

ABOVE THIS LINE FOR DIVISION USE ONLY

RECEIVED

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



30-039-30381
Williams
130782
Rosa Unit #017C

2009 MAY 15 AM 11 36

ADMINISTRATIVE APPLICATION CHECKLIST

6039

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

Heather Riley
Signature

Regulatory Specialist
Title
5/13/09
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

May 13, 2009

Mark E. Fesmire
NEW MEXICO OIL CONSERVATION DIVISION
1220 South Saint Francis Drive
Santa Fe, NM 87505

*Re: Request for Administrative Approval of a Non-Standard Basin Mancos and Basin
Dakota Location
Rosa Unit #017C
API # 30-039-30381
SHL: 1940' FSL & 535' FEL, Sec. 20, T31N, R5W
BHL: 2250' FSL & 2250' FWL, Sec. 20, T31N, R5W*

Dear Mr. Fesmire:

Williams Production Co., LLC ("Williams"), pursuant to the provisions of Division Rule 104, hereby seeks administrative approval of an unorthodox location for the Basin Mancos (97232) and the Basin Dakota (71599) formations in Rosa Unit Well #017C. This is a directional well with a bottom hole location of 2250' FSL & 2250' FWL, Sec. 20, T31N, R5W.

Pursuant to Order No. R-12984, spacing requirements allow for up to 4 Basin Mancos wells in a standard spacing unit and for wells inside a federal exploratory unit and in a non-participating spacing unit they shall not be closer than 660 feet to the outer boundary of its spacing unit. Additionally, pursuant to Order No. R-10987-B(2), spacing requirements allow for up to 4 Dakota wells in a standard GPU and they shall be located not closer than 660 feet to the outer boundary of the GPU and not closer than 10 feet to any interior quarter or quarter-quarter section line or subdivision inner boundary. Given these requirements, this location is non-standard to the north by 270 feet.

Williams intends to capture the reserves from the Mesaverde, Basin Mancos and Dakota formations with a single well bore. Not only will the multiple completion help capture additional reserves that otherwise would not be able to be economically developed, but utilizing a single well bore for a triple completion will also negate the need for additional disturbance of another wellpad, road, and pipeline.

The surface location for this well is being twinned on the Rosa Unit #321A therefore we will be utilizing existing surface disturbance. The bottom hole location was chosen by considering drainage patterns from the existing Mesaverde wells in that spacing unit, i.e. the Rosa Unit #017, #017A, and #017B. Further, drainage patterns from the other offset Mesaverde wells were also considered. They are the Rosa Unit #023B in the NW of Section 29 and the Rosa Unit #085A in the NE of Section 20. See drainage map.

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.

The offset unit's working interest owners to the north in the Mesaverde and Mancos formations are common therefore no notice is required. The offset unit's working interest owners to the north are uncommon in the Dakota formation. Notice was sent out and a list is attached hereto. There are no unleased mineral owners.

Enclosed for your reference are copies of the Participating Area maps for the Mesaverde and Dakota Formations. All of Section 20 is in the PA in the Mesaverde Formation therefore no setback requirements apply. The south half of Section 20 is in the Dakota PA but the north half is not therefore setback requirements do apply.

The spacing unit for all three formations is the south half. The other Mesaverde wells in the spacing unit are the Rosa Unit #017, #017A and the #017B. The other Dakota Well is the Rosa Unit #017B and there are no other Basin Mancos wells.

Should you have any questions or concerns, please don't hesitate to contact me at the phone numbers listed above. You can also contact Vern Hansen at our Tulsa office at (918) 573-6169.

