

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



Williams
 Rosa unit 339A
 30-045-31762
 201107

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

Application 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
 - 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.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Heather Riley Print or Type Name	<i>Heather Riley</i> Signature	Regulatory Specialist, Sr. Title	7/7/2011 Date
		Heather.riley@williams.com e-mail Address	



P. O. Box 640
Aztec, NM 87410
(505) 634-4222
(505) 634-4205 (fax)
Heather.Riley@williams.com

July 7, 2011

Jami Bailey
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Williams Production Company for Administrative Approval of the Simultaneous Dedication of the East-Half of Section 32, Township 32 North, Range 6 West, N.M.P.M., San Juan County, New Mexico to its proposed Rosa Unit Well No. 339A and the existing Rosa Unit Well No. 339.

Dear Ms. Bailey:

Williams Production Company is the operator of a 320-acre spacing unit in the Basin Fruitland Coal Pool (**Pool Code 71629**) comprised of the east-half of Section 32, Township 32 North, Range 6 West, N.M.P.M., San Juan County, New Mexico. This spacing unit is dedicated to Williams' Rosa Unit Well No. 339 which has been vertically drilled and produces from the Fruitland Coal formation.

Williams seeks administrative approval of the simultaneous dedication of this 320-acre spacing unit to the following two gas wells:

- A. the **Rosa Unit Well No. 339 (API No. 30-045-29594)** vertically drilled from a surface location 1135 feet from the North line and 1075 feet from the East line of said Section 32; and
- B. the proposed **Rosa Unit Well No. 339A (API No. 30-045-31762)** to be horizontally drilled from a surface location 1353 feet from the South line and 1045 feet from the East line to a proposed end point or bottomhole location 1300 feet from the North line and 2525 feet from the East line of said Section 32.

Rosa Unit Well No. 339 is at a standard location in the Fruitland Coal formation pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool. Williams now intends to horizontally drill and complete its proposed Rosa Unit Well No. 339A to be drilled to the targeted subsurface end-point or bottomhole location 1300 feet from the North line and 2525 feet from the East line (Unit B) of Section 32. Williams proposes to drill this well in compliance with the set-back requirements of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool.

Attached hereto as **Exhibit A** is a copy of Division Form C-102 for this well that shows the proposed surface and bottomhole location of the well.

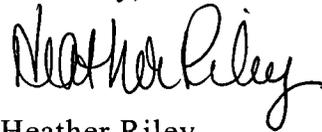
Exhibit B is a map of offset operators around the spacing unit in Section 32, T32N - R6W. Williams is the operator of all offsetting spacing units within Rosa Unit. Burlington Resources is the operator of all the offsetting spacing units located outside of the Rosa Unit.

Williams has mailed, via USPS Certified Mail, Notice to the offset working interest owners and offset operators that this application has been submitted. A copy of the List of Offset Owners and Offset Operators as well as the Notice is attached hereto as **Exhibit C**.

The simultaneous dedication of the East-Half of said Section 32 to the Rosa Unit Well No. 339 and Rosa Unit Well No. 339A will afford Williams the opportunity to efficiently produce the Fruitland Coal formation under this spacing unit. Williams' proposed simultaneous dedication of these wells does not exceed the number of wells allowed by Division Rule for this spacing unit.

Your attention to this application is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Heather Riley", written in a cursive style.

Heather Riley
Regulatory Specialist-Senior
Williams Production Co.

Enclosures

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

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

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT Exhibit "A"

*API Number 30-045-31762		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code 17033	*Property Name ROSA UNIT		*Well Number 339A
*OGRID No. 120782	*Operator Name WILLIAMS PRODUCTION COMPANY		*Elevation 6373'

