

DATE 5/29/03	SUSPENSE NA	ENGINEER WWT	LOGGED IN RV	TYPE NSL	AGENCY PKRV03153503/7
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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



RECEIVED

MAY 29 2003

Oil Conservation Division

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.

William F. Carr
 Print or Type Name

William F. Carr
 Signature

ATTORNEY
 Title

5-29-03
 Date

wcarr@hollandhart.com
 e-mail Address

HOLLAND & HART^{LLP}
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208
110 NORTH GUADALUPE, SUITE 1
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

May 29, 2003

HAND DELIVERED

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

Re: Application of Williams Production Company, L.L.C. for Administrative Approval of
Horizontal Drilling and Unorthodox Surface and Bottomhole Locations in the Basin-
Fruitland Coal Gas Pool, San Juan County, New Mexico.

Dear Ms. Wrotenbery:

Pursuant to the provisions of Rules 8 and 9 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, as promulgated by Division Order No. R-8768 dated October 17, 1988, as amended, Williams Production Company, L.L.C. hereby files its application for an administrative exception to the requirements of Rule 7 as amended by Division Order Nos. R-8768-B, dated February 10, 2000, and R-8768-C, dated October 15, 2002, for the drilling of its Rosa Unit Well No. 273-A as an intentionally deviated horizontal wellbore on a standard 320-acre coalbed methane gas spacing unit comprised of the S/2 of Section 8, Township 31 North, Range 6 West, NMPM, San Juan County, New Mexico. This spacing unit will be the Project Area for this horizontal well.

Rule 7 provides that wells in the Basin-Fruitland Coal Gas Pool shall be located no closer than 660 feet to any outer boundary of the spacing unit nor closer than 10 feet to any interior quarter or quarter-quarter section line. Although this well is within a federal exploratory unit, there is no established Fruitland Coal Participating area and the proposed well therefore is governed by Rule 7(a)(2)(vi) which provides: "if the well is located within an exploratory unit area but in an existing or prospective spacing unit that is a non-participating spacing unit, it shall not be closer than 660 feet to the outer boundary of its spacing unit."

The surface location for the proposed Rosa Unit Well No. 273-A well is 2405 feet from the South line and 2450 feet from the West line of said Section 8. It is therefore 235 feet closer to the northern boundary of the dedicated acreage than permitted by Rule 7.

Williams proposes to drill a vertical well to a kick-off point at a true vertical depth of 2549 feet and build a curve until a 90 degree curve is achieved at a vertical depth of 3032 feet. Williams proposes to then drill a lateral in an east southeasterly direction along an azimuth of

HOLLAND & HART^{LLP}
ATTORNEYS AT LAW

Williams Production Company
Administrative Application for Unorthodox Well Location
May 29, 2003
Page 2

98.58 degrees for a bottomhole displacement of approximately 2874.8 feet to a terminus in the NE/4 SE/4 of Section 8. The wellbore will be confined to a narrow target seam and is projected to an unorthodox bottomhole location 10 feet from the East line of Section 8 -- the outer boundary of the Project Area.

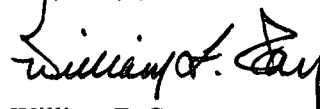
Attached to this application are the following documents:

- Exhibit A.** A plat showing the proposed spacing unit, the unorthodox surface location, projected horizontal wellbore and the proposed lateral end of the wellbore;
- Exhibit B.** A plat identifying all offsetting owners, all of which have voluntarily committed their respective interests to the Rosa Unit;
- Exhibit C.** A copy of Division Form C-102 identifying the proposed 320-acre standard gas spacing or proration unit to be dedicated to the well;
- Exhibit D.** The Schlumberger Proposal Report for the Rosa Unit Well No. 271-A which contains schematic drawings of the proposed well that fully describe the casing, tubing, perforated or openhole interval, kick-off point, and proposed trajectory of the directional drainhole;

As noted above, the spacing unit for the proposed horizontal well comprised of the W/2 of Section 8 is located within the Rosa Unit, a voluntary exploratory unit operated by Williams Production Company, L.L.C. There are no operators or owners of undrilled tracts offsetting the proposed gas spacing or proration unit for said well since all ownership of each tract is committed to the unit and therefore there no operators or owners to whom notice of this application must be provided pursuant to Rule 9(B).

