

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor **Betty Rivera** Cabinet Secretary

April 5, 2002

Lori Wrotenbery Director Oil Conservation Division

Williams Production Company, L.L.C. Walsh Engineering & Production Corp. 725 BINJEC 7415 East Main

Farmington, New Mexico 87402

Attention:

John C. Thompson

Re:

Three administrative applications for unorthodox gas well locations in the Basin-Dakota Pool: (i) Rosa Unit Well No. 165-C (pKRV0-208654587); (ii) Rosa Unit Well No. 85-B 20-3/N-Su

(pKRV0-208654279); and (iii) Rosa Unit Well No. 156-B (pKRV0-208654046).

9-31N-6W

Dear Mr. Thompson:

Recently the Basin-Dakota Pool rules were amended to include provisions for easier authorization for some wells in Unitized areas. These three applications contained insufficient data for me to determine rather they can be authorized at the District level or will require notification and approval through this office. Please refer to your latest Dakota participation map to see if you qualify under II.B (2) C or to include additional information as to the acreage immediately surrounding the spacing unit and provide notice to all interest in the Unitized interval and any owners of noncommitted tracts. I have attached a copy of Division Order No. R-10987-B (2) issued on January 29, 2002.

I am withdrawing these applications and returning them to you at this time.

Should you have any questions or comments concerning this matter, please contact Steve Hayden in Aztec at (505) 33406178 or me in Santa Fe at (505) 476-3465.

Sincerely.

Michael E. Stogner

Chief Hearing Officer/Engineer

LW/MES/kv

cc: New Mexico Oil Conservation Division Aztec.

Kathy Valdes, NMOCD - Santa Fe

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -





ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applic	[DHC-Dow [PC-Pe	WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE ISS: Indard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] Inhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] Indication [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] INFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] INFX-Water Disposal [IPI-Injection Pressure Increase] Indified Enhanced Oil Recovery Certification [IPR-Positive Production Response]	
[1]	[A] Check [B]	PPLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD MAR 2 5 Cone Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM	
	[C] [D]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD PII EOR PPR Other: Specify	
[2]	NOTIFICAT [A]	ION REQUIRED TO: - Check Those Which Apply, or Does Not Apply Working, Royalty or Overriding Royalty Interest Owners	
	[B]	Offset Operators, Leaseholders or Surface Owner	
	[C]	Application is One Which Requires Published Legal Notice	
•	[D]	Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office	
	[E]	For all of the above, Proof of Notification or Publication is Attached, and/or,	
	[F]	Waivers are Attached	
[3]		CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE ITON INDICATED ABOVE.	
	al is accurate ar	TION: I hereby certify that the information submitted with this application for administrative and complete to the best of my knowledge. I also understand that no action will be taken on this quired information and notifications are submitted to the Division.	3
	Note:	Statement must be completed by an individual with managerial and/or supervisory capacity.	
Print or	Type Name	Signature ENGINEER / Acron 3/24/02 Title Date UALSUZ @ Cyberput. Com e-mail Address	=
		e-mail Address	



WALSH

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting Lease Management Contract Pumping

7415 East Main Farmington, New Mexico 87402 (505) 327-4892 • Fax: (505) 327-9834

Ms. Lori Wrotenbery
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87505

March 22, 2002

Re: Request for Administrative approval for Non-Standard Dakota Location Rosa Unit 156B (Sec 9/T31N/R6W, 1660' fsl & 2625' fel, San Juan County, New Mexico)

Dear Ms. Wrotenbery,

Williams Production Company, LLC is requesting an administrative approval to construct the Rosa 156B as a dual Mesaverde/Dakota with the Dakota being non-standard. Williams has filed for an APD for a dual Dakota/Mesaverde well with the Bureau of Land Management (Farmington Field Office).

Williams intends to make the well a dual well thereby capturing the reserves from the Dakota with a single well bore. Originally, the surface location was picked by considering drainage from the offset Mesaverde wells and topography/archeology constraints. In this case, Williams picked their surface location in an attempt to minimize Mesaverde drainage interference with offset wells.

