

DATE IN 06/09/09	SUSPENSE	ENGINEER D. Brooks	LOGGED IN 06/09/09	TYPE NSL	APP NO. PKAA0916053450
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ABOVE THIS LINE FOR DIVISION USE ONLY

RECEIVED

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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

2009 JUN 9 PM 1 26



30-045-34959

Williams
120782
Rosa Unit #138D

ADMINISTRATIVE APPLICATION CHECKLIST

6052

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 6/8/09
Title 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

June 4, 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 #138D
API # 30-045-34959
SHL: 2280' FNL & 820' FEL, Sec. 17, T31N, R6W
BHL: 1000' FNL & 200' FEL, Sec. 17, T31N, R6W*

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 #138D. This is a directional well with a bottom hole location of 1000' FNL & 200' FEL, Sec. 17, T31N, R6W. This well will be a triple completion in the Mesaverde, Basin Mancos and Basin Dakota formations and is part of the Pilot Project pursuant to Order No. R-13123 which allows for one additional Mesaverde infill well on each standard 320-acre gas proration unit.

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 encroaching to the east (Section 16) by 460 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

Mark E. Fesmire
June 4, 2009
Page 2 of 2

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 for this well is being located on a multi-well pad, 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 #138, #138A, #138B, and #138C. Further, drainage patterns from the other offset Mesaverde wells were also considered. They are the Rosa Unit #167C in the SE of Section 8, the Rosa Unit #180 and #180B in the SW of 9, the Rosa Unit #145A and #145C in the NW of 16, and the Rosa Unit #185A and #185B in the SW of 16. See attached 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.

Enclosed for your reference are copies of the Participating Area maps for the Mesaverde and Dakota Formations. All of Sections 16 and 17 are in the PA in the Mesaverde Formation therefore no setback requirements apply. Neither the east half of Section 17 nor the north half of Section 16 are in the Dakota PA, therefore setback requirements do apply.

The offset unit's working interest owners to the east are uncommon in the Mancos and Dakota formations. Notice was sent out and a list is attached hereto. There are no unleased mineral owners.

The spacing unit for all three formations is the east half. The other Mesaverde wells in the spacing unit are the Rosa Unit #138, #138A, #138B, and #138C. There are no other Mancos or Dakota 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

O:TK
C:File
C:mykel/TL
C:Dir
C:Big/2
C:Simone
C:NU
C:WFS

RECEIVED

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Bureau of Land Management
Farmington Field Office

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMSF-078766
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Williams Production Company, LLC		7. If Unit or CA Agreement, Name and No. Rosa Unit
3a. Address P.O. Box 640 Aztec, NM 87410		8. Lease Name and Well No. 138D
3b. Phone No. (include area code) (505) 634-4208		9. API Well No. 30' 6' 45" - 3' 49.54"
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 2280' FNL & 820' FEL At proposed prod. zone 1000' FNL & 200' FEL		10. Field and Pool, or Exploratory Basin Mancos/Blanco Mesaverde/Basin Dakota
14. Distance in miles and direction from nearest town or post office* approximately 30 miles northeast of Blanco, New Mexico		11. Sec., T., R., M., or Blk. and Survey or Area Section 17, 31N, 6W
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 820'	16. No. of Acres in lease 2,552.71	12. County or Parish San Juan
17. Spacing Unit dedicated to this well 320.0 - (E/2)	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 60' Rosa 276	13. State NM
19. Proposed Depth 8,370'	20. BLM/BIA Bond No. on file UT0847	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,333' GR	22. Approximate date work will start* April 1, 2009	23. Estimated duration 1 month
24. Attachments DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED 'GENERAL REQUIREMENTS'.		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>Larry Higgins</i>	Name (Printed/Typed) Larry Higgins	Date 4-22-09
Title Drilling COM		
Approved by (Signature) <i>Jim Lata</i>	Name (Printed/Typed)	Date 5/20/09
Title Acting AFM Minerals	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Williams Production Company, LLC, proposes to develop the Basin Mancos, Blanco Mesaverde, and Basin Dakota formations at the above described location in accordance with the attached drilling and surface use plans.

The well pad surface is under jurisdiction of the Bureau of Land Management, Farmington Field Office (BLM/FFO).

This location has been archaeologically surveyed by La Plata Archaeological Consultants. Copies of their report have been submitted directly to the BLM.