Your attention to this application is appreciated.

Very truly yours,



William F. Carr
Attorney for Williams Production Company

Enclosures

cc: Oil Conservation Division-Aztec

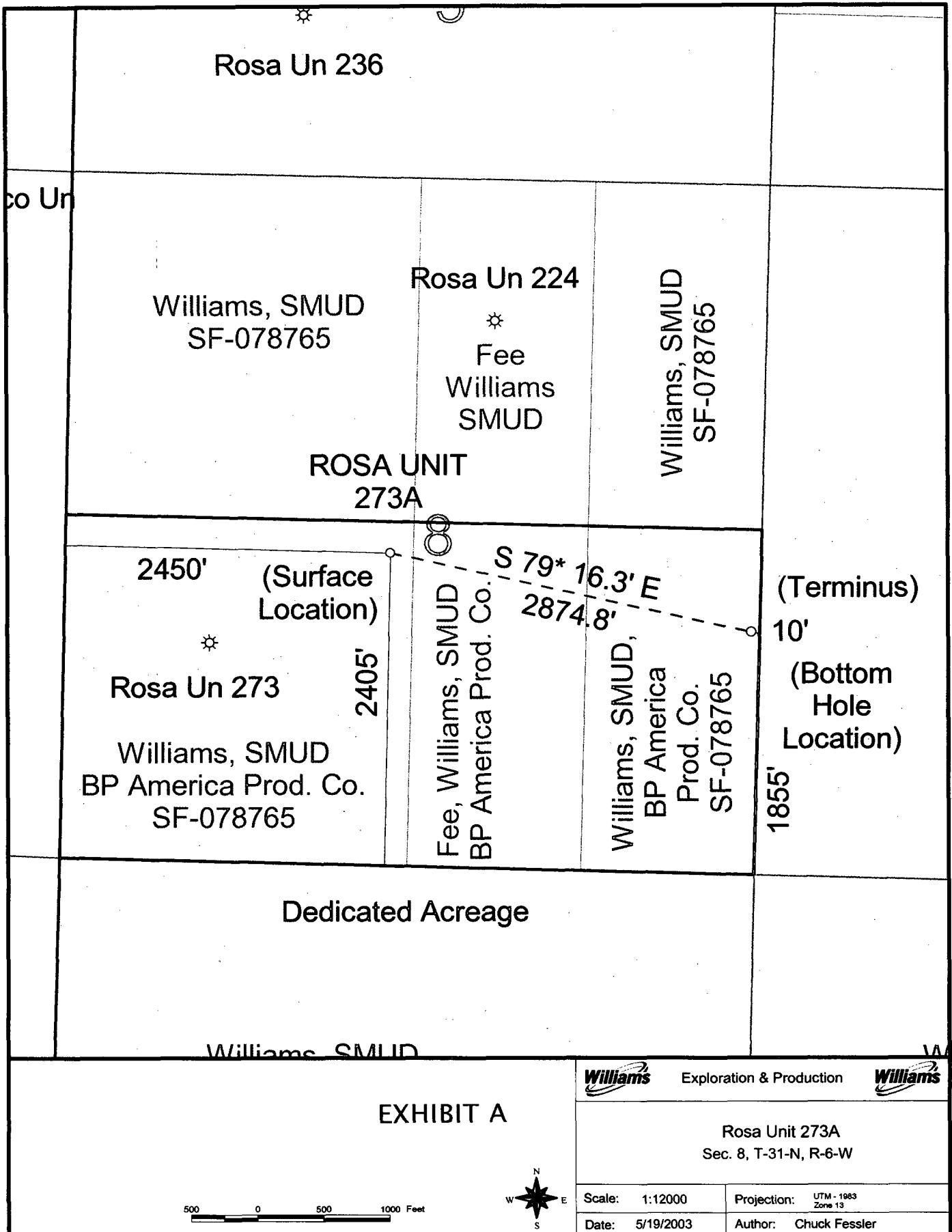
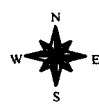


