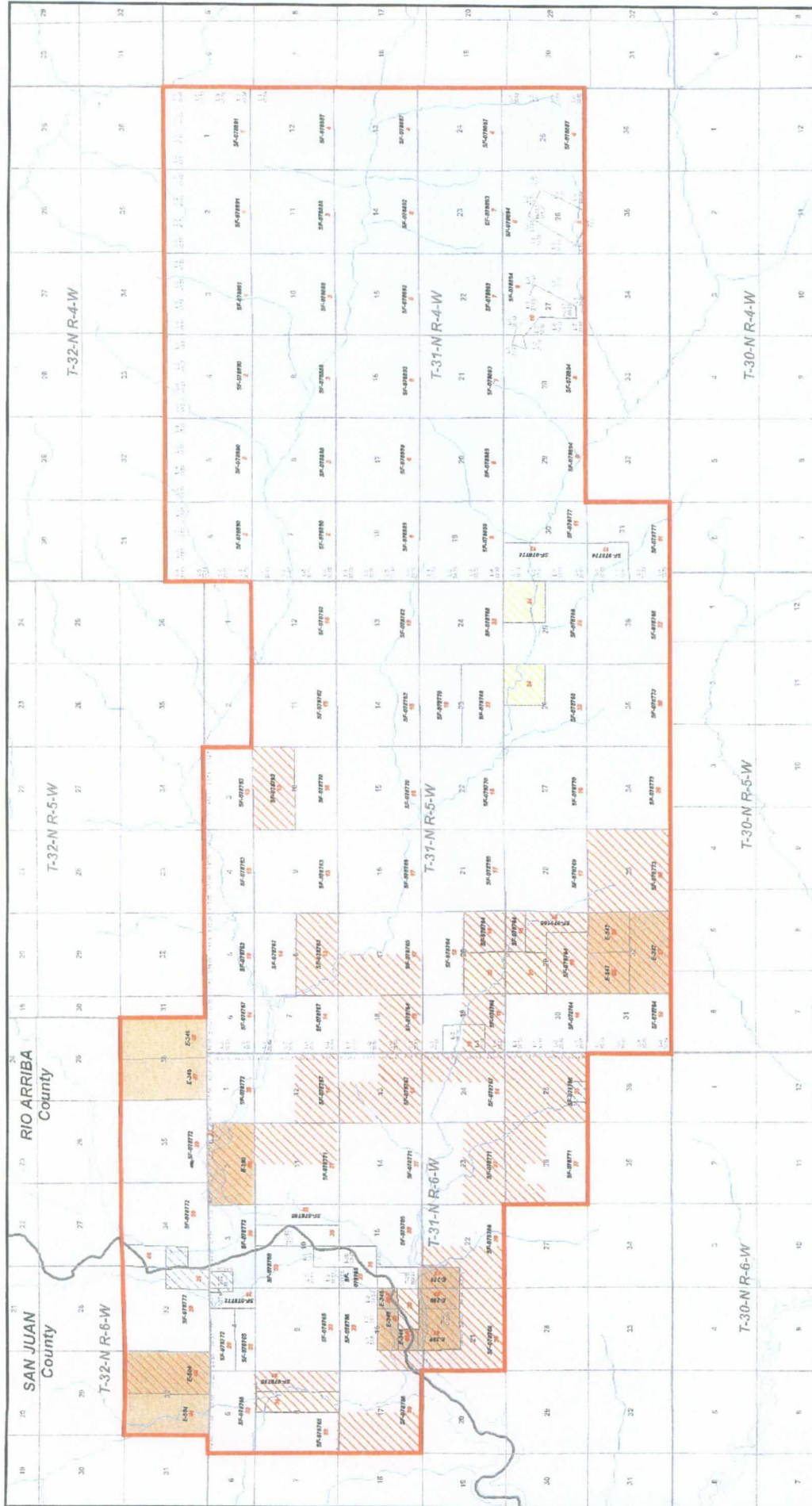
*Dedicated Acres	*Joint or Infill	*Consolidation Code	*Order No.
320.0 Acres - (N/2)			


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>2638.68'</p> <p>LEASE SF-078766</p> <p>LOT 1</p>	<p>2638.68'</p> <p>SURFACE LOCATION LAT: 36.90516°N LONG: 107.46127°W DATUM: NAD1983</p> <p>BOTTOM-HOLE LAT: 36.90189°N LONG: 107.46054°W DATUM: NAD1983</p> <p>LOT 2</p> <p>LOT 3</p> <p>510°22.7'E 1211.5'</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>5280.00'</p>	<p>LEASE 16 STATE E-346</p> <p>TRACT 40</p> <p>TRACT 39</p> <p>5280.00'</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>Date of Survey: JUNE 1, 2009</p> <p>Signature and Seal of Professional Surveyor</p> <div style="text-align: center;">  <p>JASON C. EDWARDS Certificate Number 15269</p> </div>