No new access road will be required for this proposed well.

This APD is also serving as an application to obtain a pipeline right-of-way. An associated pipeline tie of 129.20 feet would be required for this well.

OPERATOR

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

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	138D
*OGRID No.	*Operator Name	*Elevation
120782	WILLIAMS PRODUCTION COMPANY	6333'

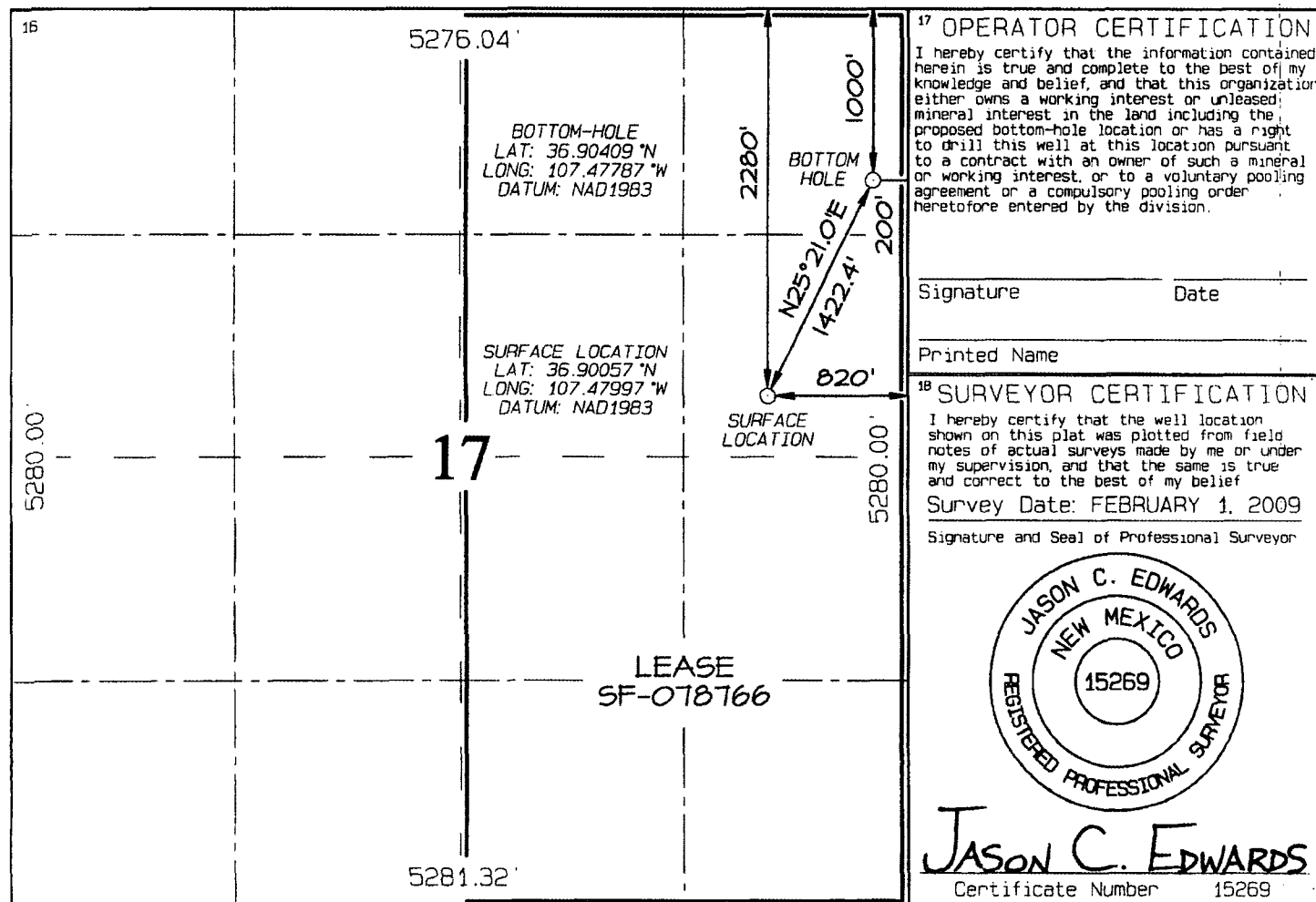
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	17	31N	6W		2280	NORTH	820	EAST	SAN JUAN