EXHIBIT A

500 0 500 1000 Feet



Exploration & Production	
Rosa Unit 273A Sec. 8, T-31-N, R-6-W	
Scale: 1:12000	Projection: UTM - 1983 Zone 13
Date: 5/19/2003	Author: Chuck Fessler

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
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 71629	Pool Name BASIN FRUITLAND COAL
Property Code 17033	Property Name ROSA UNIT	Well Number 273A
OGRID No. 120782	Operator Name WILLIAMS PRODUCTION COMPANY	Elevation 6312'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot	Feet from the	North/South line	Feet from the	East/West line	County
K	8	31N	6W		2405	SOUTH	2450	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot	Feet from the	North/South line	Feet from the	East/West line	County
I	8	31N	6W		1855	SOUTH	10	EAST	SAN JUAN

¹² Dedicated Acres 320.0 Acres - (S/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

16 5280.00' 2450' SURFACE LOCATION 8 5276.04' EXHIBIT C TERMINUS 579°16.3'E 2874.8' 2405' 1055'	<i>Standard 640 acre Section</i> 5289.24' 2640 2405 235	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature _____ Printed Name _____ Title _____ Date _____ ¹⁸ SURVEYOR CERTIFICATION 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. Revised: APRIL 27, 2003 Survey Date: DECEMBER 6, 2002 Signature and Seal of Professional Surveyor JASON C. EDWARDS NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 15269 JASON C. EDWARDS Certificate Number 15269
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Williams Production Company

Well Rosa 273-A				Field San Juan County, New Mexico				Structure Williams 08-31N-6W			
Magnetic Parameters				Surface Location				Miscellaneous			
Model	BGM 2002	Dip	63.855°	Date	April 24, 2003	Latitude	N36 54 48.000	Northing	2151902.45 ftUS	Grid Convergence	+0.20837867°
Mag Dec	+10.797°	Field Strength	51721.6 nT	Longitude	W107 29 11.000	Easting	601428.10 ftUS	Scale Factor	0.9999280000	Slot	Rosa 273-A
								TVD Reference			
								RKB (6326.50 ft above MSL)			
								Survey Date			
								April 24, 2003			

Surface Location

Northing: 2151902.45 ft Easting: 601428.10 ft

Target-Name	Shape	Major Axis	N(±)/S(±)	Grid Coord	E(±)/W(±)	TVD	VSec	Local Coord	N(±)/S(±)	E(±)/W(±)
Rosa 273-A PBHL Target (50' Radius Cylinder)	Circle	100.00	2151487.73	604245.42	3032.00	2847.89			-425.00	2816.00
Rosa 273-A East Hardline	Rectangle	0.00	2151910.33	603593.93	0.00	2141.76			0.00	2166.00
Rosa 273-A Section Line	Rectangle	0.00	2151912.73	604253.88	0.00	2794.37			0.00	2826.00

Critical Point	MD	INCL	AZIM	Critical Points	TVD	VSEC	N(±)/S(±)	E(±)/W(±)	DLS
Surface	0.00		98.58	0.00	0.00		0.00	0.00	0.00
9 5/8" Casing Point	250.00	0.00	98.58	250.00	0.00		0.00	0.00	0.00
Nacimiento Fm.	1107.00	0.00	98.58	1107.00	0.00		0.00	0.00	0.00
Ojo Alamo Ss.	2282.00	0.00	98.58	2282.00	0.00		0.00	0.00	0.00
Kirtland Shale	2397.00	0.00	98.58	2397.00	0.00		0.00	0.00	0.00
KOP, Begin 12"/100' Build	2549.00	0.00	98.58	2549.00	0.00		0.00	0.00	0.00
Fruitland Fm.	2924.54	45.06	98.58	2887.00	140.23	-20.92	138.66	12.00	
7" Casing Point	3281.94	87.95	98.58	3026.16	460.40	-68.69	455.25	12.00	
Begin Soft Land into Zone	3282.33	88.00	98.58	3026.17	460.80	-68.75	455.64	12.00	
Begin 1.5"/100' Turn	3616.17	90.00	98.58	3032.00	794.57	-118.54	785.68	0.60	
Begin Lateral	3616.40	90.00	98.58	3032.00	794.81	-118.58	785.91	1.50	
PBHL/TD	5669.49	90.00	98.58	3032.00	2847.89	-425.00	2816.00	0.00	