NSL Application Drainage Map
Williams Production Company, LLC
Proposed Rosa Unit No. 145D
T31N, R06W, Section 16 NMPM
San Juan County, New Mexico







6,000 3,000 0 6,000 12,000 Feet



Exploration & Production

Rosa Unit
Dakota Formation
San Juan and Rio Arriba Counties, New Mexico

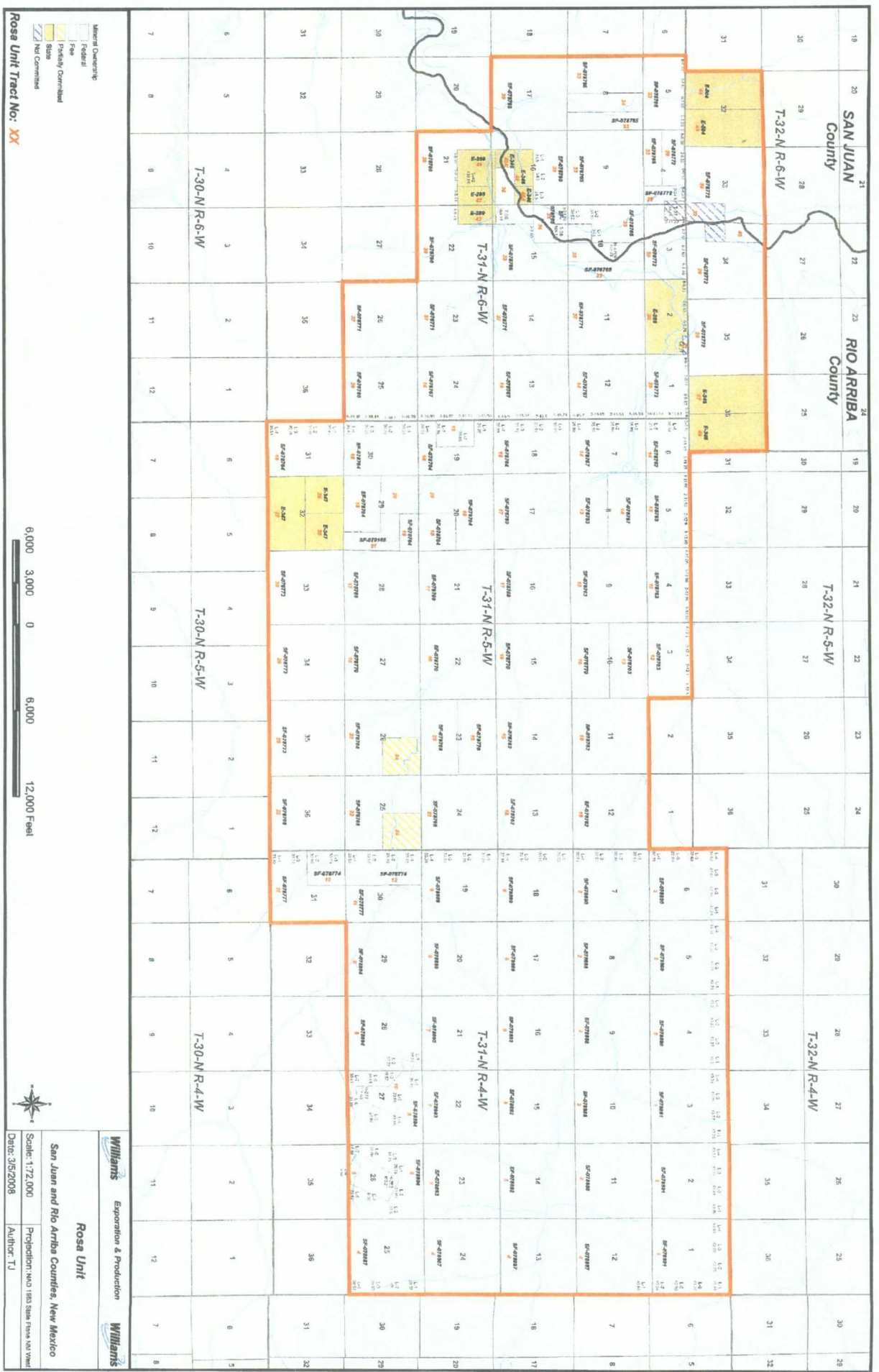
Scale: 1:72,000

Date: 4/9/2008

Projection: NAD 1983 State Plane NM Zone

Author: TJ





Map Document: (S:\Projects\San_Juan_Rio_Arriba_LandUse_Aerial.mxd)
3/5/2008 - 11:04 PM

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Thursday, October 01, 2009 3:15 PM
To: 'Riley, Heather '
Subject: Rosa Unit No. 145D; NSL Application

Dear Ms. Riley

The list of affected interest owners attached to this application is captioned "E/2 of Section 16 T31N R6W (Mancos and Dakota drill block owners).