Therefore, the reasons for requesting administrative approval for a non-standard location are:

1. The current location was picked by splitting the difference between the Rosa 180 to the southwest and the Rosa 156A to the east. (see attached map showing drainage patterns).

 By itself, the Dakota (in this area) is at best very marginal economically and a dual completion helps capture additional reserves from the Dakota that otherwise would not be able to be economically developed.

 Utilizing a single well bore for a dual completion would also negate the need for additional disturbance of another well, ie. well pad, road, pipeline ROW, etc.

As the Unit Operator of the Rosa Unit, Williams Production Company, LLC is the *only* offset operator, thereby this proposed non-standard location would not affect any other operators.

Please find attached a drilling plat with topographical map showing location, drainage map and a portion of the unit map showing where the well is located within the unit.

If you have any questions or concerns, please feel free to contact me anytime.

John C. Thompson

Engineer

c:wpx/nsdk156b

District I PO Box 1980, Hobbs, NM 88241-1980

District II PO Drawer DD, Artesia, NM 88211-0719

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV PO Box 2088, Santa Fe, NM 87504-2088 State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088 Form C-102 Revised February 21, 1994

Instructions on back Submit to Appropriate District Office

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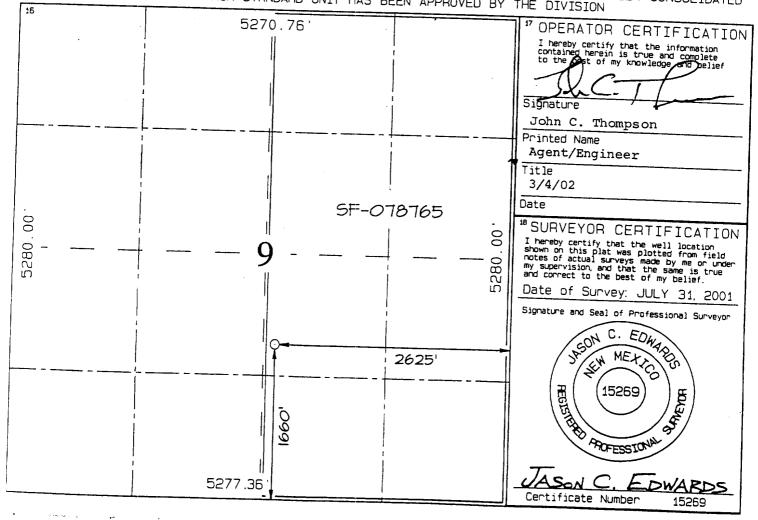
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