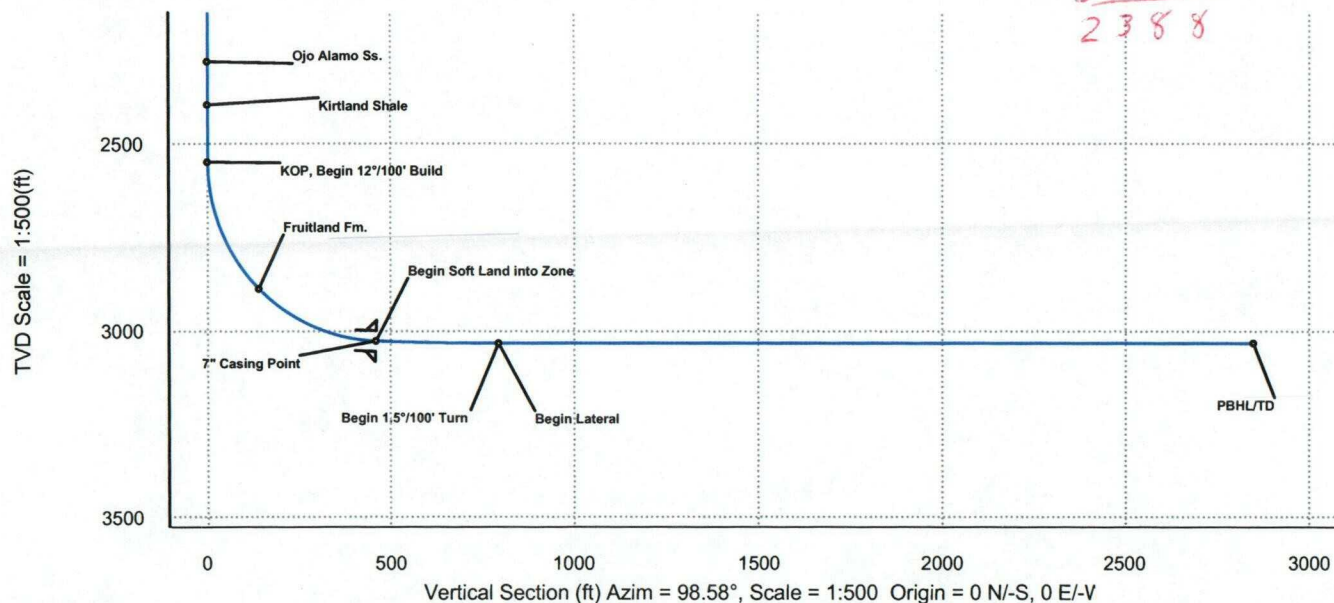
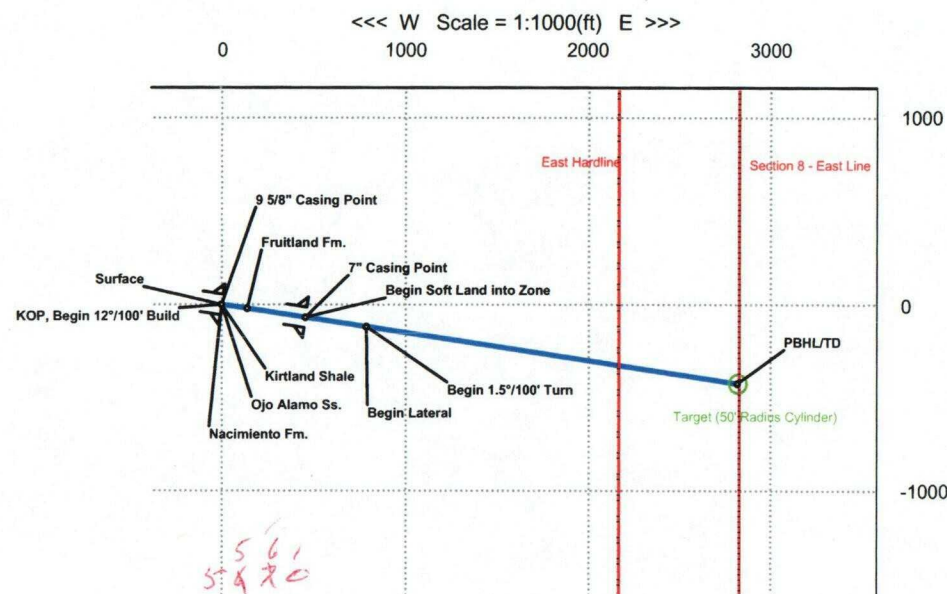