The parties to whom notice of this application is required are the drill block owners in Section 15, offsetting the N/2 of Section 16 to the east. That would be the owners in the W/2 or N/2 of Section 15, depending on the configuration.

Please clarify if this list actually identifies the parties entitled to notice, and, if so, how it should be titled.

Thanks

David K. Brooks
Legal Examiner
505-476-3450

Brooks, David K., EMNRD

From: Riley, Heather [Heather.Riley@Williams.com]
Sent: Thursday, October 01, 2009 3:50 PM
To: Brooks, David K., EMNRD
Cc: Higgins, Larry ; Winters, Lacey ; Hansen, Vern
Subject: RE: Rosa Unit No. 145D; NSL Application

Mr. Brooks,

My apologies. The caption should read the W/2 of 15. The listed parties are correct for the W/2 of 15, T31N, R5W.

Heather Riley
Regulatory Specialist
WILLIAMS PRODUCTION CO., LLC
P. O. Box 640
Aztec, NM 87410
(505) 634-4222 (Office)
(505) 634-4205 (Fax)
(970) 749-8747 (Cell)

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Thursday, October 01, 2009 3:15 PM
To: Riley, Heather
Subject: Rosa Unit No. 145D; NSL Application

Dear Ms. Riley

The list of affected interest owners attached to this application is captioned "E/2 of Section 16 T31N R6W (Mancos and Dakota drill block owners).

The parties to whom notice of this application is required are the drill block owners in Section 15, offsetting the N/2 of Section 16 to the east. That would be the owners in the W/2 or N/2 of Section 15, depending on the configuration.

Please clarify if this list actually identifies the parties entitled to notice, and, if so, how it should be titled.

Thanks

David K. Brooks
Legal Examiner
505-476-3450

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WILLIAMS PRODUCTION COMPANY, LLC
One Williams Center
P.O. Box 3102
Tulsa, OK 74101-3102
918/573-2878

September 24, 2009

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

AFFECTED INTEREST OWNERS

Re: Application of Williams Production Company, LLC for administrative approval of an unorthodox well location for its proposed Rosa Unit #145D Mancos/Dakota formation well to be drilled to a bottom hole location at 1800 feet from the North line and 400 feet from the East line of Section 16, Township 31 North, Range 6 West, N.M.P.M., San Juan County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date by Williams Production Company, LLC for administrative approval of an unorthodox well location for its proposed Rosa Unit #145D Mancos/Dakota formation well to be drilled to a bottom hole location at 1800 feet from the North line and 400 feet from the East line of Section 16, Township 31 North, Range 6 West, N.M.P.M., San Juan County, New Mexico. The N/2 of Sec. 16, T31N, R6W, a standard 320 acre spacing unit is dedicated to the well.

As an owner of an interest that may be affected by the proposed well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office that is located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application for an unorthodox well location may be approved.

Enclosures

Sincerely,

A handwritten signature in black ink, appearing to read "B. West", with a horizontal line underneath.

Brennan West
Landman
Williams Production Company, LLC

**Rosa Unit #145D Mancos and Dakota Formation Well
Affected Interest Owners
E/2 of Sec. 16, T31N, R6W (Mancos and Dakota Drill Block Owners)**

BP AMERICA PRODUCTION CO.
ATTN: JOHN LARSON
P.O. BOX 3092
HOUSTON, TX 77253-3092

CONOCOPHILLIPS
ATTN: CHERYLENE CHARLEY
P.O. BOX 4289
FARMINGTON, NM 87499

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Tuesday, October 20, 2009 8:46 AM
To: 'Riley, Heather '
Cc: Hayden, Steven, EMNRD; 'wesley_ingram@blm.gov'
Subject: Williams Production Co. - Rosa Unit Wells ##129D, 145D, 160D and 183C; NSL Applications

Dear Ms. Riley

The referenced administrative applications were granted on October 19 by the following orders.

#129D NSL-6014
#145D NSL-6013
#160D NSL-6015
#183C NSL-6012

The signed original orders will be posted on OCD's website.

Sincerely

David K. Brooks
Legal Examiner
505-476-3450