Sincerely,



Heather Riley
Regulatory Specialist

Enc.: 1st page of APD
Plat
Drainage Map
PA Maps (MV & DK)
Mineral ownership map
List of Affected Persons

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address WILLIAMS PRODUCTION COMPANY, LLC ONE WILLIAMS CENTER TULSA, OK 74101		2. OGRID Number 120782
		3. API Number 30-039-30381
4. Property Code 17033	5. Property Name ROSA UNIT	6. Well No. 017C

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	20	31N	05W	L	1940	S	535	W	RIO ARRIBA

8. Pool Information

BLANCO-MESAVERDE (PRORATED GAS)	72319
---------------------------------	-------

Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 6341
14. Multiple N	15. Proposed Depth 6701	16. Formation Mesa Verde Group	17. Contractor	18. Spud Date 4/8/2007
Depth to Ground water 100		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 12689 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	300	150	0
Intl	8.75	7	20	4266	600	0
Prod	6.25	4.5	10.5	6701	155	4166

Casing/Cement Program: Additional Comments

--

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	4000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed Name: Electronically filed by Mike Turnbaugh

Title: E & P District Manager

Email Address: mike.turnbaugh@williams.com

Date: 10/1/2007

Phone: 918-573-6180

OIL CONSERVATION DIVISION

Approved By: Charlie Perrin

Title: District Supervisor

Approved Date: 10/19/2007

Expiration Date: 10/19/2008

Conditions of Approval Attached

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	*Pool Code	*Pool Name
	97232 / 72319 / 71599	BASIN MANCOS / BLANCO MESAVERDE / BASIN DAKOTA
*Property Code	*Property Name	*Well Number
17033	ROSA UNIT	17C
*OGRID No.	*Operator Name	*Elevation
120782	WILLIAMS PRODUCTION COMPANY	6341'

¹⁰ Surface Location

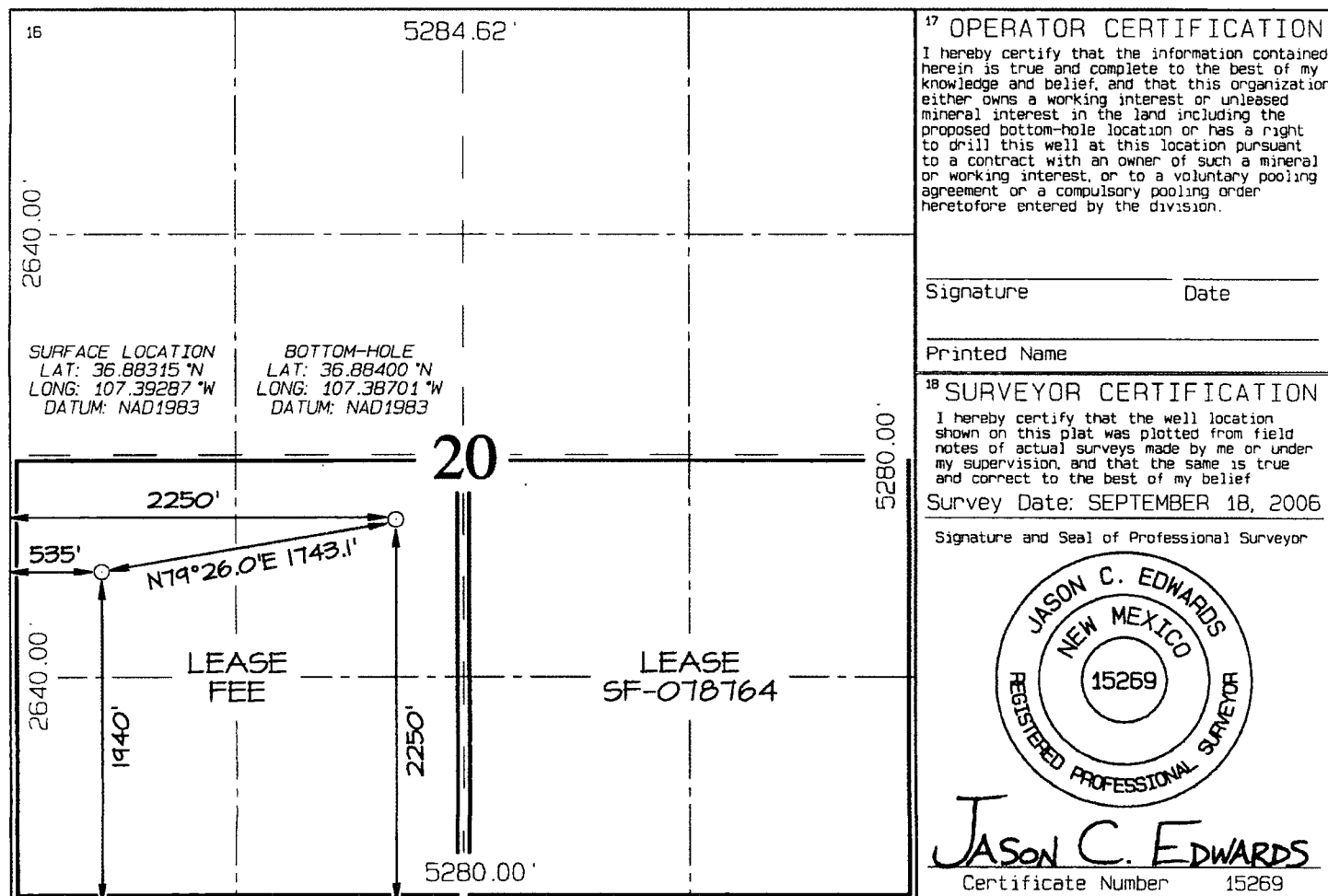
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	20	31N	5W		1940	SOUTH	535	WEST	RIO ARriba