EXHIBIT D

Proposal - Draft Only



True North
Tot Corr (M->T
+10.7970°)
Mag Dec (+10.797°)
Grid Conv
(+0.20837867°)

Quality Control
Date Drawn: Thu 08:19 AM
April 24, 2003
Drawn by: Jim Wimberg
Checked by: John O'Keefe
Client OK:



Rosa 273-A - Proposal Surveys

Report Date: April 24, 2003 Client: Williams Production Company Field: NM, San Juan County Structure / Slot: Williams 08-31N-6W (Rosa 273-A) / Rosa 273-A Well: Rosa 273-A Borehole: Original Hole UW/API#: Survey Name / Date: Rev1 jaw 24-Apr-03 / April 24, 2003 Tort / AHD / DDI / ERD ratio: 90.003° / 2847.66 ft / 5.681 / 0.939 Grid Coordinate System: NAD27 New Mexico State Planes, Western Zone, US Feet Location Lat/Long: N 36 54 48.000, W 107 29 11.000 Location Grid N/E Y/X: N 2151902.454 ftUS, E 601428.104 ftUS Grid Convergence Angle: +0.20837867° Grid Scale Factor: 0.99992844	Survey / DLS Computation Method: Minimum Curvature / Lubinski Vertical Section Azimuth: 98.580° Vertical Section Origin: N 0.000 ft, E 0.000 ft TVD Reference Datum: RKB TVD Reference Elevation: 6326.5 ft relative to MSL Sea Bed / Ground Level Elevation: 6312.000 ft relative to MSL Magnetic Declination: 10.797° Total Field Strength: 51721.552 nT Magnetic Dip: 63.855° Declination Date: April 24, 2003 Magnetic Declination Model: BGGM 2002 North Reference: True North Total Corr Mag North -> True North: +10.797° Local Coordinates Referenced To: Well Head
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Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	DLS (deg/100 ft)	Northing (ftUS)	Easting (ftUS)	Latitude	Longitude
Surface	0.00	0.00	98.58	0.00	0.00	0.00	0.00	0.00	2151902.45	601428.10	N 36 54 48.000	W 107 29 11.000
9 5/8" Casing Point	250.00	0.00	98.58	250.00	0.00	0.00	0.00	0.00	2151902.45	601428.10	N 36 54 48.000	W 107 29 11.000
Nacimiento Fm.	1107.00	0.00	98.58	1107.00	0.00	0.00	0.00	0.00	2151902.45	601428.10	N 36 54 48.000	W 107 29 11.000
Ojo Alamo Ss.	2282.00	0.00	98.58	2282.00	0.00	0.00	0.00	0.00	2151902.45	601428.10	N 36 54 48.000	W 107 29 11.000
Kirtland Shale	2397.00	0.00	98.58	2397.00	0.00	0.00	0.00	0.00	2151902.45	601428.10	N 36 54 48.000	W 107 29 11.000
KOP, Begin 12"/100' Build	2549.00	0.00	98.58	2549.00	0.00	0.00	0.00	0.00	2151902.45	601428.10	N 36 54 48.000	W 107 29 11.000
	2600.00	6.12	98.58	2599.90	2.72	-0.41	2.69	12.00	2151902.06	601430.80	N 36 54 47.996	W 107 29 10.967
	2700.00	18.12	98.58	2697.50	23.68	-3.53	23.41	12.00	2151899.01	601451.53	N 36 54 47.965	W 107 29 10.712
	2800.00	30.12	98.58	2788.60	64.47	-9.62	63.75	12.00	2151893.07	601491.88	N 36 54 47.905	W 107 29 10.215
	2900.00	42.12	98.58	2869.23	123.31	-18.40	121.93	12.00	2151884.50	601550.09	N 36 54 47.818	W 107 29 9.499
Fruitland Fm.	2924.54	45.06	98.58	2887.00	140.23	-20.92	138.66	12.00	2151882.04	601566.83	N 36 54 47.793	W 107 29 9.293
	3000.00	54.12	98.58	2935.86	197.63	-29.48	195.42	12.00	2151873.68	601623.61	N 36 54 47.708	W 107 29 8.594
	3100.00	66.12	98.58	2985.59	284.18	-42.40	281.00	12.00	2151861.08	601709.23	N 36 54 47.581	W 107 29 7.540
	3200.00	78.12	98.58	3016.24	379.17	-56.57	374.93	12.00	2151847.25	601803.21	N 36 54 47.441	W 107 29 6.383
7" Casing Point	3281.94	87.95	98.58	3026.16	460.40	-68.69	455.25	12.00	2151835.43	601883.57	N 36 54 47.321	W 107 29 5.394
Begin Soft Land into Zone	3282.33	88.00	98.58	3026.17	460.80	-68.75	455.64	12.00	2151835.37	601883.96	N 36 54 47.320	W 107 29 5.390