¹⁰ Surface Location

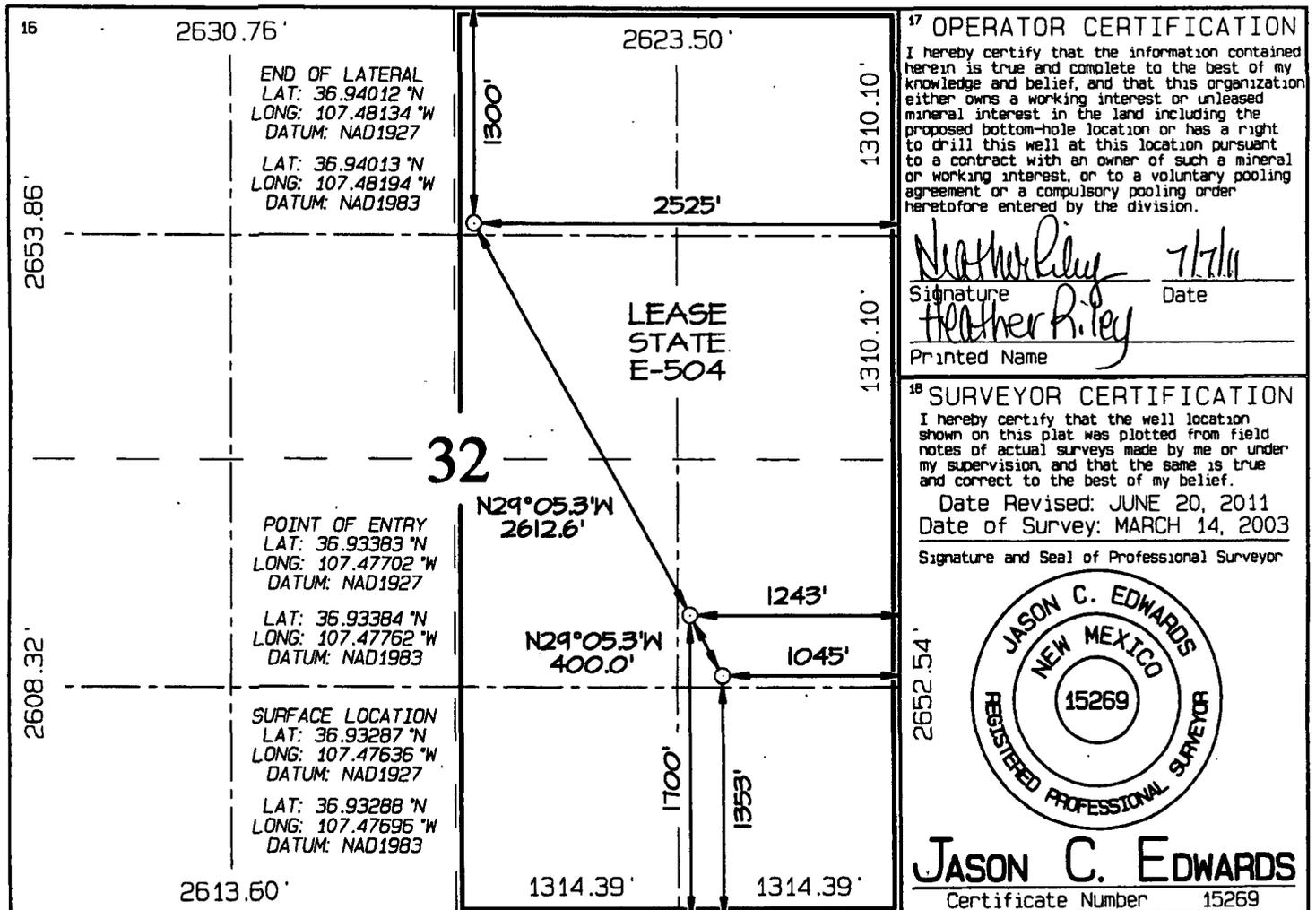
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	32	32N	6W		1353	SOUTH	1045	EAST	SAN JUAN