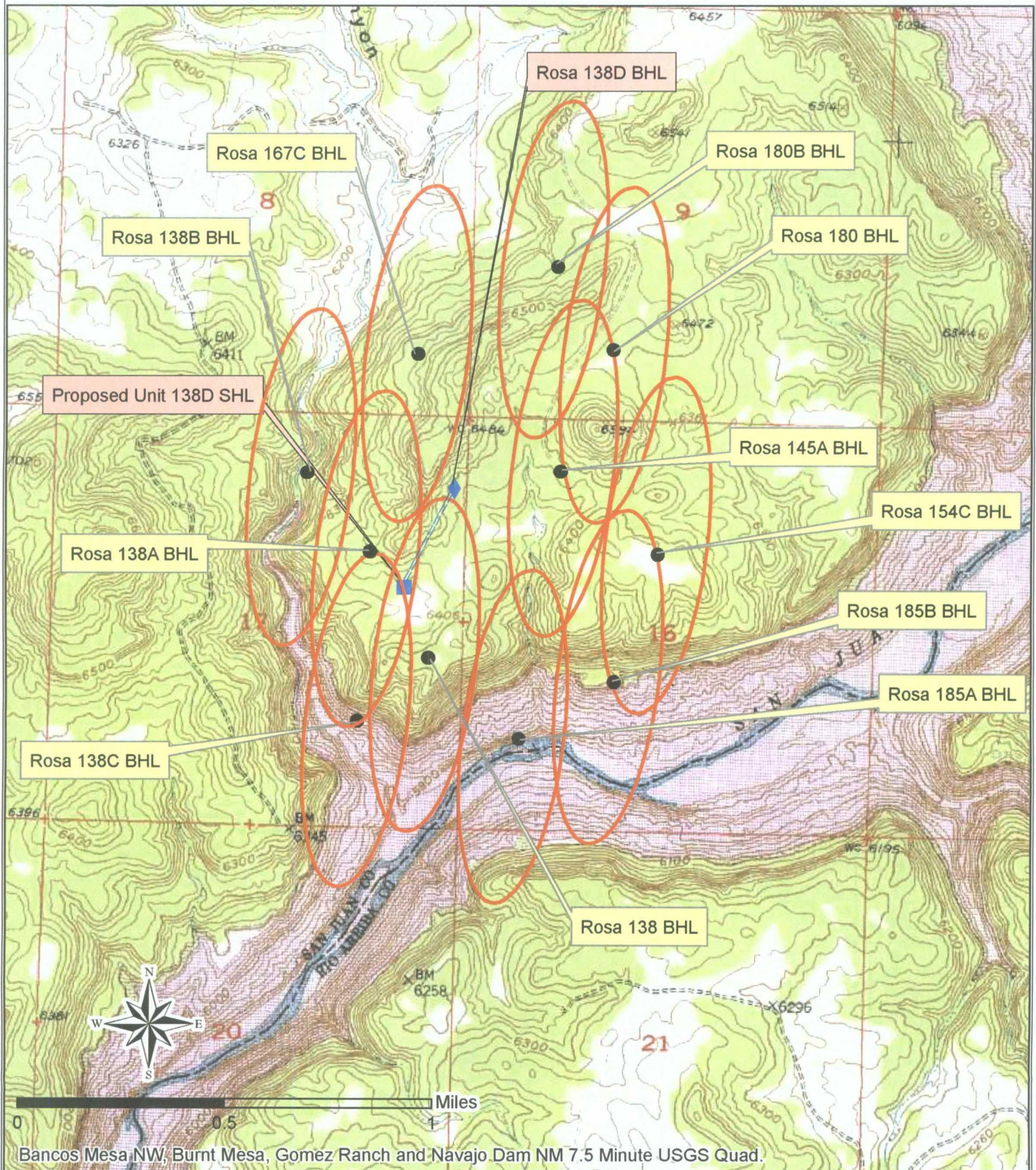
11 Bottom Hole Location If Different From Surface