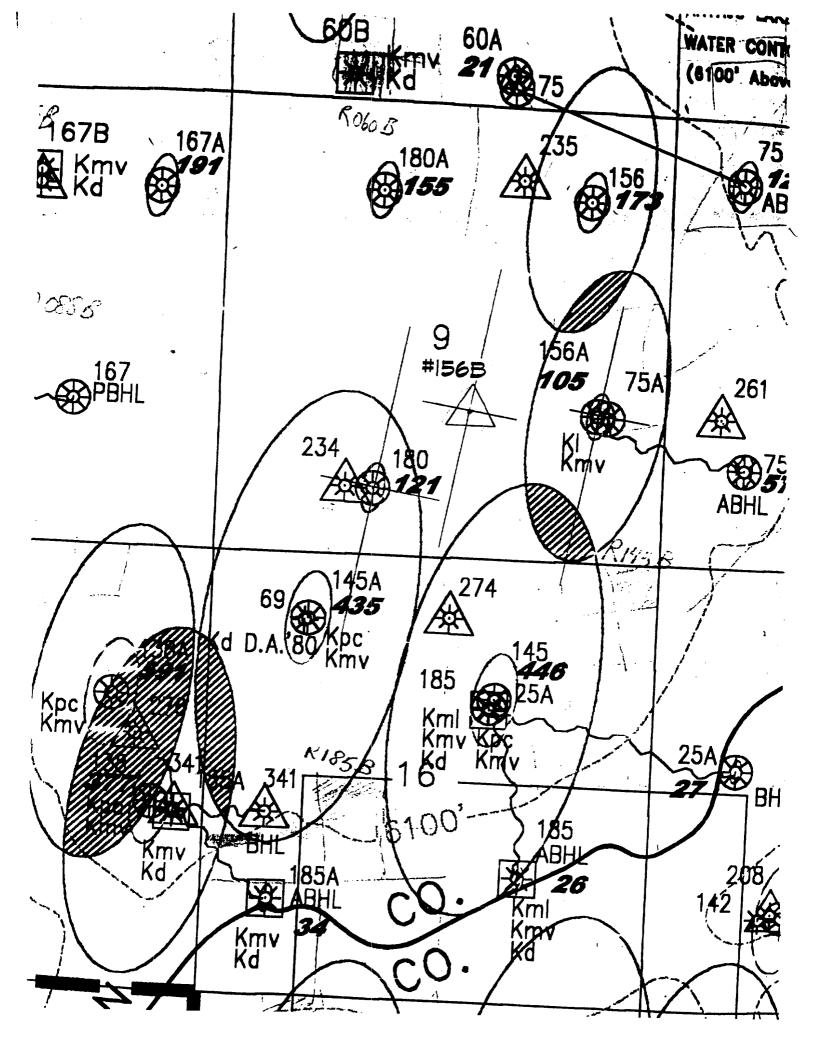
'API Number	*Pool Code 72319 - 71599	³Pool Name Blanco Mesaverde — Bas	Sin Nakota
Property Code	*Propert ROSA	y Name	*Well Number
'0GRID No. 120782	'Operato WILLIAMS PRODU	r Name JCTION COMPANY	*Elevation 6386
or lot no. Section Towns	10 Surface	Location	0366

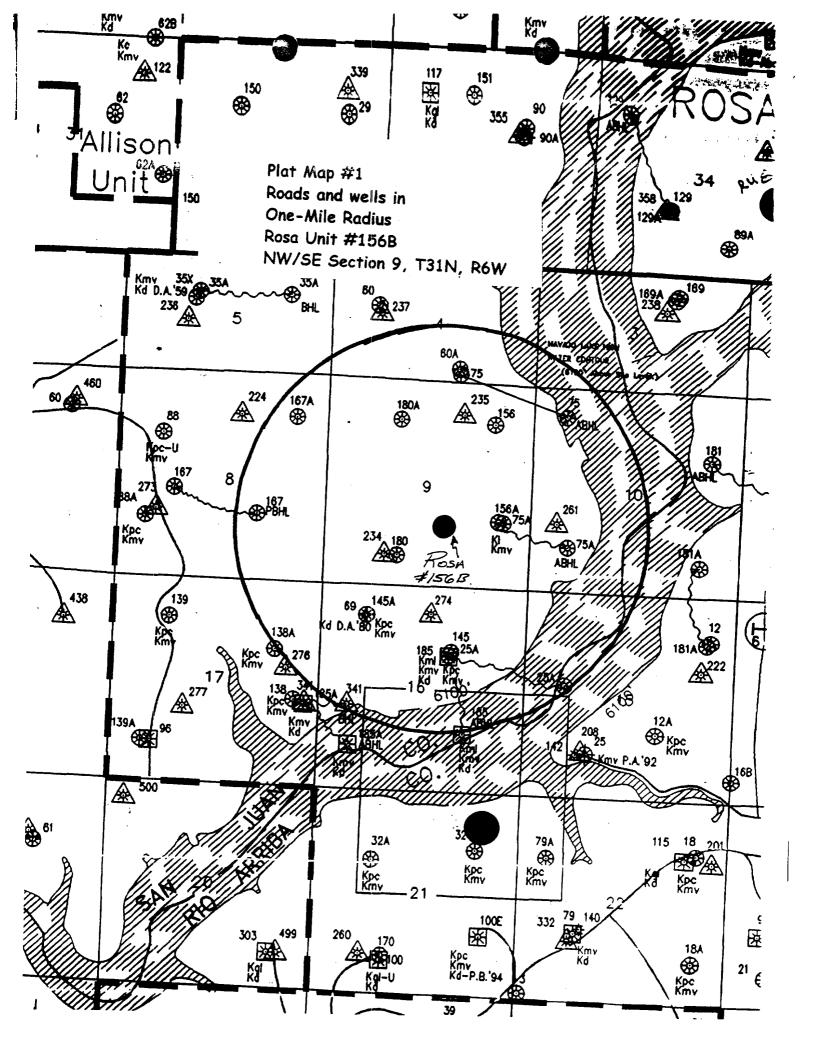
UL or lot no.	Section 9	31N	Range 6W	Lot Idn	Surface Feet from the 1660	. North/South line SOUTH	Feet from the 2625	East/West line EAST	County SAN JUAN
UL or lot no.	Section	Township	Range Range	Hole L	OCATION I	f Different	From Surf	ace East/West line	County
Dedicated Acres		.0 Acres	6 - (E,	/2)	13 Joint or Infill	¹⁴ Consolidation Code	¹⁵ Onder No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