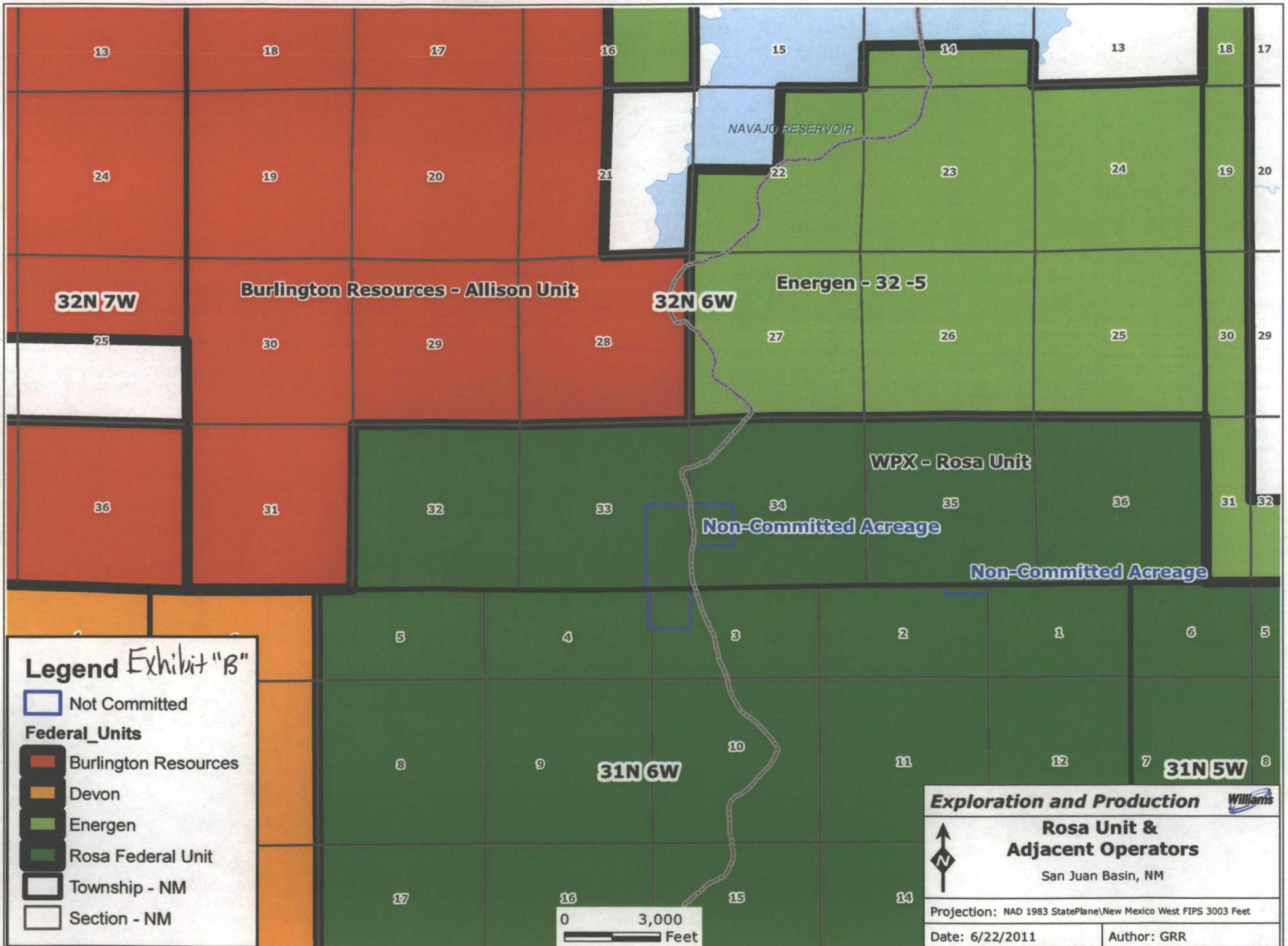
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	32	32N	6W		1300	NORTH	2525	EAST	SAN JUAN

¹² Dedicated Acres 320.0 Acres - (E/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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





Legend Exhibit "B"

- Not Committed

Federal_Units

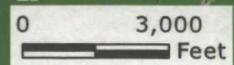
- Burlington Resources
- Devon
- Energen
- Rosa Federal Unit
- Township - NM
- Section - NM

