

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

WELL API NO.

30-039-22539

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement
Name:

ROSA UNIT

8. Well No.

79

9. Pool name or Wildcat

BASIN DAKOTA

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 ☐ Gas Well ☒ Other

2. Name of Operator

WILLIAMS PRODUCTION COMPANY

3. Address of Operator

P O BOX 3102, MS 25-4, TULSA, OK 74101

4. Well Location (Surface)

Unit letter K : 1800 feet from the SOUTH line & 1780 feet from the WEST line Sec 22-31N-R6W RIO ARRIBA, NM

10. Elevation (Show whether DF, RKB, RT, GR, etc.
6255' GR

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

X PULL OR ALTER CASING

CASING TEST AND CEMENT JOB

ABANDONMENT
OIL CONS. DIV.

OTHER: COMMINGLING AUTHORIZATION

OTHER: _____

DIST. 3

RCVD AUG 29 '07

12. 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 5282'-5712', Basin Dakota 7772'-7831'.
 - Fixed percentage allocation based upon production data of 14.94% Blanco MV and 85.06% Basin Dakota. See attached information for details.
 - Commingling will not reduce the value of reserves.
 - All interest owners in the spacing unit have been notified of the intent to downhole commingle, and no objection was received in 20 days of sending notice.
 - The BLM has been notified and has approved the work 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 Rachel Lipperd TITLE: Engineering Technician DATE: August 28, 2007

Type or print name Rachel Lipperd

Telephone No: (918) 573-3046

(This space for State use)

APPROVED

BY [Signature] TITLE: Deputy Oil & Gas Inspector, DATE: SEP 10 2007

Conditions of approval, if any:

District #3



EXPLORATION & PRODUCTION

COMMUNICATION REPAIR & COMMINGLING PROCEDURE

ROSA 79
API No. 30-039-22539
T31N, R6W, SECT. 22
ELEVATION: 6,628' GR
TD: 8,062' MD

WELLBORE STATUS:DK 1-1/2", 2.9 #/FT, To 7,804' MD5-1/2" MODEL D PACKER @ 5,870'MV 1-1/4", 2.33#, J-55 I.J. TBG @ 5,420'ESTIMATED DK SIBHP = 850± PSIGESTIMATED MV SIBHP = 450± PSIGESTIMATED DK SIBHT = 184± °F

OBJECTIVE: Repair hole in long string tubing. Increase size of long string tubing.

- 1) MIRU, kill, ND tree, & NU BOP's.
- 2) POOH with tubing on both strings.
- 3) Mill out packer.
- 4) Clean out fill to PBTD @ 7,987' MD..
- 5) RIH and hang-off commingled string @ 7,780'MD.
- 6) ND BOP's & NU tree.
- 7) TEST WELL TO MAKE CERTAIN TUBING IS NOT PLUGGED.
- 8) Release rig.
- 9) Return to production.

RCVD AUG 29 '07
OIL CONS. DIV.
DIST. 3

PRIOR TO PRIMARY JOB

- 1) Test rig anchors.
- 2) Verify location is OK for rig operations.
- 3) Ensure JSA, ECP's and lockout procedures are in place for the flowline and other energized piping or equipment.
- 4) Acquire 6,000 ft of 2-3/8" or 2-7/8" L-80 or stronger work string.
- 5) Acquire 5,150' of 2-7/8", eue, 8rd, 6.5 #/ft J-55 tubing.
- 6) Acquire 2,650' of 2-7/8", 6.4 #/ft, 10 RD.
- 7) Locate and have on standby 500' of 1-1/2" 2.33 #/ft, IJ tubing.
- 8) Acquire wellhead and convert from dual tubing string to a single, 2-7/8" tubing string.
- 9) Acquire crossover from 2-7/8" 6.5 #/ft eue 8rd to 2-7/8", 6.4 #/ft, 10 RD.
- 10) Acquire 2-7/8", **2.313" I.D. Halliburton Type X or XN** type nipple.
- 11) **KCL** on location to treat kill water as needed.

SAFETY NOTICE

PERSONNEL SAFETY IS THE NUMBER ONE JOB.
NO EXCEPTIONS!!!



Exploration & Production

Production Allocation Recommendation Rosa #79 (MV/DK)

<u>WELLNAME:</u>	Rosa #79	<u>FIELD:</u>	Rosa DK & Blanco MV
<u>LOCATION:</u>	NE/4 SW/4 Sec.22, T31N,R06W	<u>COUNTY:</u>	SAN JUAN, NM
<u>API No.:</u>	30-039-22539	<u>Date:</u>	August 1, 2007

Current Status: The Rosa #79 is currently a dual completion well producing from the Dakota and Mesaverde formations. The Production Optimization and Enhancement Team recommends commingling this well upon completion of the workover currently underway.

