

DATE IN <b>7.26.11</b>	SUSPENSE	ENGINEER <b>DKB.</b>	LOGGED IN <b>7.26.11</b>	TYPE <b>SD</b>	APP NO <b>1120757035</b>
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ABOVE THIS LINE FOR DIVISION USE ONLY

# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



*PTG W*  
*Rosa Unit #812*  
*API #*  
*30-089-25058*  
*Rosa U 312A 30-039*  
*29908*

## ADMINISTRATIVE APPLICATION CHECKLIST

*Williams*

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

*120782*

### 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.**

Larry Higgins  
 Print or Type Name

*Larry Higgins*  
 Signature

Permitting Supervisor  
 Title

7-21-11  
 Date

Larry.Higgins@williams.com  
 e-mail Address



P. O. Box 640  
Aztec, NM 87410  
(505) 634-4208  
(505) 634-4205 (fax)  
Larry.Higgins@williams.com

July 21, 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 West-Half of Section 28, Township 31 North, Range 04 West, N.M.P.M., Rio Arriba County, New Mexico to its proposed Rosa Unit Well No. 312 and the existing Rosa Unit Well No. 312A

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 West-half of Section 28, Township 31 North, Range 04 West, N.M.P.M., Rio Arriba County, New Mexico. This spacing unit is dedicated to Williams' Rosa Unit Well No. 312A which has been directionally 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. 312A~~ (API No. 30-039-29908) directionally drilled from a surface location 2060 feet from the North line and 1050 feet from the West line to a bottom hole location 1273 feet from the North line and 1967 feet from the West line of said Section 28; and
- B. the proposed **Rosa Unit Well No. 312** (API No. 30-039-25058) to be horizontally drilled from a surface location 1488 feet from the South line and 181 feet from the West line to a proposed end point or bottomhole location 770 feet from the North line and 350 feet from the West line of said Section 28.

Rosa Unit Well No. 312A 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. 312 to be drilled to the targeted subsurface end-point or bottomhole location 770 feet from the North line and 350 feet from the West line (Unit D) of Section 28. 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 as amended by NMOCD order number R-13200.

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 28, T31N – R4W. Williams is the operator of all offsetting spacing units within 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 as well as the Notice is attached hereto as **Exhibit C**.

The simultaneous dedication of the West-Half of said Section 28 to the Rosa Unit Well No. 312A and Rosa Unit Well No. 312 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 "Larry Higgins".

Larry Higgins  
Permitting Supervisor  
Williams Production Co.

Enclosures

Exhibit A

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

*API Number <b>30-039-25058</b>		*Pool Code <b>71629</b>	*Pool Name <b>BASIN FRUITLAND COAL</b>
*Property Code <b>17033</b>	*Property Name <b>ROSA UNIT</b>		*Well Number <b>312</b>
*GRID No. <b>120782</b>	*Operator Name <b>WILLIAMS PRODUCTION COMPANY</b>		*Elevation <b>6692'</b>

