

DATE IN 10/1/09	SUSPENSE	ENGINEER Brooks	LOGGED IN 10/1/09	TYPE NSL	PTG-W	APP NO. 0927449088
-----------------	----------	-----------------	-------------------	----------	-------	--------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505

RECEIVED



Williams
PM 1 47
GRID - 120782
Rosa Unit #154B

ADMINISTRATIVE APPLICATION CHECKLIST

30-039-30804

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]

Rio Arriba
6106

[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 9/30/09
Title 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

SENT VIA FEDERAL EXPRESS

September 30, 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 #154B
API # 30-039-30804
SHL: 990' FSL & 880' FEL, Sec. 7, T31N, R5W
BHL: 2190' FSL & 880' FEL, Sec. 7, T31N, R5W*

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 #183C. This is a directional well with a bottom hole location of 2190' FSL & 880' FEL, Sec. 7, T31N, R5W .

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 north half of Section 7 by 210 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.

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 #154 and #154A. Further, drainage patterns from the other offset Mesaverde wells were also considered. They are the Rosa Unit #171, #171A, #171B, and #171C in the N2 of 7, the Rosa Unit #080, #080A, and #080B in the W2 of 8, the Rosa Unit #022, #022A and the #022 in the N2 of 18 and the Rosa Unit #031 and #031B in the NW4 of 17. 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 Section 7 is in the PA in the Mesaverde Formation; therefore, no setbacks apply as to that formation. None of Section 7 is in the PA in the Dakota formation; therefore setback requirements 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 common.

The spacing unit for all three formations is the south half. The other Mesaverde wells in the spacing unit are the Rosa Unit #154, and #154A. There are no other Mancos or Dakota wells.

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
List of Affected Persons

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
 Rington Field Office

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CAA Agreement, Name and No. NMNM-3407A-MV Rosa Unit 154B DK/Manco-1e	
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		8. Lease Name and Well No. 154B	
2. Name of Operator Williams Production Company, LLC		9. API Well No. 3003930804	
3a. Address P.O. Box 640 Aztec, NM 87410	3b. Phone No. (include area code) (505) 634-4208	10. Field and Pool, or Exploratory Blanco Mesaverte/Basin Manco/Basin Dakota	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 990' FSL & 880' FEL At proposed prod. zone 2190' FSL & 880' FEL		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 7, 31N, 5W	
14. Distance in miles and direction from nearest town or post office* approximately 32 miles northeast of Blanco, New Mexico		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) 880'	16. No. of Acres in lease 2,518.040	17. Spacing Unit dedicated to this well 231.90 Acres-(S/2)	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 50' Rosa 154A	19. Proposed Depth 8,467'	20. BLM/BIA Bond No. on file UT0899	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,355' GR	22. Approximate date work will start* September 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 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
<i>Larry Higgins</i>	Larry Higgins	8-18-09
Title		
Drilling COM		
Approved by (Signature)	Name (Printed/Typed)	Date
<i>D. Montee wee</i>		9/2/09
Title	Office	
AFM	FFO	

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

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

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

This APD is also being used as an application to obtain a pipeline right-of-way. An associated pipeline tie of 198.2 feet would be required for this well.

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

This action is subject to technical and procedural review pursuant to 43 CFR 3165.9 and 43 CFR 3165.4.

DECLASSIFYING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL INSTRUCTIONS"

OPERATOR

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


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

'API Number	'Pool Code	'Pool Name	
	97232 / 72319 / 71599	BASIN MANCOS / BLANCO MESAVERDE / BASIN DAKOTA	
'Property Code	'Property Name		'Well Number
17033	ROSA UNIT		154B
'OGRID No.	'Operator Name		'Elevation
120782	WILLIAMS PRODUCTION COMPANY		6355

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	7	31N	5W		990	SOUTH	880	EAST	RIO ARRIBA

UL or lot no. 	Section 7	Township 31N	Range 5W	Lot Idn	Feet from the 2190	North/South line SOUTH	Feet from the 880	East/West line EAST	County RIO ARRIBA
¹² Dedicated Acres 231.90 Acres - (S/2)					¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.		