WILLIAMS PRODUCTION COMPANY ROSANIT #1568 2625' FEL., SECTION 9, T3IN, ROM, N.M.P.M. SAN JUAN COUNTY, NEW MEXICO





ABOUT THE LINE BOD DARROW LISE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

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Applio	[DHC-Dow	
[1]	TYPE OF AF [A]	PLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD
	Check [B]	One Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD PII FOR PPR
	[D]	Other: Specify
[2]	NOTIFICATI [A]	ON REQUIRED TO: - Check Those Which Apply, or Does Not Apply Working, Royalty or Overriding Royalty Interest Owners
	[B]	Offset Operators, Leaseholders or Surface Owner
	[C]	Application is One Which Requires Published Legal Notice
	[D]	Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
	[E]	For all of the above, Proof of Notification or Publication is Attached, and/or,
	[F]	Waivers are Attached
[3]		CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE TION INDICATED ABOVE.
	al is accurate an	CION: I hereby certify that the information submitted with this application for administrative ad complete to the best of my knowledge. I also understand that no action will be taken on this quired information and notifications are submitted to the Division.
	Note:	Statement must be completed by an Individual with managerial and/or supervisory capacity.
Print or	Type Name	Signature FIGTHER AGENT 3/22/02 Title Date WALSHZ & Cybr-port, Compermit Address
		c-mail Address



WALSH

ENGINEERING & PRODUCTION CORP

Petroleum Engineering Consulting Lease Management Dontract Pumping 7415 East Main Farmington, New Mexico 87402 (505) 327-4892 • Fax: (505) 327-9834

Ms. Lori Wrotenbery New Mexico Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, NM 87505 MAR 2 6 2002

March 25, 2002

Re: Request for Administrative approval for Non-Standard Dakota Location Rosa Unit 165C (Sec25/T31N/R6W, 1760' fnl & 1735' fel, Rio Arriba, New Mexico)

Dear Ms. Wrotenbery,

Williams Production Company, LLC is requesting an administrative approval to construct the Rosa 165C as a dual Mesaverde/Dakota with the Dakota being non-standard. Williams has filed for an APD for a dual Dakota/Mesaverde well with the Bureau of Land Management (Farmington Field Office).

Williams intends to make the well a dual well thereby capturing the reserves from the Dakota with a single well bore. Originally, the surface location was picked by considering drainage from the offset Mesaverde wells and topography/archeology constraints. In this case, Williams picked their surface location in an attempt to minimize Mesaverde drainage interference with offset wells.