#### <sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	28	31N	4W		1488	SOUTH	181	WEST	RIO ARriba

#### <sup>11</sup> Bottom Hole Location If Different From Surface

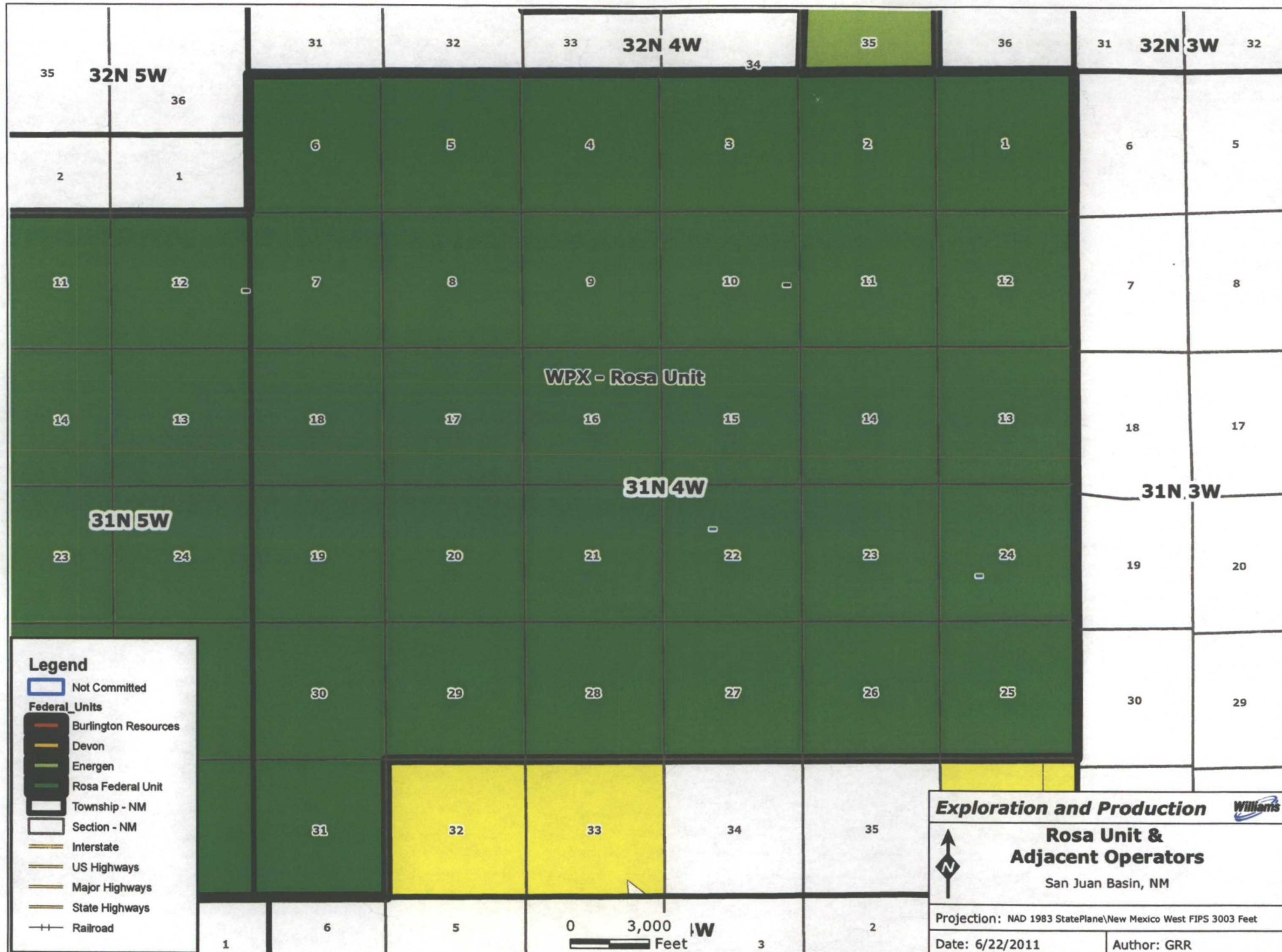
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	28	31N	4W		770	NORTH	350	WEST	RIO ARriba

<sup>12</sup> Dedicated Acres <b>320.0 Acres - (W/2)</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

	<p>END-OF-LATERAL LAT: 36.87572°N LONG: 107.26750°W DATUM: NAD1927</p> <p>LAT: 36.87573°N LONG: 107.26810°W DATUM: NAD1983</p>	<p>LOT 1</p> <p>HES #277</p> <p>LOT 2</p>	<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Larry Higgins</i> 7-21-11 Signature Date</p> <p><i>LARRY HIGGINS</i> Printed Name</p>	
	<p>LEASE SF-078894</p>	<p>POINT-OF-ENTRY LAT: 36.86855°N LONG: 107.26798°W DATUM: NAD1927</p> <p>LAT: 36.86856°N LONG: 107.26858°W DATUM: NAD1983</p>		<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief</p> <p>Date of Survey: JULY 11, 2011</p> <p>Signature and Seal of Professional Surveyor</p>
	<p>28</p>	<p>SURFACE LOCATION LAT: 36.86745°N LONG: 107.26805°W DATUM: NAD1927</p> <p>LAT: 36.86746°N LONG: 107.26865°W DATUM: NAD1983</p>		<p> <b>JASON C. EDWARDS</b> Certificate Number 15269</p>

EXHIBIT "B"



Rosa Unit #312  
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



P. O. Box 640  
Aztec, NM 87410  
(505) 634-4208  
(505) 634-4205 (fax)  
Larry.Higgins@williams.com

July 21, 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. 312 and the Rosa Unit Well No. 312A to the W/2 of Section 28, Township 31 North, Range 04 West, NMPM, Rio Arriba 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 cursive script that reads "Larry Higgins".

Larry Higgins  
Permitting Supervisor  
Williams Production Co.

Enclosures