16 1185.36' 2640.00'

LOT 1

2638.68'

LOT 2

7

LOT 3

LEASE

SF-078767

LOT 4

1186.68' 2640.00'

880'

880'

961.7'

1200'

990'

148'

2196'

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.

Signature _____ Date _____

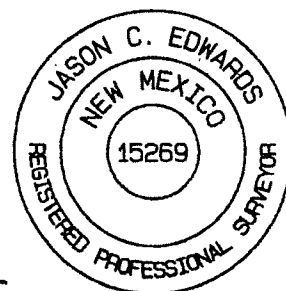
Printed Name _____

¹⁸ 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

Date of Survey: JULY 18, 2009

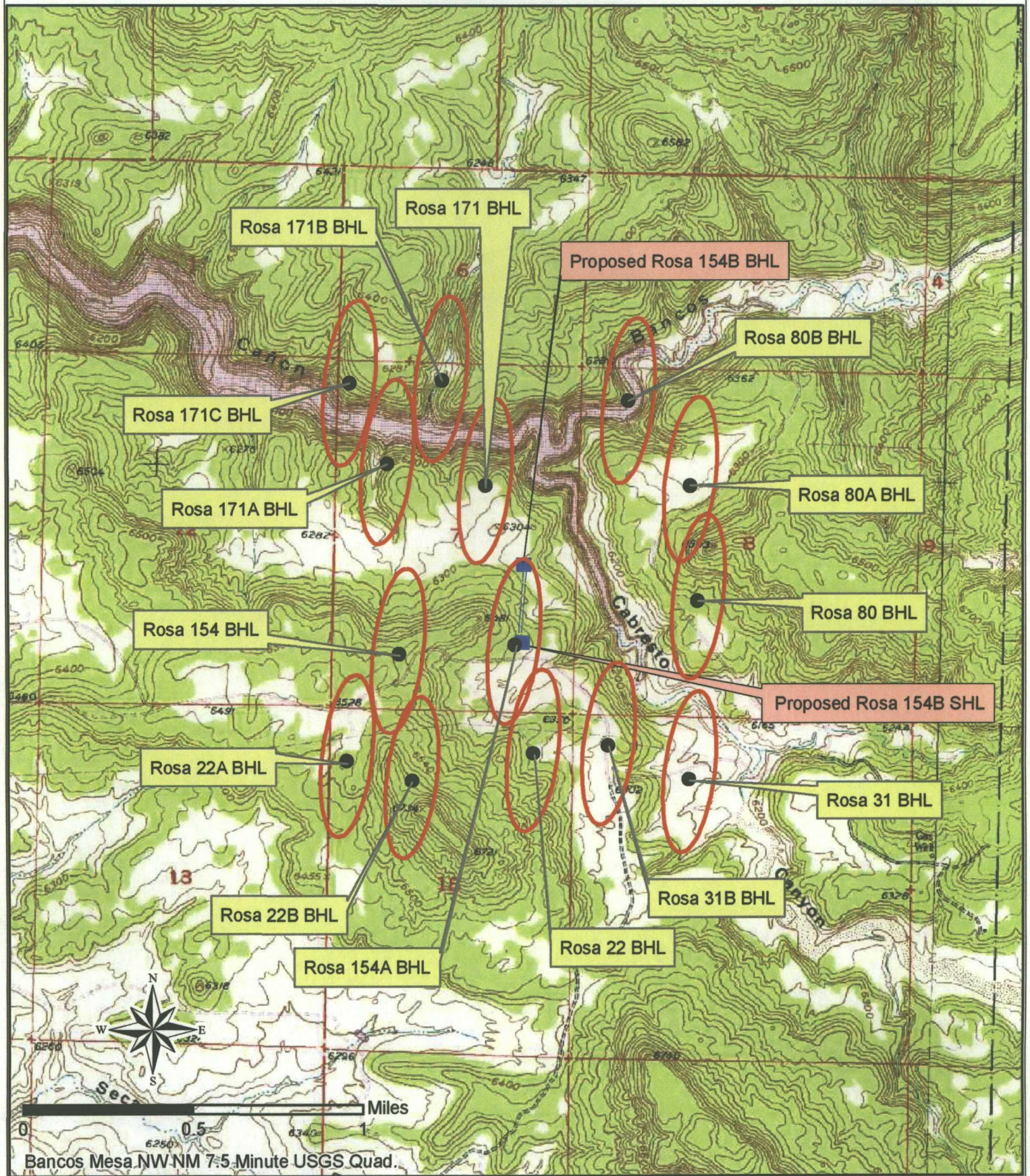
Signature and Seal of Professional Surveyor