Therefore, the reasons for requesting administrative approval for a non-standard location are:

- The current location was picked by splitting the difference between the Rosa 165 to the west and
 the Rosa 165A to the east. Consideration was also given to possible future drainage interference
 with the Rosa 160A to the southwest and the Rosa 160 to the southeast. (see attached map
 showing drainage patterns). Also, note that the east half of section 25 is not a full 320 acres.
- By itself, the Dakota (in this area) is at best very marginal economically and a dual completion
 helps capture additional reserves from the Dakota that otherwise would not be able to be
 economically developed.
- 3. Utilizing a single well bore for a dual completion would also negate the need for additional disturbance of another well, ie. well pad, road, pipeline ROW, etc.

As the Unit Operator of the Rosa Unit, Williams Production Company, LLC is the *only* offset operator, thereby this proposed non-standard location would not affect any other operators.

Please find attached a drilling plat with topographical map showing location, drainage map and a portion of the unit map showing where the well is located within the unit.

If you have any questions or concerns, please feel free to contact me anytime.

Sincerely

John C. Thompson

Engineer

c:wpx/nsdk165C

District I PO Box 1980, Hobbs, NM 88241-1980

District II PO Drawer DD, Artesia, NM 88211-0719

1000 Rio Brazos Rd., Aztec, NM 87410

District III

District IV PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico Energy, Minerals & Natural Resources Department

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AMENDED	REPORT
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Form C-102

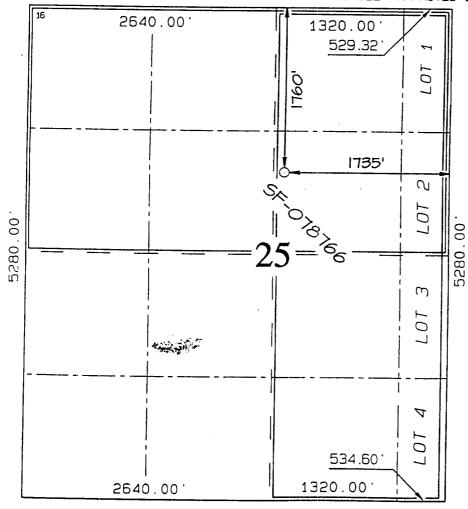
WELL LOCATION AND ACREAGE DEDICATION PLAT

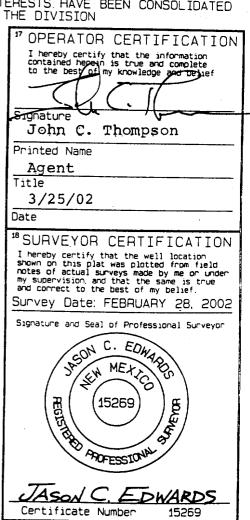
'API Number	Pool Code	*Pool Name
	72319 / 71599	Blanco Mesaverde / Basin Dakota
17033		Derty Name Well Number A UNIT 165C
'OGRID No. 120782	•	rator Name *Elevation DDUCTION COMPANY 5399
	10 Sunfa	re Location