Commingle Procedure:

- Dakota tubing will be pulled
- MesaVerde tubing will be pulled
- Production packer will be removed
- Well will be cleaned out to PBD
- A single string of 2-7/8" tubing will be run to ~7,800'
- 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 on this well was gathered and analyzed. Monthly production data from Jan 2001 to May 2007 was considered for both zones. During this time frame the Dakota accounted for approximately 85.06% of the total production of the well, while the MesaVerde contributed the remaining 14.94% during the same time. \

From Jan 2001 – May 2007

Total Production from well	=	5,226,135 Mcf
Total Production from DK	=	4,445,365 Mcf or 85.06% of total
Total Production from MV	=	780,771 Mcf or 14.94% of total

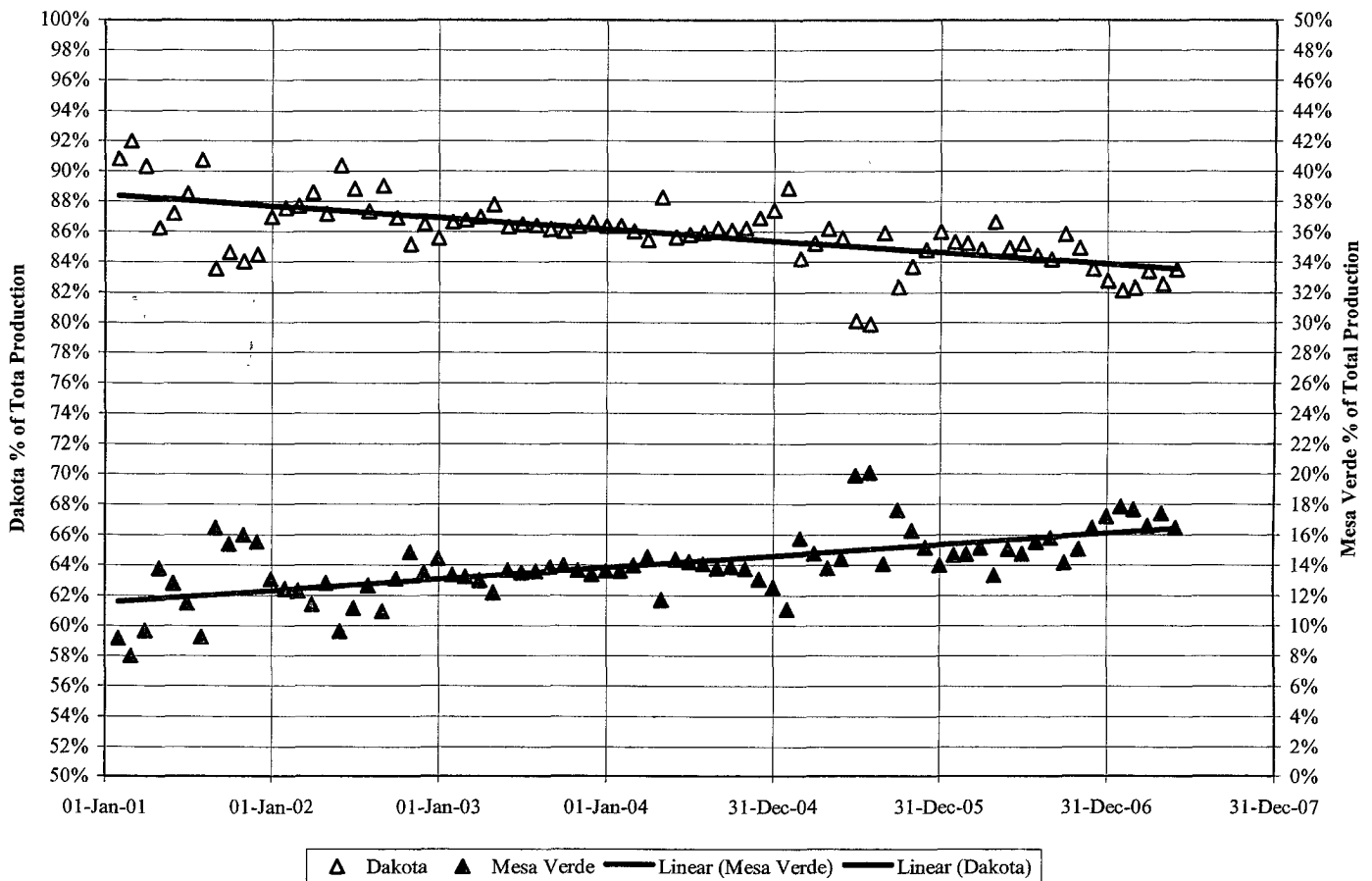
A plot of monthly production % for months when both zones produced at least 1 MCF of gas are shown in an attached plot and it is proposed that the last month's percentage breakdown be used. The requested fixed percentage for allocation is 16.45% of total flow for the Mesa Verde zone and 83.55% of total flow for the Dakota zone. This agrees well with the total percentage breakdown and honors the percentage trend.

