

Submit 3 Copies  
To Appropriate  
District Office  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

## OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, NM 87505

DISTRICT II  
811 South First, Artesia NM 88210

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

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	5. Indicate Type of Lease STATE <input type="checkbox"/> FED <input checked="" type="checkbox"/>
2. Name of Operator  WILLIAMS PRODUCTION COMPANY	6. State Oil & Gas Lease No.
3. Address of Operator  P.O. Box 640, Aztec, NM 87410	7. Lease Name or Unit Agreement Name:  Cox Canyon Unit
4. Well Location (Surface) Unit letter <u>B</u> : 860 feet from the <u>North</u> line & 2130 feet from the <u>East</u> line Sec 20-32N-11W SAN JUAN, NM	8. Well No.  9B
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6726' GR	9. Pool name or Wildcat  BLANCO MV/BASIN DK

Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

### NOTICE OF INTENTION TO:

### SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK · PLUG AND ABANDON

REMEDIAL WORK

ALTERING CASING

TEMPORARILY ABANDON CHANGE PLANS

COMMENCE DRILLING OPNS.

PLUG AND  
ABANDONMENT

PULL OR ALTER CASING

CASING TEST AND CEMENT JOB

X OTHER: COMMINGLING AUTHORIZATION

OTHER: \_\_\_\_\_

1) Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). Data below to satisfy NM OCD Rule 303.C.3 (b) (i)-(vii)

- Pre-approved Pool Division Order R-11363.
- Pools to be commingled: Blanco MV 72319, Basin Dakota 71599.
- Perforated intervals: Blanco MV 4936' - 5990', Basin Dakota 7896' - 8131'.
- Fixed percentage allocation based upon production data of 40% Blanco MV and 60% Basin Dakota. Historic production data from both zones in this well was gathered and analyzed. Average production was considered to calculate baseline allocations. Williams will run a completion profiler once the well is commingled to re-evaluate allocation percentages. This allocation may be adjusted at a later date based on further testing.
- Commingling will not reduce the value of reserves.
- All interest owners in the spacing unit have been notified of the intent to downhole commingle.
- The BLM has been notified on sundry notice form 3160-5.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Ben Mitchell TITLE: Regulatory Spec. DATE: 10/5/2011

Type or print name Ben Mitchell

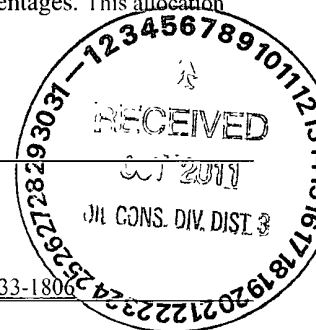
Telephone No. (505) 333-1806

APPROVED

BY Chant  
Conditions of approval, if any:

TITLE SUPERVISOR DISTRICT # 3

DATE NOV 14 2011





Exploration & Production

## Production Allocation Recommendation

### COX CANYON #9B

### Mesa Verde/Dakota

<b>WELLNAME:</b>	Cox Canyon #9B	<b>FIELD:</b>	Blanco MV/Basin DK
<b>LOCATION:</b>	NW/4 NE/4 Section 20(B), T32N, R11W	<b>COUNTY:</b>	San Juan
<b>API No.:</b>	30-045-33926	<b>Date:</b>	August 31, 2011

**Current Status:** The Cox Canyon #009B is currently a dual completion well producing from the Mesa Verde and Dakota formations. Williams recommends commingling this well.

#### Commingle Procedure:

- Mesa Verde tubing will be pulled
- Dakota tubing will be pulled
- Production packer will be removed
- Well will be cleaned out to PBTD at 8186'
- A single string of 2-1/16" tubing will be run to ~8050'
- One set of wellhead facilities will be removed
- Well will be produced as a MV/DK commingle

**Allocation Method:** Historic production data from both zones in this well was gathered and analyzed. Average production was considered to calculate baseline allocations. Williams will run a completion profiler once the well is commingled to re-evaluate allocation percentages.

Average production used for baseline allocation:

Total Production from well = 582.7 Mcfd

Total Production from MV = 230.5 Mcfd

Total Production from DK = 352.2 Mcfd

MV allocation = MV production / Total production = 230.5 Mcfd / 582.7 Mcfd = **40%**

DK allocation = DK production / Total production = 352.2 Mcfd / 582.7 Mcfd = **60%**

September 27, 2011

To: Cox Canyon 9B Owners of Interest

RE: Permit to Down-hole Commingle  
Cox Canyon #9B MV/DK  
NE/4 Sec. 20, T32N, R11W  
San Juan County, New Mexico

Ladies and Gentlemen,

In accordance with the New Mexico Oil Conservation Division Rule 303 governing down-hole commingling, you are hereby notified that Williams Production Company, LLC, as operator of the referenced well, intends to down-hole commingle production from the Blanco Mesaverde and Basin Dakota pools. These pools are pre-approved for commingling by the State of New Mexico Oil Conservation Division (NMOCD) of the Energy, Minerals and Natural Resources Department. As such Williams Production Company, LLC is required to submit application to the NMOCD of our intent to commingle the two zones.