	3300.00	88.11	98.58	3026.77	478.46	-71.38	473.10	0.60	2151832.80	601901.43	N 36 54 47.294	W 107 29 5.175
	3400.00	88.70	98.58	3029.56	578.42	-86.29	571.95	0.60	2151818.25	602000.32	N 36 54 47.147	W 107 29 3.958
	3500.00	89.30	98.58	3031.29	678.40	-101.21	670.81	0.60	2151803.69	602099.23	N 36 54 46.999	W 107 29 2.740
	3600.00	89.90	98.58	3031.99	778.40	-116.13	769.69	0.60	2151789.13	602198.15	N 36 54 46.852	W 107 29 1.523
Begin 1.5°/100' Turn	3616.17	90.00	98.58	3032.00	794.57	-118.54	785.68	0.60	2151786.78	602214.15	N 36 54 46.828	W 107 29 1.326
Begin Lateral	3616.40	90.00	98.58	3032.00	794.81	-118.58	785.91	1.50	2151786.74	602214.38	N 36 54 46.827	W 107 29 1.323
PBHL/TD	5669.49	90.00	98.58	3032.00	2847.89	-425.00	2816.00	0.00	2151487.73	604245.42	N 36 54 43.796	W 107 28 36.327

Survey Type: Raw Proposal

Survey Error Model: SLB ISCWSA 3-D 95.00% Confidence 2.7955 sigma

Surveying Prog:

MD From (ft)

0.00

250.00

MD To (ft)

250.00 1/100.00 ft SLB_BLIND

5669.49 1/100.00 ft SLB_MWD-STD

EOU Freq Survey Tool Type

Stogner, Michael

From: John Thompson [john@walsheng.net]

Sent: Monday, June 23, 2003 9:29 AM

To: Stogner, Michael

Subject: NSL's

Mr. Stogner,

Just a quick note. Williams recieved the Rosa 231A NSL which we will be moving onto tomorrow (6/24/03). I haven't been able to contact Mr. Carr regarding the Rosa 218A, Rosa 341A & Rosa 273A and was curious as to the status of those applications/orders. When you get a chance, I'd appreciate an update so I can plan our drilling schedule after the Rosa 231A.

Thanks,

John Thompson

6/25/2003

CMD : ONGARD 07/17/03 17:37:43
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TP9X

OGRID Idn : 120782 API Well No: 30 45 31634 APD Status(A/C/P): A
Opr Name, Addr: WILLIAMS PRODUCTION COMPANY, LLC Aprvl/Cncl Date : 06-16-2003
PO BOX 58900
SALT LAKE CITY,UT 84158-0900

Prop Idn: 17033 ROSA UNIT Well No: 273 A

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
	---	---	-----	-----	-----	-----	-----	-----
Surface Locn :	K	8	31N	06W			FTG 2405 F S	FTG 2450 F W
OCD U/L :	K		API County :	45				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : R
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 6312

State Lease No: Multiple Comp (S/M/C) : S
Prpsd Depth : 3137 Prpsd Frmtn : BASIN FRUITLAND COAL

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12