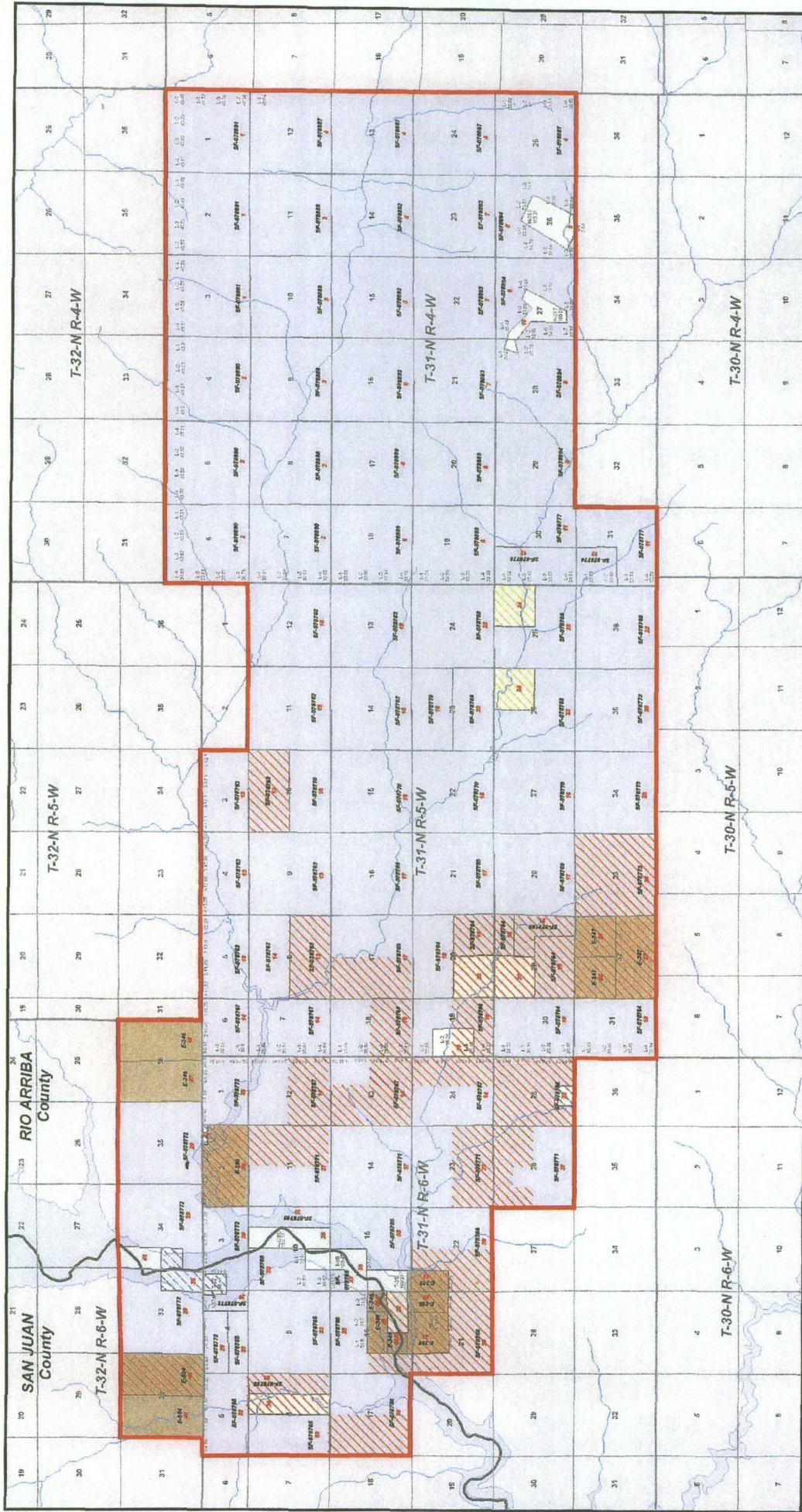


JASON C. EDWARDS

380 x 380 = 774400
200 : 729 = 271.200

NSL Application Drainage Map
Williams Production Company, LLC
Proposed Rosa Unit No. 154B
T31N, R05W, Section 7 NMPM
Rio Arriba County, New Mexico





