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

Form C-103 State of New Mexico Revised 1-1-89 Energy, Minerals and Natural Resources Department WELL API NO. OIL CONSERVATION DIVISION 2040 South Pacheco 30-039-30381 Santa Fe, NM 87505 Indicate Type of Lease 811 South First, Artesia NM 88210 □ FEE STATE State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 Lease Name or Unit Agreement SUNDRY NOTICES AND REPORTS ON WELLS Name: (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 Rosa Unit **PROPOSALS** Gas Well Other Well No. WILLIAMS PRODUCTION COMPANY Rosa Unit #17C 9. Pool name or Wildcat P.O. Box 640, Aztec, NM 87410 BLANCO MV/BASIN MANCOS/BASIN DK Unit letter <u>L</u>: 1940 feet from the <u>SOUTH</u> line & 535 feet from the <u>WEST</u> line Sec 20-31N-5W RIO ARRIBA, NM 10. Elevation (Show whether DF, RKB, RT, GR, etc. 6341' GR SUBSEQUENT REPORT OF: **NOTICE OF INTENTION TO:** PLUG AND ABANDON

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

REMEDIAL WORK

ALTERING CASING

WORK

DISTRICT II

DISTRICT III

1. Type of Well: Oil Well

Name of Operator

Address of Operator

Well Location (Surface)

2.

TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS.

PLUG AND

PULL OR ALTER CASING

CASING TEST AND CEMENT JOB

ABANDONMENT

X OTHER: COMMINGLING AUTHORIZATION

OTHER:

- 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) **RCVD AUG 11'09**
 - Pre-approved Pool Division Order R-13122. i.

Pools to be commingled: Blanco MV 72319, Basin Mancos 97232, Basin Dakota 71599. ii.

OIL CONS. DIV.

Perforated intervals: Blanco MV 5714'-6601', Basin Mancos 7372'-7815', Basin Dakota 8432'-8514'. iii.

- Fixed percentage allocation based upon production data of 39% Blanco MV, 37% Basin Mancos, and 24% Basin Dakota This is based on the historic production of all wells that have MV/MC/DK production. See attached recommendation for details. This allocation may be adjusted at a later date based on a spinner survey after production has stabilized
- Commingling will not reduce the value of reserves ٧.
- All interest owners in the spacing unit have not been notified of the intent to downhole commingle per order R-12991. VI.
- viı. The BLM has been notified on sundry notice form 3160-5.

DHC32/2AZI hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

TITLE: <u>Drlg COM</u> DATE: <u>8-10-09</u>

Type or print name Larry Higgins

Telephone No: (505) 634-4208

(This space for State use)

APPROVED

Deputy Oil & Gas Inspector, District #3

BY Conditions of approval of any: TITLE



Production Allocation Recommendation Rosa # 17C (DK/MC/MV)

FIELD:

Rosa Blanco

8-10-09

Rio Arriba, NM

WELLNAME: Rosa #17C

LOCATION: Sec.20, T31N,R05W

API No.: 03-039-30381

Current Status: Williams is currently completing the Rosa #17C in the Dakota, Mancos, and Mesa Verde formations. Williams recommends tri-mingling the well after the proposed completion work has been completed.

Commingle Procedure:

- 1. Acidize & fracture stimulate the DK, MC, and MV formations
- 2. Flow back and clean up each formation prior to completion.
- 3. TIH w/ work string and remove CIBP
- 4. Clean out to PBTD
- 5. Complete with single string 2-3/8" tubing, landed below DK perfs
- 6. NDBOP. NUWH.
- 7. Turn well over to production as a tri-mingle

Allocation Method: Williams has assembled historic production data used to forecast Mancos production. Williams used this production data to come up with an initial allocation for this tri-mingle. Williams recommends that a spinner survey be performed after production has stabilized, so that allocation percentages can be corrected if need be.

After 18 months of production:

Total Production from well = 364,108 Mcf Total Production from DK = 86,405 Mcf Total Production from MC = 136,202 Mcf Total Production from MV = 141,500 Mcf

DK allocation = DK prod / Total prod = 86,405 Mcf/364,108 Mcf = 24%

MC allocation = MC prod / Total prod = 136,202 Mcf/364,108 Mcf = 37%

MV allocation = MV prod / Total prod = 141,500 Mcf / 364,108 Mcf = 39%