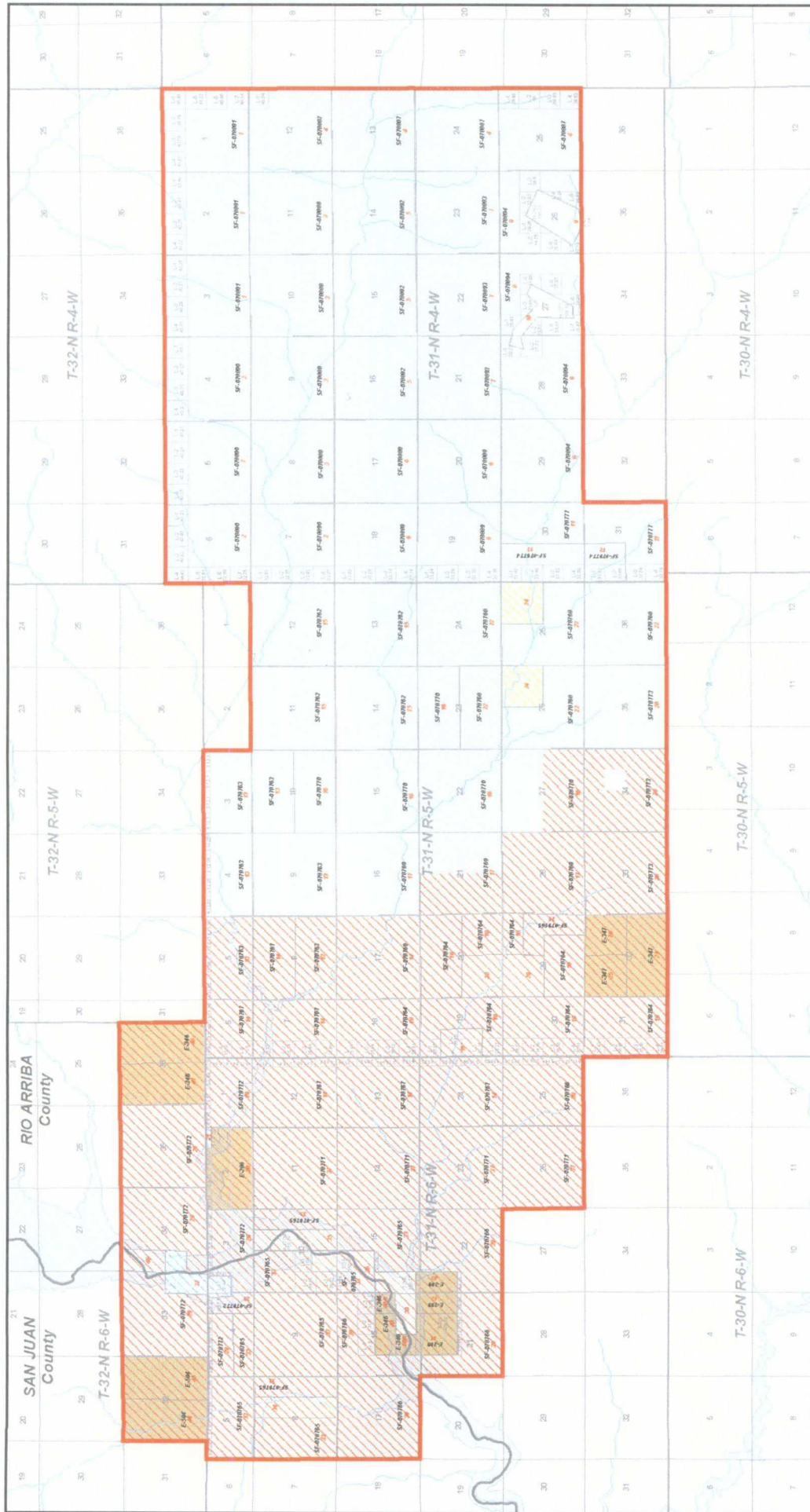
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	17	31N	6W		1000	NORTH	200	EAST	SAN JUAN
12 Dedicated Acres					320.0 Acres - (E/2)	13 Joint or Infill	14 Consolidation Code	15 Order No.	