Legend

- Dakota Participating Area: Initial 22nd Expansion
- Mineral Ownership
- Fee
- Partially Committed
- State
- Not Committed

Rosa Unit Tract No: XX

Map Document: (\\nasalps01\proj\San_JuanRosa_UnitParticipating_Areas\rosas-unit_06_m_16-22.mxd)
5/27/2008 - 8:32:20 AM

Scale: 1:72,000

Date: 4/6/2008

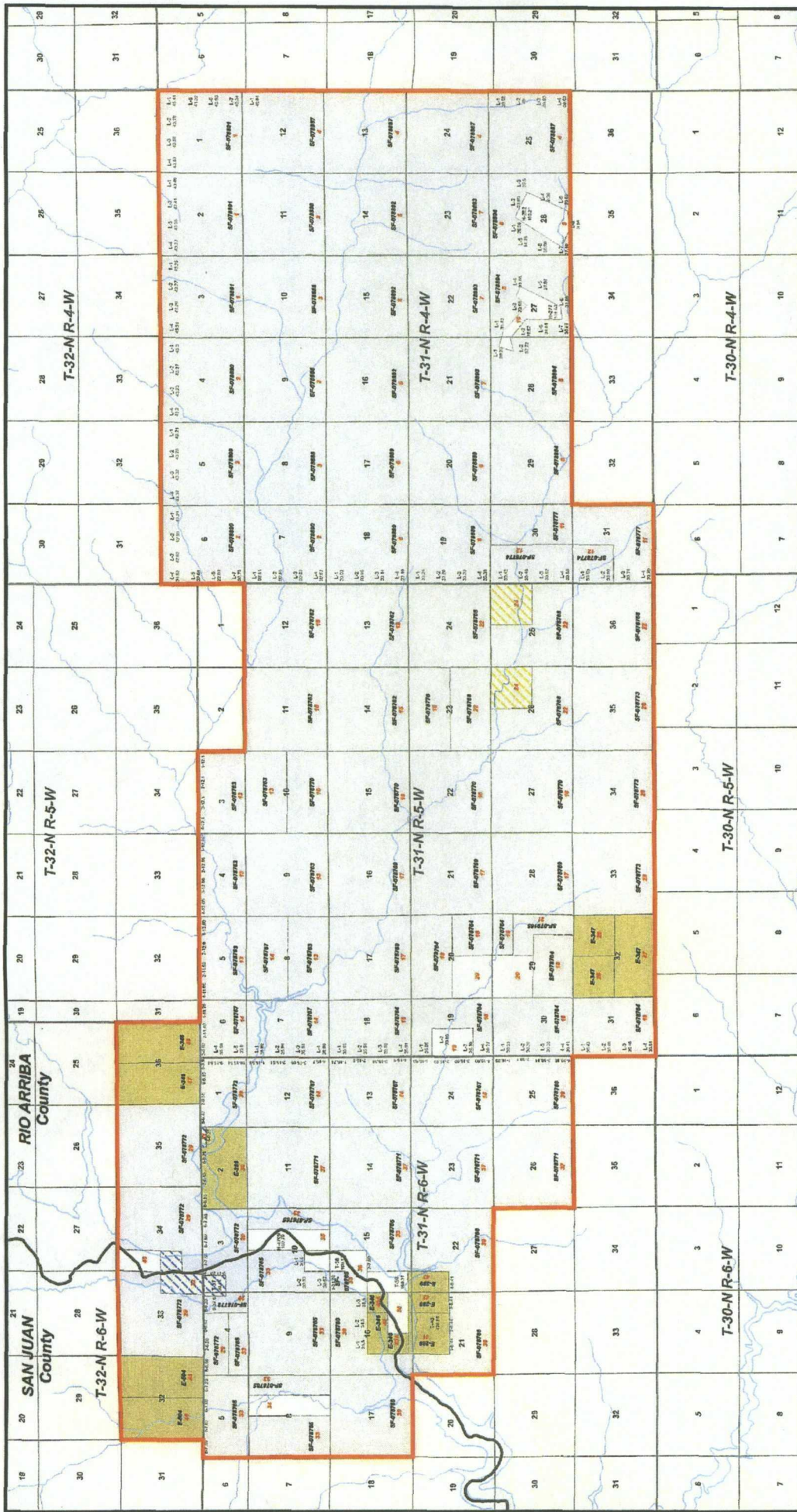
Author: TJ

Williams **Williams** **Williams**

Exploration & Production

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

Projection: NAD 1983 State Plane NM West



San Juan and Rio Arriba Counties, New Mexico

Rosa Unit

Scale: 1:72,000
Date: 3/5/2008
Author: TJ

Explosion & Production

Williams

San Juan and Rio Arriba Counties, New Mexico

Rosa Unit

Scale: 1:72,000
Date: 3/5/2008
Author: TJ

Explosion & Production

Williams

San Juan and Rio Arriba Counties, New Mexico

Rosa Unit

Scale: 1:72,000
Date: 3/5/2008
Author: TJ

Explosion & Production

Williams



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

September 30, 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 #154B Mancos/Dakota formation well to be drilled to a bottom hole location at 2190 feet from the South line and 800 feet from the East line of Section 7, Township 31 North, Range 5 West, N.M.P.M., Rio Arriba 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 #154B Mancos/Dakota formation well to be drilled to a bottom hole location at 2190 feet from the South line and 800 feet from the East line of Section 7, Township 31 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. The S/2 of Sec. 7, T31N, R5W, a standard 231.90 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.W.", with a stylized flourish at the end.

Brennan West
Landman
Williams Production Company, LLC

Rosa Unit #154B Mancos and Dakota Formation Well
Affected Interest Owners
S/2 of Sec. 7, T31N, R5W (Mancos and Dakota Drill Block Owners)

XTO Energy, Inc.
Attn: Edwin S. Ryan, Jr.
