Form C-103 Revised 1-1-89

State of New Mexico Energy, Minerals and Natural Resources Department

Santa Fe, NM 87505    South First, Artesia NM 88210		WELL API NO.	SERVATION DIVISION	OIL CON	RICT I Box 1980, Hobbs, NM 88240
STRICT II South First, Artesia NM 88210  STRICT III SOUTH FIRST, Artesia NM 88210  STRICT III SOUTH FIRST, Artesia NM 88210  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  Type of Well: Oil Well   Gas Well	926	30-045-33926			
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Other  Name of Operator  ILLIAMS PRODUCTION COMPANY  Address of Operator  S. BLANCO MV/BAS  Well No.  BLANCO MV/BAS  Well Cocation (Surface)  Unit letter B: 860 feet from the North line & 2130 feet from the East line Sec 20-32N-11W SAN JUAN, NI  10. Elevation (Show whether DF, RKB, RT, GR, etc.  6726 GR  Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  NOTICE OF INTENTION TO:  SUBSEQUENT REPORT OF:  REMEDIAL WORK ALTERING CA  BLANCO MV/BAS  OTHER: COMMINGLING AUTHORIZATION  OTHER: COMMINGLING AUTHORIZATION  Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estin of starting any proposed work). Data below to satisfy NM OCD Rule 303.C.3 (b) (i)-(vii)  i. Pre-approved Pool Division Order Re 13363.  ii. Pools to be commingled: Blanco MV 72319, Basin Dakota 71599.  iii. Perforated intervals Blanco MV 9367 - 5990°, Basin Dakota 7896′ - 8131′.  iv. Fixed percentage allocation based upon production data of 40% Blanco MV and 60% Basin Dakota. Historic production both zones in this well was gathered and analyzed. Average production was considered to calculate baseline all Williams will run a completion profiler once the well is commingled to re-evaluate allocation percentages. This may be adjusted at a later date based on further testing.  v. Commingling will not reduce the value of reserves.  vi. All interest owners in the spacing unit have been notified of the intent to downhole commingle.  TITLE: Regulatory Spec. DATE: 10/5/2011.  Base or print name Ben Mitchell  Telephone No. (505) 333-1806  SUBSEDUESOR DISTRICT # 3		Lease Name or Unit Agr Name:      Cox Canyon Unit	R TO DEEPEN OR PLUG BACK TO A	PROPOSALS TO DRILL O E "APPLICATION FOR I	O NOT USE THIS FORM FOR I
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DALL DALL	1 4 2011	DATE NOV 14	E SUPERVISOR DISTRICT # 3	TIT	Muth



### **Production Allocation Recommendation COX CANYON #9B** Mesa Verde/Dakota

WELLNAME: Cox Canyon #9B

NW/4 NE/4 Section 20(B),T32N, R11W

Blanco MV/Basin DK

**LOCATION:** 

San Juan **COUNTY:** 

API No.: 30-045-33926

August 31, 2011 Date:

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  $\sim 8050$
- 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 230.5 Mcfd Total Production from MV Total Production from DK = 352.2 Mefd

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

DK allocation = DK production / Total production = 352.2 Mefd / 582.7 Mefd = 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	ΙA	50621-0223
DEXTER	NM	88230
TULSA	ОК	74182
TULSA	ОК	74182
DALLAS	TX	75373-0586

### DK CC HAB

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

Zip 75284-8103 80217-5810

60673-1222

87504-1328

84402

88230 74182

75373-0586