

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

June 10, 2008

Sherry Brooks Williams Production Co P O Box 640 Aztec, NM 87410

Re: Rosa Unit 100E, I-21-31N-06W, 30-039-25135

Dear Sherry:

The 2008 Packer Leakage Test on the referenced well indicates communication between the producible zones.

In order to comply with Rule #112A, you are hereby directed to initiate remedial activity and retest the well to show separation of the zones prior to September 13, 2008.

Reference EHV0816238530 on all future correspondence

Notify the Aztec OCD in time to witness the retest.

Thank you,

Henry Villanueva

Deputy Oil & Gas Inspector

CC: BLM HV

Well File

This form is <u>not</u> to be used for reporting wacker leakage tests un Southeast New Mexico

NEW MEXICO OIL CONSERVATION DIVISION

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NORTHWEST NEW MEXICO PACKER LEAKAGE TEST

Well

| perator _ | Williams Exp | loration and | Production |
|-----------|--------------|--------------|------------|
|-----------|--------------|--------------|------------|

Lease Name Rosa Unit

ocation Of Well: Unit Letter <u>I</u> Sec <u>21</u> Twp <u>31N</u> Rge <u>06W</u> API # 30-0 <u>300392513500</u>

No. <u>100E</u>

| | Name of Reservoir or Pool | Type of Prod. (Oil or Gas) | Method of Prod. (Flow or Art. Lift) | Prod. Medium (Tbg. Or Csg.) |
|---------------------|---------------------------|-------------------------------|--|--------------------------------|
| Upper Completion | Picture Cliff | Gas | Flow. | The |
| Lower | Meca Verde | Gas | Flow | Tha |

Pre-Flow Shut-In Pressure Data

| | A TO A TOWN SHIRT AN A TOUSAIC DUCK | | | | | | | |
|------------|-------------------------------------|------------------------|----------------|--|--|--|--|--|
| Upper | Hour, Date, Shut-In | Length of Time Shut-In | SI Press. Psig | Stabilized?((Yes)or No) | | | | |
| Completion | 9:30 Am 5-20-06 | 75 hours | 386 | | | | | |
| Lower | Hour, Date, Shut-In | Length of Time Shut-In | SI Press. Psig | Stabilized? (Yes or No) | | | | |
| Completion | 9:30 Am 5-13-08 | 75 hours | 289 | The state of the s | | | | |

Flow Test No. 1

| Commenced at (hour, date)*12451m 5-16-08 | | | | Zone producing (Up | per or Lower): | Upper | |
|--|-------------|--------------|-------------|--------------------|-----------------------------|---|--|
| Time | Lapsed Time | Pre | Pressure | | Pressure Prod. Zone Remarks | | |
| Hour, Date) | Since* | Upper Compl. | Lower Comp. | l. Temp. | | | |
| 60-11-2 | | TIC | | | | | |
| 5:30 Am | 15 hrs, | 150/302 | 300 | 410 | 10mcE. | ~34567 | |
| 11:45 Am | | TIC | | | | 700 | |
| 5-18-08 | 47 hrs. | 80/305 | 303 | 660 | INCE | 1 3 V | |
| 31.45 PM | | T 1. c | | 4 | | (0) Z | |
| 19-09 | 75 hrs | 149/393 | 400 | 86* | Imcf | <u> </u> | |
| IIIIS Am | | 1-16 | | PD | | 1 2 2 | |
| -20-03 | 95 hrs | 80/405 | 406 | 80, | INCE | Market ST. 3 C | |
| :45 pm | | 7/4 | | 0.4.0 | | W. W. | |
| 5-21-03 | 122 hrs | 94 / 4/2 | 412 | 880 | OMCF | 12 12 12 12 12 12 12 12 12 12 12 12 12 1 | |
| 2:25 Pm | . (| T/ C | | | | 2001000 | |
| 5-22-08 | 145 hrs | BO / 415 | 415 | 72° | OMCE | | |

duction rate during test

| None BO | OPD based on | Bbls. In | Hrs | Grav | GOR |
|---------|--------------|--------------------------|-----|-------|-----|
| . 13 | MCFPD: Test | thru (Orifice or Meter): | EFM | Motor | |

Mid-Test Shut-In Pressure Data

| Upper | Hour, Date, Shut-In | Length of Time Shut-In | SI Press. Psig | Stabilized? (Yes or No) | | |
|----------|---------------------|------------------------|----------------|-------------------------|--|--|
| mpletion | Z:25 Pm 5-22-08 | 141 hrs | T.20 C406 | | | |
| _ower | Hour, Date, Shut-In | Length of Time Shut-In | SI Press. Psig | Stabilized? (Yes or No) | | |
| npletion | 9:30Am 5-13-08 | 15 days - 2hrs. | 410 | | | |
| | | (0) | | | | |

