

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

RECEIVED

JUL 20 2010

Farmington Field Office
Bureau of Land Management

Form C-103
Revised 1-1-89

WELL API NO

30-039-29833

5. Indicate Type of Lease
STATE ☐ FED ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement
Name:

Rosa Unit

8. Well No.

Rosa Unit #146B

9. Pool name or Wildcat

BLANCO MV/BASIN
MANCOS/BASIN DK

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 640, Aztec, NM 87410

4. Well Location (Surface)

Unit letter L : 1980 feet from the SOUTH line & 800 feet from the WEST line Sec 28-31N-5W Rio Arriba, NM

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
6451' GR

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL
WORK

PLUG AND ABANDON

TEMPORARILY ABANDON

CHANGE PLANS

PULL OR ALTER CASING

X OTHER: COMMINGLING AUTHORIZATION

SUBSEQUENT REPORT OF:

REMEDIAL WORK

ALTERING CASING

COMMENCE DRILLING OPNS.

PLUG AND
ABANDONMENT

CASING TEST AND CEMENT JOB

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)

- i. Pre-approved Pool Division Order R-13122.
- ii. Pools to be commingled: Blanco MV 72319, Basin Mancos 97232, Basin Dakota 71599.
- iii. Perforated intervals: Blanco MV 5278'-6008', Basin Mancos 6920'-7385', Basin Dakota 7983'-8072'.
- iv. 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.
- v. Commingling will not reduce the value of reserves.
- vi. All interest owners in the spacing unit have not been notified of the intent to downhole commingling per order R-12991.
- vii. The BLM has been notified 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

Larry Higgins

TITLE

Permit Supervisor

DATE 7/20/10

Type or print name Larry Higgins

Telephone No: (505) 634-4208

(This space for State use)

APPROVED

BY

Conditions of approval, if any:

TITLE

Deputy Oil & Gas Inspector,
District #3

DATE

JUL 26 2010

AV



Exploration & Production

Production Allocation Recommendation Rosa Unit #146B (DK/MC/MV)

WELLNAME: Rosa Unit #146B
LOCATION: Sec. 28, T31N,R05W
API No.: 30-039-29833

FIELD: Rosa Blanco
COUNTY: Rio Arriba, NM
Date: 7-20-10

Current Status: Williams drilled and completed the Rosa #146B in the Dakota and Mesa Verde formations as a dual completion in 2008. We have now moved back on this well to complete the Basin Mancos. Upon completion of the Mancos, Williams recommends tri-mingling the well.

Commingling Procedure:

1. Acidize & fracture stimulate the Basin Mancos formation
2. Flow back and clean up the formation prior to completion.
3. TIH w/ work string and remove CIBP and packer
4. Clean out to PBTD
5. Complete with single string 2-3/8" tubing, landed in DK perms
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 = $\text{DK prod} / \text{Total prod} = 86,405 \text{ Mcf} / 364,108 \text{ Mcf} = 24\%$

MC allocation = $\text{MC prod} / \text{Total prod} = 136,202 \text{ Mcf} / 364,108 \text{ Mcf} = 37\%$

MV allocation = $\text{MV prod} / \text{Total prod} = 141,500 \text{ Mcf} / 364,108 \text{ Mcf} = 39\%$