The lease on which this well is located is owned by the United States of America and is committed to the Cox Canyon Unit I-Sec. No. 946. This well is interior to the Cox Canyon Unit boundaries. The Mesaverde Participating Area Owners own the Mesaverde production, the Dakota production is currently owned by BP America Production Company, Burlington Resources, and Williams Production Company.

The attached engineering documentation outlines the allocation method and provides the pertinent data supporting our application to commingle this well.

Any objections to the application must be filed with NMOCD within 20 days of receipt of this letter and supporting documentation.

Sincerely,

Brennan West  
Landman  
Williams Production Company, LLC

MU CC#9B

Pty Name	Pty Addr
BOBBYLEE WILSON	1707 MARINERS CV APT B
BP AMERICA PRODUCTION COMPANY	ATTN OOJI PO BOX 848103
BUREAU OF OCEAN ENERGY MNGMT REG & ENFORCEMENT	PO BOX 5810
BURLINGTON RESOURCES OIL & GAS CO LP	PO BOX 22295 NETWORK PL
CONOCOPHILLIPS CO	22295 NETWORK PL
CONOCOPHILLIPS CO	22295 NETWORK PL
DONALD KING	2023 AVE M 1/2
ELLIOTT INDUSTRIES	PO BOX 1328
ELLIOTT-HALL CO	PO BOX 1231
FRED KING	149 GREEN ISLE AVE
HELENA STRONG MCCUE	2 WILSON ST
JOAN PAYNE	302 WEMBERLY DR
LEO C SIMMS	213 E VERLEEN AVE
NANCY BORK	678-110 SCARLET OAK
NEW MEXICO STATE ROYALTY	PO BOX 1148
ROBERT OTTO GRAF	12202 MONTICETO LN
TAMANACO OIL CORP	13170-B CENTRAL AVE SE PMB 320
THE H&N CARTER REV TR NANCY N CARTER & SABRA LYNN CARTER TTEES	1717 H G MOSLEY PKWY
VIRGINIA SHARP	PO BOX 223
WILLIAM H JOHNS	74 KEN RD
WILLIAMS PRODUCTION CO LLC	DEPT 1111 ONE WILLIAMS CTR
WILLIAMS PRODUCTION CO LLC	DEPT 1111 ONE WILLIAMS CTR
XTO ENERGY INC	JP MORGAN CHASE DALLAS PO BOX 730586

MV CC #9B

City	State	Zip
FORT PIERCE	FL	34950
DALLAS	TX	75284-8103
DENVER	CO	80217-5810
CHICAGO	IL	60673-1222
CHICAGO	IL	60673-1222
CHICAGO	IL	60673-1222
GALVESTON	TX	77550
SANTA FE	NM	87504-1328
OGDEN	UT	84402
DICKINSON	TX	77539
ROCHESTER	NH	03867
SIMPSONVILLE	SC	29681-3839
WAUNAKEE	WI	53597-2223
ALTAMONTE SPRINGS	FL	32701
SANTA FE	NM	87504-1148
STAFFORD	TX	77477
ALBUQUERQUE	NM	87123
LONGVIEW	TX	75604-3656
CONRAD	IA	50621-0223
DEXTER	NM	88230
TULSA	OK	74182
TULSA	OK	74182
DALLAS	TX	75373-0586

DK CC #9B

Pty Name	Pty Addr	City	State
BP AMERICA PRODUCTION COMPANY	ATTN OOJI PO BOX 848103	DALLAS	TX
BUREAU OF OCEAN ENERGY MNGMT REG & ENFORCEMENT	PO BOX 5810	DENVER	CO
BURLINGTON RESOURCES OIL & GAS CO LP	PO BOX 22295 NETWORK PL	CHICAGO	IL
ELLIOTT INDUSTRIES	PO BOX 1328	SANTA FE	NM
ELLIOTT-HALL CO	PO BOX 1231	OGDEN	UT
WILLIAM H JOHNS	74 KEN RD	DEXTER	NM
WILLIAMS PRODUCTION CO LLC	DEPT 1111 ONE WILLIAMS CTR	TULSA	OK
XTO ENERGY INC	JP MORGAN CHASE DALLAS PO BOX 730586	DALLAS	TX

DK CC #9B

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