810 Houston St.
Fort Worth, TX 76102

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Monday, October 05, 2009 10:47 AM
To: 'Riley, Heather '
Subject: Rosa U #154B; NSL Application

Dear Ms. Riley

The list of affected owners attached to this application is entitled "S/2 of Sec. 7, T31N, R52 (Mancos and Dakota Drill Block Owners).

Since the unit encroached upon is the N/2 of Sec. 7, please confirm that this is actually a list of the affected drill block owners in the N/2 of Sec. 7.

Thanks
David Brooks

Brooks, David K., EMNRD

From: Riley, Heather [Heather.Riley@Williams.com]
Sent: Tuesday, October 13, 2009 2:56 PM
To: Brooks, David K., EMNRD
Cc: West, Brennan ; Winters, Lacey
Subject: RE: Rosa U #154B; NSL Application

Mr. Brooks,

This one should read:

N/2 of Sec. 7, T31N, R5W (Mancos and Dakota Drill Block Owners)

Thanks,

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: Monday, October 05, 2009 10:47 AM
To: Riley, Heather
Subject: Rosa U #154B; NSL Application

Dear Ms. Riley

The list of affected owners attached to this application is entitled "S/2 of Sec. 7, T31N, R52 (Mancos and Dakota Drill Block Owners).

Since the unit encroached upon is the N/2 of Sec. 7, please confirm that this is actually a list of the affected drill block owners in the N/2 of Sec. 7.

Thanks
David Brooks

This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please notify the system manager. This message contains confidential information and is intended only for the individual named. If you are not the named addressee you should not disseminate, distribute or copy this e-mail.

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is

prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message.
This email has been scanned using Webroot Email Security.

This inbound email has been scanned for malicious software and transmitted safely to you using Webroot Email Security.