DK allocation = DK prod / Total prod = 352,959 Mcf / 469,385 Mcf = **83.55%**

MV allocation = MV prod / Total prod = 116,426 Mcf / 469,385 Mcf = **16.45%**

ROSA 79

MV & DK Monthly Production Comparison for All Months When Both Zones' Production > 0



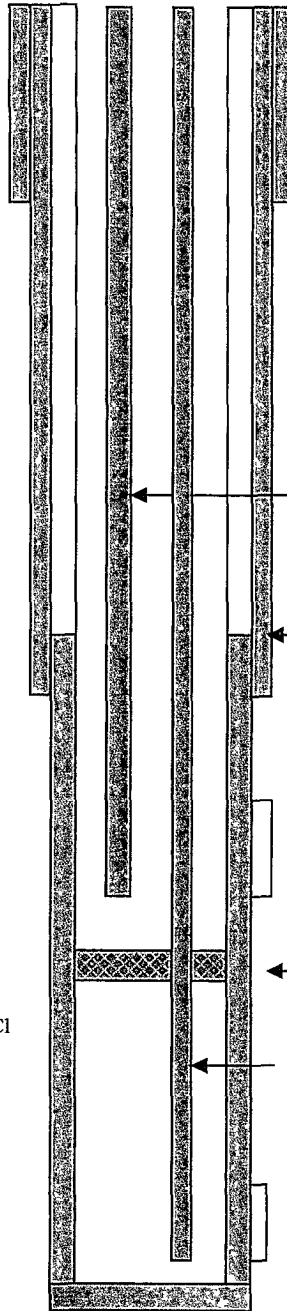
ROSA UNIT # 79 *BLANCO MV/BASIN DK*

Location: 1800' FSL, 1780' FWL
NE/4 SW/4 Section 22 (K), T31N, R6W
Rio Arriba Co., NM

Elevation: 6255' GR
API #: 30-039-22539

Spud Date 12-05-1980
Completed 03-06-1981

<i>Tops</i>	<i>Depth</i>
Ojo Alamo	2340'
Kirtland	2455'
Fruitland Coal	2920'
Pictured Cliffs	3094'
Lewis	3550'
Cliff House	5216'
Point Lookout	5566'
Mancos	5787'
Gallup	6517'
Greenhorn	7570'
Graneros	7626'
Dakota	7757'



10 3/4", 40.5#, K-55, ST&C csg.
Set @ 373'

Mesaverde Tubing: 6' perf sub, 1 jt 1-1/4" tbg, 1.5" SN,
& 166 jts 1-1/4", 2.33#, J-55, IL. Landed @ 5420'

TOC in 5-1/2" @ 3700' by Temp Survey
7-5/8", 26.4#, K-55, LT&C csg. Set @ 3750'

5282'
5712'

Baker model "D" packer @ 5870'

7772'
7831'

5-1/2", 17#, N-80, Buttress csg. Set @ 7895'

TD @ 7895'
PBTD @ 7865'

Mesa Verde 5282' - 5712' (30 holes)
85K# of 20/40 sand in slick water.

Dakota 7772' - 7831' (64 holes)
80K# of 20/40 sand carried in 40# X-Link gel with 2% KCl
and 5% Condensate

Dakota Tubing: 1/2" mule shoe, 1.5" SN, 56 jts 1-1/2" tbg,
seal bore assembly w/ 10 seals, 170 jts 1-1/2", 2.9#, J-55,
EUE. Landed @ 7804'. (226 jts total)

<i>HOLE SIZE</i>	<i>CASING</i>	<i>CEMENT</i>	<i>CU. FT.</i>	<i>CMT TOP</i>
15"	10 3/4"	375 s x	443 cu.ft.	surface
9 7/8"	7 5/8"	255 s x	301 cu.ft.	surface
6 3/4"	5 1/2"	320 s x	378 cu.ft.	3700'