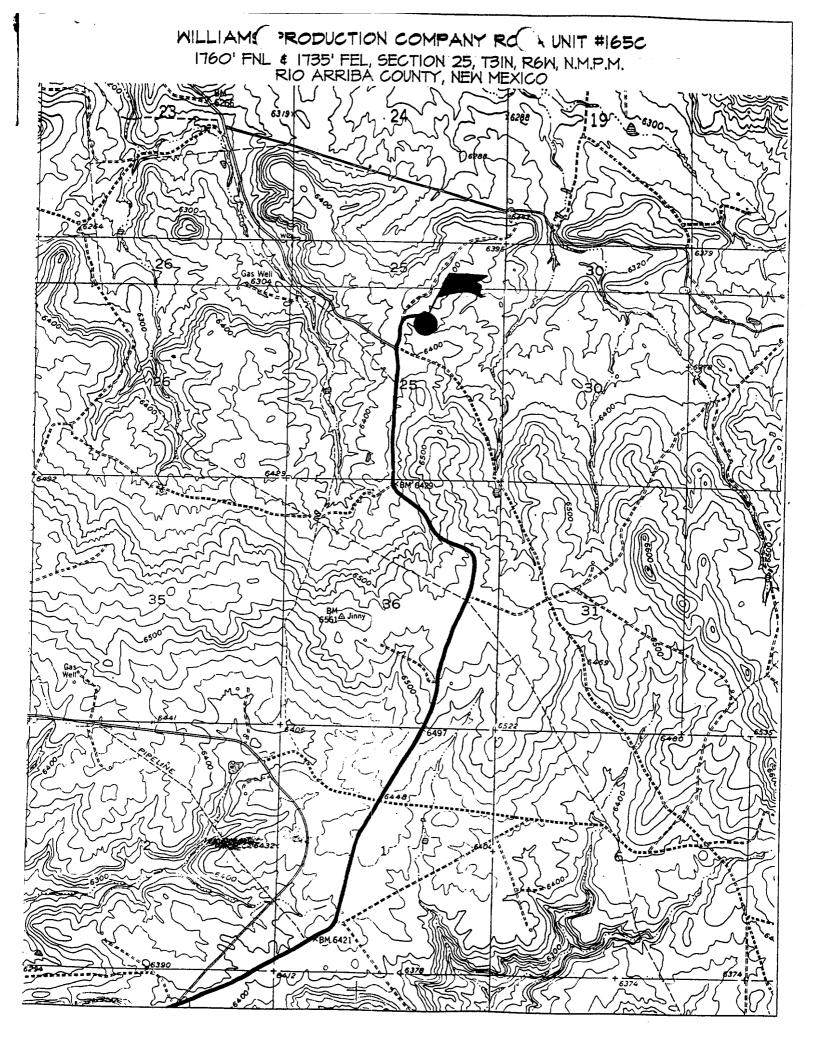
Surrace Location

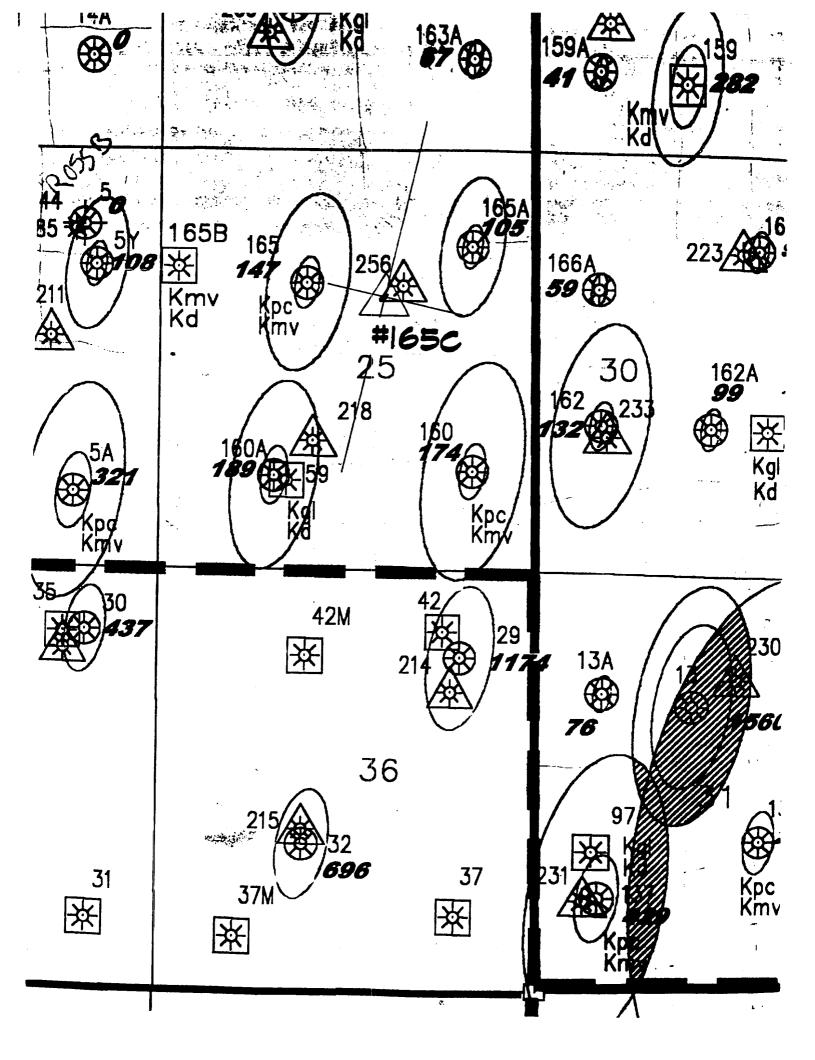
						E00001011			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	25 •	31N	6W		1760	NORTH	1735	EAST	RIO ARRIBA
		11 E	<u>Bottom</u>	Hole L	_ocation I	f Different	From Surf	ace	ATTITEDA
UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres	C/C.10	5 Acres 3 Acres	- N/2	(MV) (DK)	13 Joint or Infill	¹⁴ Consolidation Code	¹⁵ Orden No.		

