

UNITED STATES
DEPARTMENT OF INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICE AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION TO DRILL" for permit for such proposals

SEP 21 2009
FARMINGTON FIELD OFFICE

SUBMIT IN TRIPLICATE

| | |
|--|--|
| 1. Type of Well Oil Well Gas Well X Other | 5. Lease Designation and Serial No NMSF-078771 |
| 2. Name of Operator WILLIAMS PRODUCTION COMPANY | 6. If Indian, Allottee or Tribe Name |
| 3. Address and Telephone No. PO Box 640 Aztec, NM 87410-0640 | 7. If Unit or CA, Agreement Designation Rosa Unit |
| 4. Location of Well (Footage, Sec., T., R., M , or Survey Description) SUR: 1485' FNL & 775' FEL BHL 2095' FNL & 1821' FEL SEC 26 31N 6W | 8. Well Name and No Rosa Unit 005D |
| | 9. API Well No. 30-039-30780 |
| | 10. Field and Pool, or Exploratory Area BLANCO MV/BASIN DK/BASIN MC |
| | 11. County or Parish, State Rio Arriba, New Mexico |

CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION |
|--------------------|---|
| X Notice of Intent | Abandonment |
| Subsequent Report | Recompletion |
| Final Abandonment | Plugging Back |
| | Casing Repair |
| | Altering Casing |
| | X Other Commingle |
| | Change of Plans |
| | New Construction |
| | Non-Routine Fracturing |
| | Water Shut-Off |
| | Conversion to Injection |
| | Dispose Water |
| | (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form) |

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)*

Williams Production plans to commingle the Blanco Mesa Verde, Basin Mancos and Basin Dakota on this well as per attached procedure. Commingle authorization has been filed with the NMOCD. (copy attached)

RCVD SEP 24 '09
OIL CONS. DIV.

DIST. 3

0 AC 3240 AZ

- 14 I hereby certify that the foregoing is true and correct

Signed

Larry Higgins

Title Drilling COM Date 9-21-09

(This space for Federal or State office use)

Approved by

Joe Hewitt

Title

GEO

Date 9-23-09

Conditions of approval, if any:

Title 18 U S C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

NMOCD

Submit 3 Copies
To Appropriate
District Office

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

811 South First, Artesia NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised 1-1-89

| | | |
|--|--|---|
| 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) | | WELL API NO. 30-039-30780 |
| 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: Rosa Unit |
| 4. Well Location (Surface) Unit letter <u>H</u> : 1485 feet from the <u>NORTH</u> line & <u>775</u> feet from the <u>EAST</u> line Sec 26-31N-6W RIO ARRIBA, NM | | 8. Well No. Rosa Unit #005D |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc. 6318' GR | | 9. Pool name or Wildcat BLANCO MV/BASIN MANCOS/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-13122.
 - Pools to be commingled: Blanco MV 72319, Basin Mancos 97232, Basin Dakota 71599.
 - Perforated intervals: Blanco MV 5572'-6094', Basin Mancos 6992'-7463', Basin Dakota 8028'-8160'.
 - 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.
 - All interest owners in the spacing unit have not been notified of the intent to downhole commingle per order R-12991.
 - The BLM has been notified on sundry notice form 3160-5.

RCVD SEP 24 '09

OIL CONS. DIV.
DIST. 3

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

SIGNATURE Larry Higgins TITLE: Dirg COM DATE: 9-21-09

Type or print name Larry Higgins

Telephone No: (505) 634-4208

(This space for State use)

APPROVED

BY _____ TITLE _____ DATE _____

Conditions of approval, if any:



Exploration & Production

Production Allocation Recommendation Rosa #5D (DK/MC/MV)

WELLNAME: Rosa Unit #5D
LOCATION: Sec.26, T31N,R06W
API No.: 03-039-30780

FIELD: Rosa Blanco
COUNTY: Rio Arriba, NM
Date: 09/21/2009

Current Status: Williams is currently completing the Rosa #005D 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 in 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%**