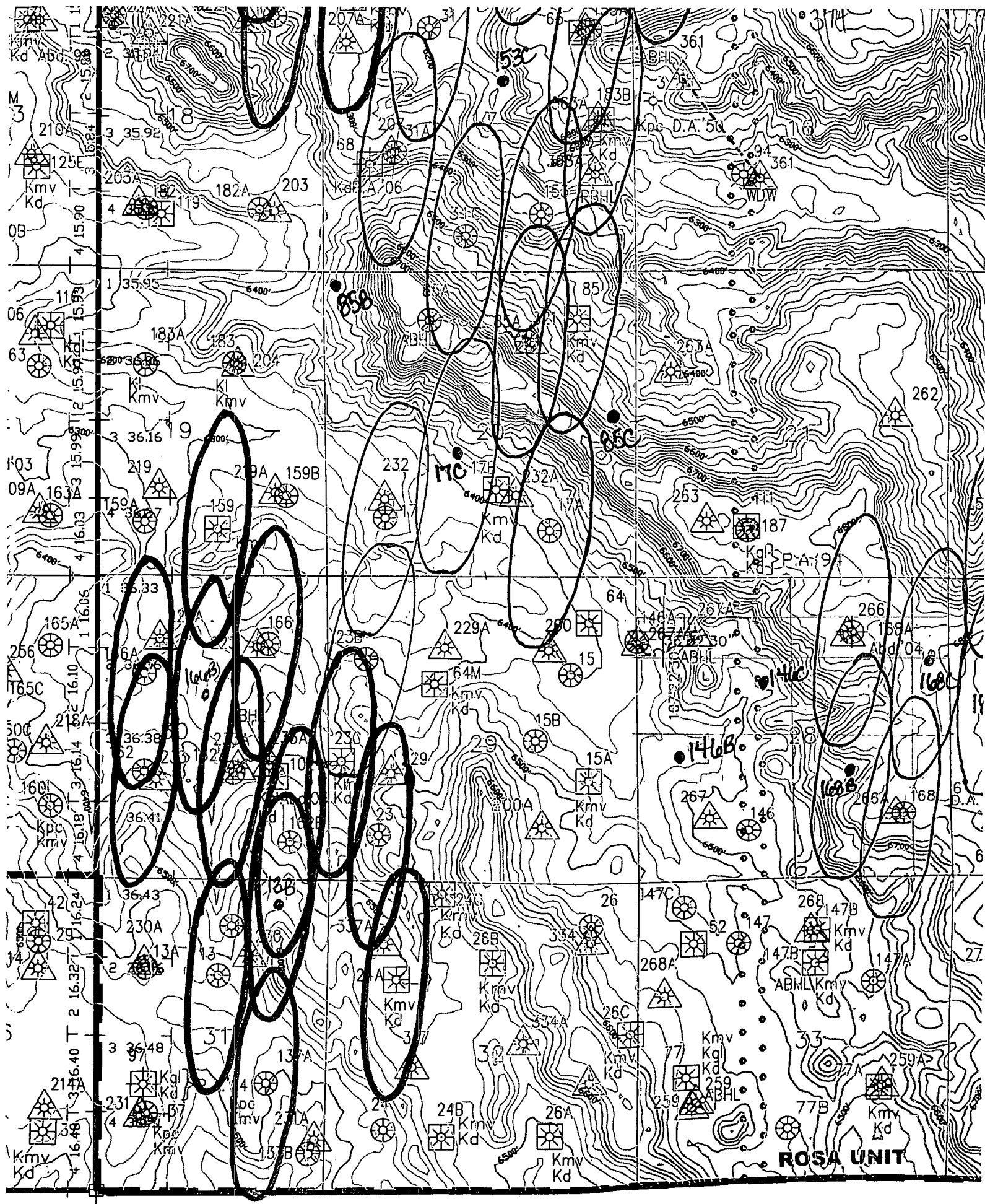
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	20	31N	5W		2250	SOUTH	2250	WEST	RIO ARriba