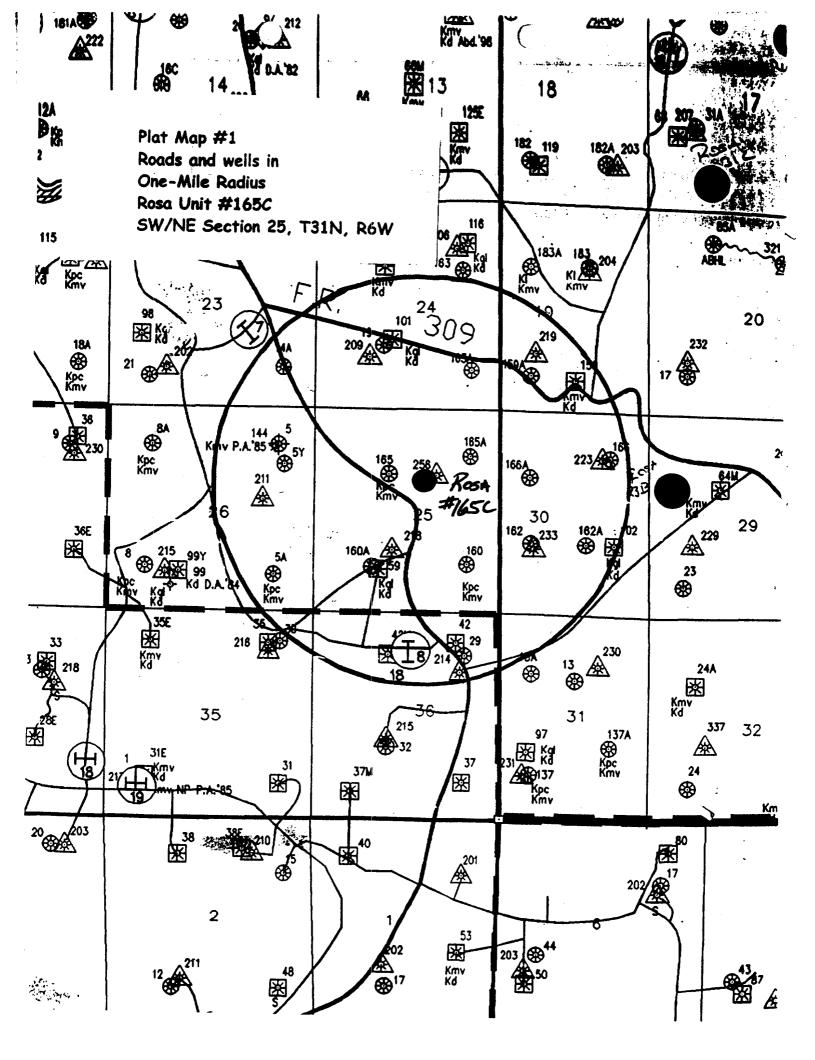
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION











NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -



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Apr	Dilication Acronyms: [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
	[SWD-Salt Water Disposal] [IPI-injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]
[1]	TYPE OF APPLICATION - Check Those Which Apply for [A] [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD MAR 2 5 2002
	Check One Only for [B] or [C] [B] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM
	[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI EOR PPR
	[D] Other: Specify
[2]	NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply [A] Working, Royalty or Overriding Royalty Interest Owners
	[B] Offset Operators, Leaseholders or Surface Owner
	[C] Application is One Which Requires Published Legal Notice
	[D] Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
	[E] For all of the above, Proof of Notification or Publication is Attached, and/or,
	[F] Waivers are Attached
[3]	SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.
	CERTIFICATION: I hereby certify that the information submitted with this application for administrative eval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this cation until the required information and notifications are submitted to the Division.
<u></u>	Note: Statement must be completed by an individual with managerial and/or supervisory capacity. Shu C. Thompson ENGENERIC ACCENT 3/22/02
rnnt	or Type Name Signature Title Date Date WHIS42@Cybenpurt. Cum

e-mail Address



WALSH

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting Lease Management Contract Pumping

7415 East Main Farmington, New Mexico 87402 (505) 327-4892 • Fax: (505) 327-9834

Ms. Lori Wrotenbery New Mexico Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, NM 87505

MAR 2 5 2002 March 22, 2002

Re: Request for Administrative approval for Non-Standard Dakota Location Rosa Unit 85B (Sec 20/T31N/R5W, 10' fnl & 10' fwl, Rio Arriba County, New Mexico)

Dear Ms. Wrotenbery,

Williams Production Company is requesting an administrative approval to construct the Rosa 85B as a dual Mesaverde/Dakota with the Dakota being non-standard. Williams has filed for an APD for a dual Dakota/Mesaverde well with the Bureau of Land Management (Farmington Field Office).

Williams intends to make the well a dual well thereby capturing the reserves from the Dakota with a single well bore. Originally, the surface location was picked by considering drainage from the offset Mesaverde wells and topography constraints. In this case, Williams would be unable to move the location any further to the south and east because of a narrow but very steep mesa that runs northwest/southeast through most of section 20.

Therefore, the reasons for requesting administrative approval for a non-standard location are:

1. Topography (mesa that runs northwest & southeast through section 20) - see topo map.

2. By itself, the Dakota (in this area) is at best very marginal economically and a dual completion helps capture additional reserves from the Dakota that otherwise would not be able to be economically developed.

3. Utilizing a single well bore for a dual completion would also negate the need for additional disturbance of another well, ie. well pad, road, pipeline ROW, etc.

As the Unit Operator of the Rosa Unit, Williams Production is the *only* offset operator, thereby this proposed non-standard location would not affect any other operators.

Please find attached a drilling plat with topographical map showing location, and a portion of the unit map showing where the well is located within the unit.

If you have any questions or concerns, please feel free to contact me anytime.

Sincerely,

John C. Thompson

Engineer

c:wpx/nsdk85b

District I PO Box 1980, Hobbs, NM 88241-1980

District îI PO Drawer DD. Artesia, NM 88211-0719

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

Form C-102 Revised February 21, 1994 Instructions on back Submit to Appropriate District Office

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number	[*] Pool Code 72319 - 71599	'Pool Name Blanco Mesaverde — Basin Dakota
Property Code 17033	°Proper ROSA	y Name Well Number
'0GRID No. 120782	'Operato WILLIAMS PRODU	r Name

¹⁰ Surface Location UL or lot no. Township Range Lot Idn Feet from the North/South line Feet from the East/West line D 20 31N 5W 10 NORTH RIO 10 WEST ¹¹ Bottom ARRIBA Hole Location If Different From Surface UL or lot no. Sect ion Lot Idn Feet from the North/South line Feet from the East/West line County 12 Dedicated Acres ¹³Joint or Infill 14 Consolidation Code 5 Order No. 320.0 Acres - (N/2)

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