Exploration and Production

Rosa Unit & Adjacent Operators
San Juan Basin, NM

Projection: NAD 1983 StatePlane\New Mexico West FIPS 3003 Feet

Date: 6/22/2011 Author: GRR



Rosa Unit #339A
Offset Owners

BP AMERICA PRODUCTION CO.
ATTN: DONNA JONES
P.O. BOX 3092
HOUSTON, TX 77253

MR. FRED E. TURNER, L.L.C.
4925 GREENVILLE AVENUE, STE 852
DALLAS, TX 75206-4079

MS. ELIZABETH T. CALLOWAY
P.O. BOX 191767
DALLAS, TX 75219-1767

MR. J. GLENN TURNER, JR., L.L.C.
4809 COLE, SUITE 212
DALLAS, TX 75205

MR. JOHN TURNER
P.O. BOX 329
PORT ARANSAS, TX 78373

SACRAMENTO MUNICIPAL UTILITIES DISTRICT
ATTN: BOB SHIPLEY
P.O. BOX 15830
SACRAMENTO, CA 95852-1830

MARY FRANCES TURNER, JR TRUST
ATTN: SHERI ANDERSON
TX1-2931
P.O. BOX 660197
DALLAS, TX 75266-0197

OMIMEX PETROLEUM, INC.
ATTN: CLARK P. STORMS
7950 JOHN T. WHITE ROAD
FORT WORTH, TX 76120

CONOCOPHILLIPS COMPANY
ATTN: CHIEF LANDMAN, SJ/ROCKIES
P.O. BOX 4289
FARMINGTON, NM 87499-4289

ENERGEN RESOURCES
ATTN: DAVID M. POAGE
2010 AFTON PLACE
FARMINGTON, NM 87401

SAN JUAN BASIN PROPERTIES, LLC
1499 BLAKE STREET, #10C
DENVER, CO 80802

RIVA OIL & GAS, LLC
621 17TH STREET, SUITE 1040
DENVER, CO 80293

T. H. MCELVAIN OIL & GAS, LP
ATTN: RICK HARRIS
1050 17TH STREET, SUITE 1800
DENVER, CO 80265

J & M RAYMOND, LTD.
P.O. BOX 291445
KERRVILLE, TX 78029-1445

JAMES M. RAYMOND, ATTORNEY-IN-FACT
FOR CHARLES W. GAY
P.O. BOX 291445
KERRVILLE, TX 78029-1445

JAMES M. RAYMOND, ATTORNEY-IN-FACT
FOR LORRAYN GAY HACKER
P.O. BOX 291445
KERRVILLE, TX 78029-1445

BROOME FAMILY LIMITED PARTNERSHIP
ATTN: GEORGE B. BROOME
HC-74, BOX 62
PECOS, NM 87552

TAMACAM, LLC
P.O. BOX 291445
KERRVILLE, TX 78029

BURLINGTON RESOURCES O&G COMPANY, LP
ATTN: CHIEF LANDMAN, SJ/ROCKIES
P.O. BOX 4289
FARMINGTON, NM 87499-4289



P. O. Box 640
Aztec, NM 87410
(505) 634-4222
(505) 634-4205 (fax)
Heather.Riley@williams.com

July 7, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

AFFECTED INTEREST OWNERS

Re: Application of Williams Production Company for simultaneous dedication, Rio Arriba County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that Williams Production Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the simultaneous dedication of the Rosa Unit Well No. 339A and the Rosa Unit Well No. 339 to the E/2 of Section 32, Township 32 North, Range 6 West, NMPM, San Juan County, New Mexico.

As an owner of an interest that may be affected by the proposed well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office that is located at 1220 South Saint Francis Drive, Santa Fe, New Mexico. 87505. If no objection is received within this twenty-day period, this application for an unorthodox well location may be approved.

Very truly yours,

A handwritten signature in black ink that reads "Heather Riley".

Heather Riley
Regulatory Specialist-Senior
Williams Production Co.

Enclosures