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

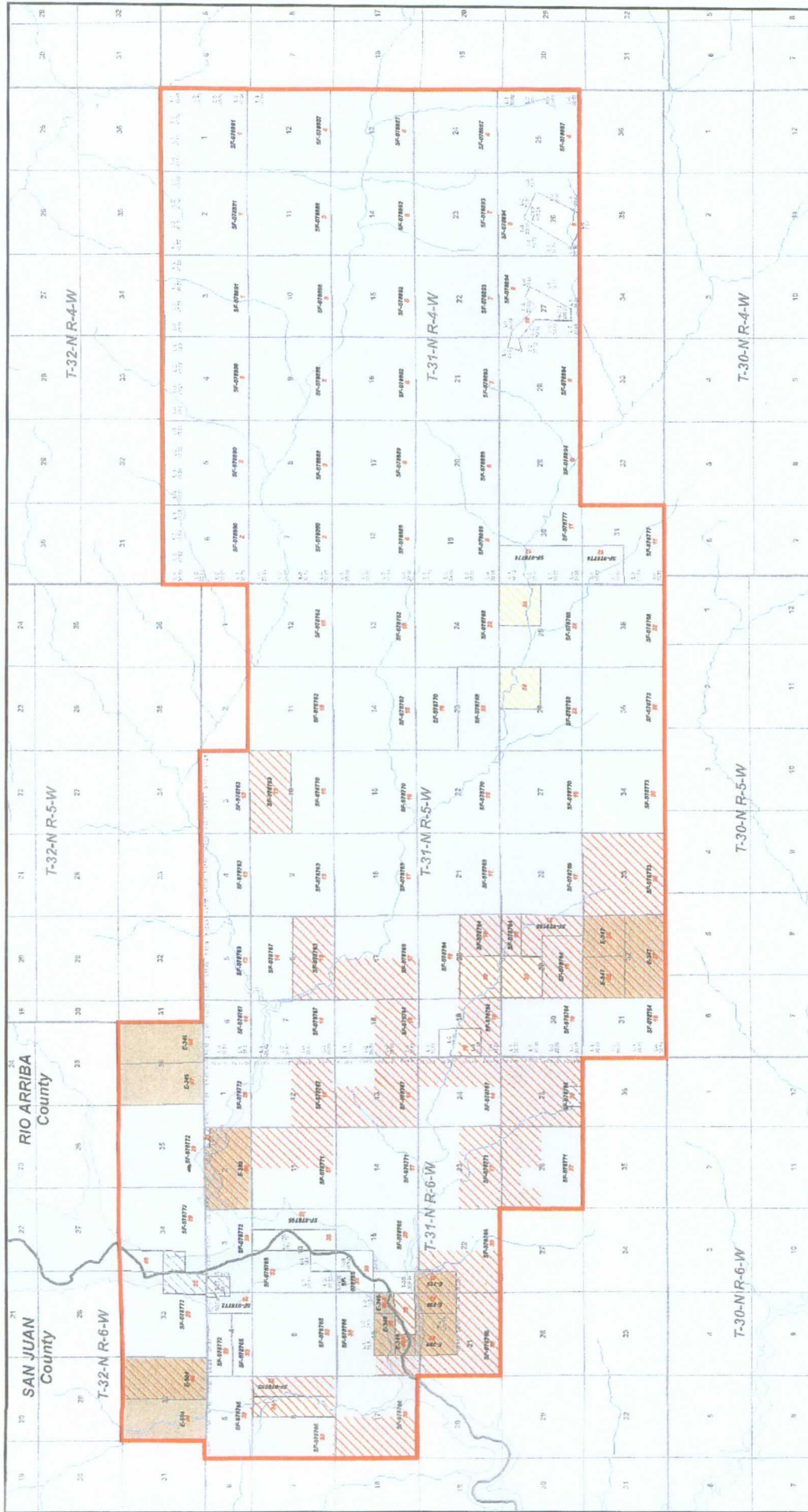
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION





T31N R5W

R - 5



Exploration & Production

Rosa Unit
Dakota Formation
San Juan and Rio Arriba Counties, New Mexico

Scale: 1:72,000
Date: 4/9/2006

Exploration & Production

0 6,000 12,000 Feet

Dakota Petroleum Properties (DPP) - 22000 Acres

Mineral Ownership

Fee

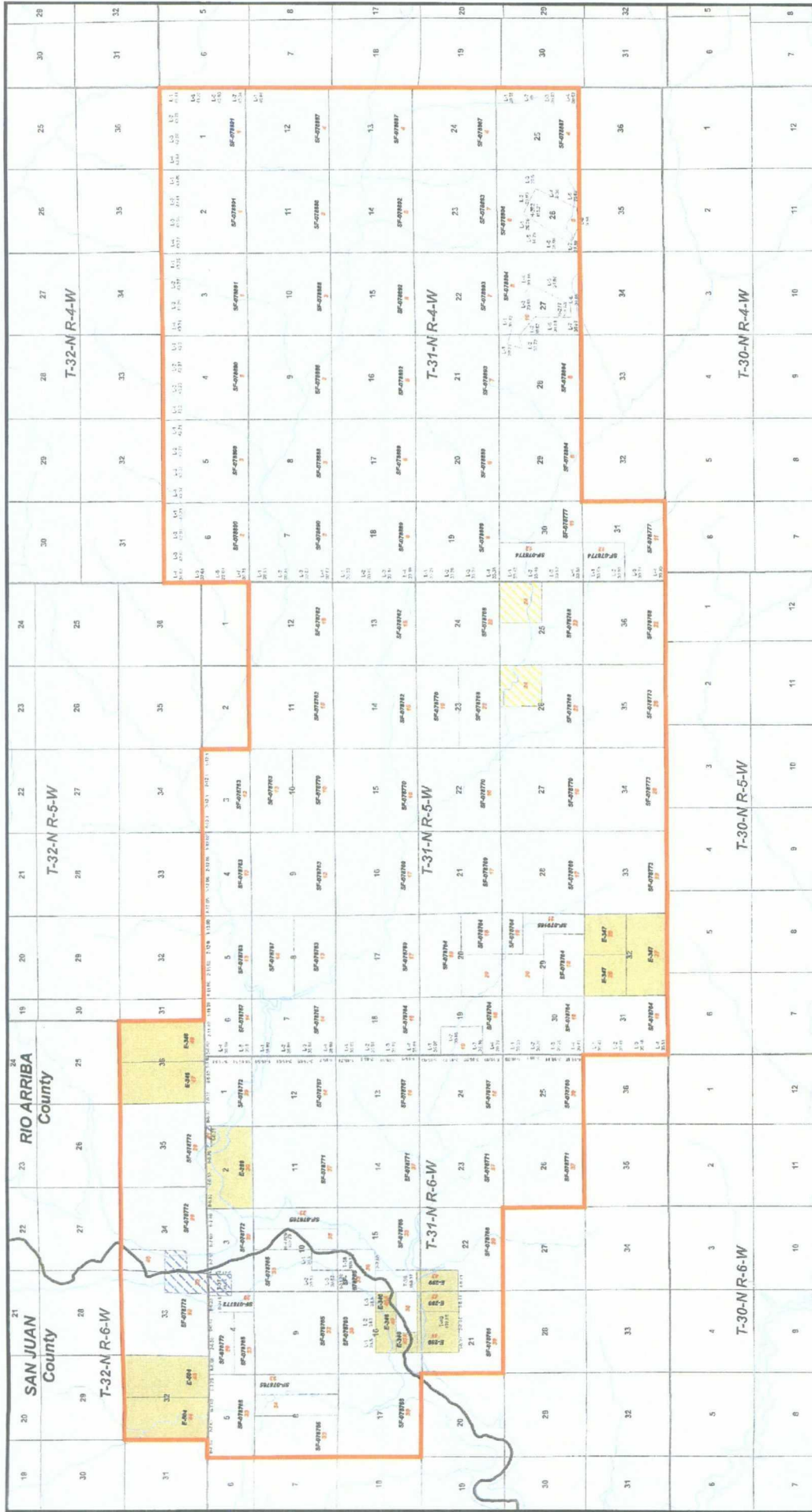
Pending Commitment

State

Not Committed

Rosa Unit Tract No. XX

\\snp\map\Projects\Rosa_Unit\Participating_Areas\rosas-unit_06_1622.mxd



Mineral Ownership

- Federal
- Private
- Partially Committed
- State
- Not Committed

Williams Exploration & Production **Williams**

Rosa Unit

San Juan and Rio Arriba Counties, New Mexico

Scale: 1:72,000
Projection: NAD 83 State Plane NM West
Date: 3/5/2008
Author: TJ



WILLIAMS PRODUCTION COMPANY, LLC
One Williams Center
P.O. Box 3102
Tulsa, OK 74101-3102
918/573-6169

May 13, 2009

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

AFFECTED INTEREST OWNERS

RE: Application of Williams Production Company, LLC for administrative approval of an unorthodox well location for its proposed Rosa Unit #17C Dakota formation well to be drilled to a bottom hole location at 2250 feet from the South line and 2250 feet from the West line of Section 20, Township 31 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date by Williams Production Company, LLC for administrative approval of an unorthodox well location for its proposed Rosa Unit #17C Dakota formation well to be drilled to a bottom hole location at 2250 feet from the South line and 2250 feet from the West line of Section 20, Township 31 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. The S/2 of Sec. 20, T31N, R5W, a standard 320.00 acre spacing unit is dedicated to the well.

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.

Enclosures

Sincerely,

M. Vern Hansen, CPL
Senior Staff Landman

Rosa Unit #17C Dakota Formation Well
Affected Interest Owners, N/2 of Sec. 20, T31N, R5W

BP America Production Company
Attn: John Larson
PO Box 3092
Houston, TX 77253-3092