(Continue on reverse side)

NORTHWEST NEW MEXICO PACKER LEAKAGE TEST

| Thom To | of No. | 2 |
|---------|--------|---|

| Commenced a | Commenced at (hour, date)** 11:45 Am 5-28-03 Zone producing (Upper or Lower): Lower | | | | | oper or Lower): Lower | |
|--------------------------------------|---|-------------|--------------|------------------|-----------------|-----------------------|-------------------|
| Time | Lapsed Time | | | ssure | | Prod. Zone | Remarks |
| (Hour, Date) | Since** | Upper | Compl. | Lower Comp | 1. | Temp. | |
| 10:15 5-29-08 | 22 | 150 170 | (S9) -150 | 170 | | 72 | off cycle 137 mot |
| 10:15 | 22 | Tha 91 | C59 91 | 91 | | 78 | MV flowing |
| | | | | | | | / . |
| | | | | | | | 1 |
| | | | | | | | |
| | | | | | | | |
| Production rate | during test | | | | ···· | | |
| Oil: | BOPD based | on | | Bbls. In | | Hrs | Grav GOR |
| | Oil:BOPD based onBbls. InHrsGravGORGas:130MCFPD; Test thru (Orifice or Meter):EFM | | | | | | |
| Remarks: | | | | | | | |
| I hereby certify | that the informati | ion herei | n contair | ed is true and o | comn | lete to the best o | of my knowledge. |
| Thereby certary | | 1011 110101 | n oomtaa. | od 10 truo una (| omp. | | |
| Approved | | | | 20 | _ | Operator | Jilliams EtP |
| New Mexico Oil Conservation Division | | | | | | | |
| Frilure | | | | | By Shung Browns | | |
| By Title <u>Tean leadin</u> | | | | | in leadin | | |
| Title | | | | | E-mail Addre | SS | |

Northwest New Mexico Packer Leakage Test Instructions

Date

- 1. A packer leakage test shall be commenced on each multiply completed well within seven days after actual completion of the well, and annually thereafter as prescribed by the order authorizing the multiple completion. Such tests shall also be commenced on all multiple completions within seven days following recompletion and/or chemical or fracture treatment, and whenever remedial work has been done on a well during which the packer or the tubing have been disturbed. Tests shall also be taken at any time that communication is suspected or when requested by the Division.
- 2. At least 72 hours prior to the commencement of any packer leakage test, the operator shall notify the Division in writing of the exact time the test is to be commenced. Offset operators shall also be so notified.
- 3. The packer leakage test shall commence when both zones of the dual completion are shut-in for pressure stabilization. Both zones shall remain shut-in until the well-head pressure in each has stabilized, provided however, that they need not remain shut-in more than seven days.
- 4. For Flow Test No. 1, one zone of the dual completion shall be produced at the normal rate of production while the other zone remains shut-in. Such test shall be continued for seven days in case of a gas well and 24 hours in the case of an oil well. Note: if, on an initial packer leakage test, a gas well is being flowed to the atmosphere due to the lack of a pipeline connection the flow period shall be three hours.
- 5. Following completion of Flow Test No. 1, the well shall again be shut-in, in accordance with Paragraph 3 above.

- 6. Flow Test No. 2 shall be conducted even though no leak was indicated during Flow Test No. 1. Procedure for Flow Test No. 2 is to be the same as for Flow Test No. 1 except that the previously produced zone shall remain shut-in while the zone which was previously shut-in is produced.
- 7. Pressures for gas-zone tests must be measured on each zone with a deadweight pressure gauge at time intervals as follows: 3 hour tests: immediately prior to the beginning of each flow-period, at fifteen-minute intervals during the first hour thereof, and at hourly intervals thereafter, including one pressure measurement immediately prior to the beginning of each flow period, at least one time during each flow period (at approximately the midway point) and immediately prior to the conclusion of each flow period. Other pressures may be taken as desired, or may be requested on wells which have previously shown questionable test data.

24-hour oil zone tests: all pressures, throughout the entire test, shall be continuously measured and recorded with recording pressure gauges the accuracy of which must be checked at least twice, once at the beginning and once at the end of each test, with a deadweight pressure gauge. If a well is a gas-oil or an oil-gas dual completion, the recording gauge shall be required on the oil zone only, with deadweight pressures as required above being taken on the gas zone.

8. The results of the above-described tests shall be filed in triplicate within 15 days after completion of the test. Tests shall be filed with the Aztec District Office of the New Mexico Oil Conservation Division on Northwest New Mexico Packer Leakage Test Form Revised 11-16-98, with all deadweight pressures indicated thereon as well as the flowing