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



NSL Application Drainage Map
Williams Production Company, LLC
Proposed Rosa Unit No. 138D
T31N, R06W, Section 17 NMPM
San Juan County, New Mexico





Williams

Exploration & Production

Williams

Exploration & Production

Rosa Unit

Mesaverde Formation

San Juan and Rio Arriba Counties, New Mexico

Scale: 1:172,000

Date: 3/7/2007

Author: SA

Mesaverde Participating Areas 20th Expansion

Mineral Ownership

Fee

Partially Committed

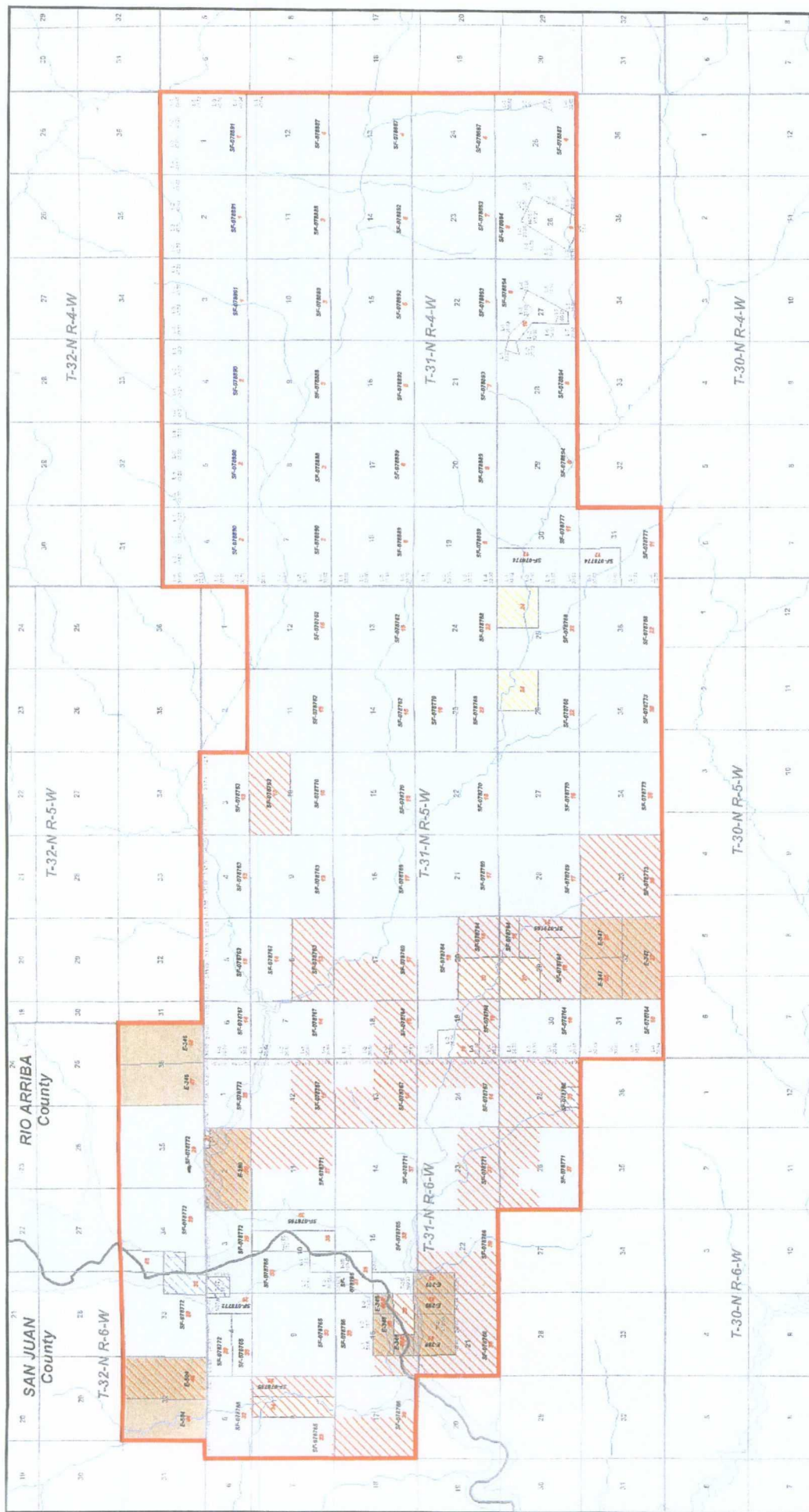
State

Not Committed

Rosa Unit Tract No: XX

Map Document: C:\Projects\San_Juan\Map\Participating_Areas\rosa-unit_mv_20.mxd

3/7/2007 - 11:05:57 AM



Legend

- Delaware Participating Area Initial 22nd Expansion
- Mineral Ownership
- Fee
- Partially Committed
- State
- Not Committed

Rosa Unit Tract No: XX

Map Document: RosaMap01TigaProjectSan_JuanRosa_UnitParticipating_ArribaRosa_Unit_06_16_22.mxd

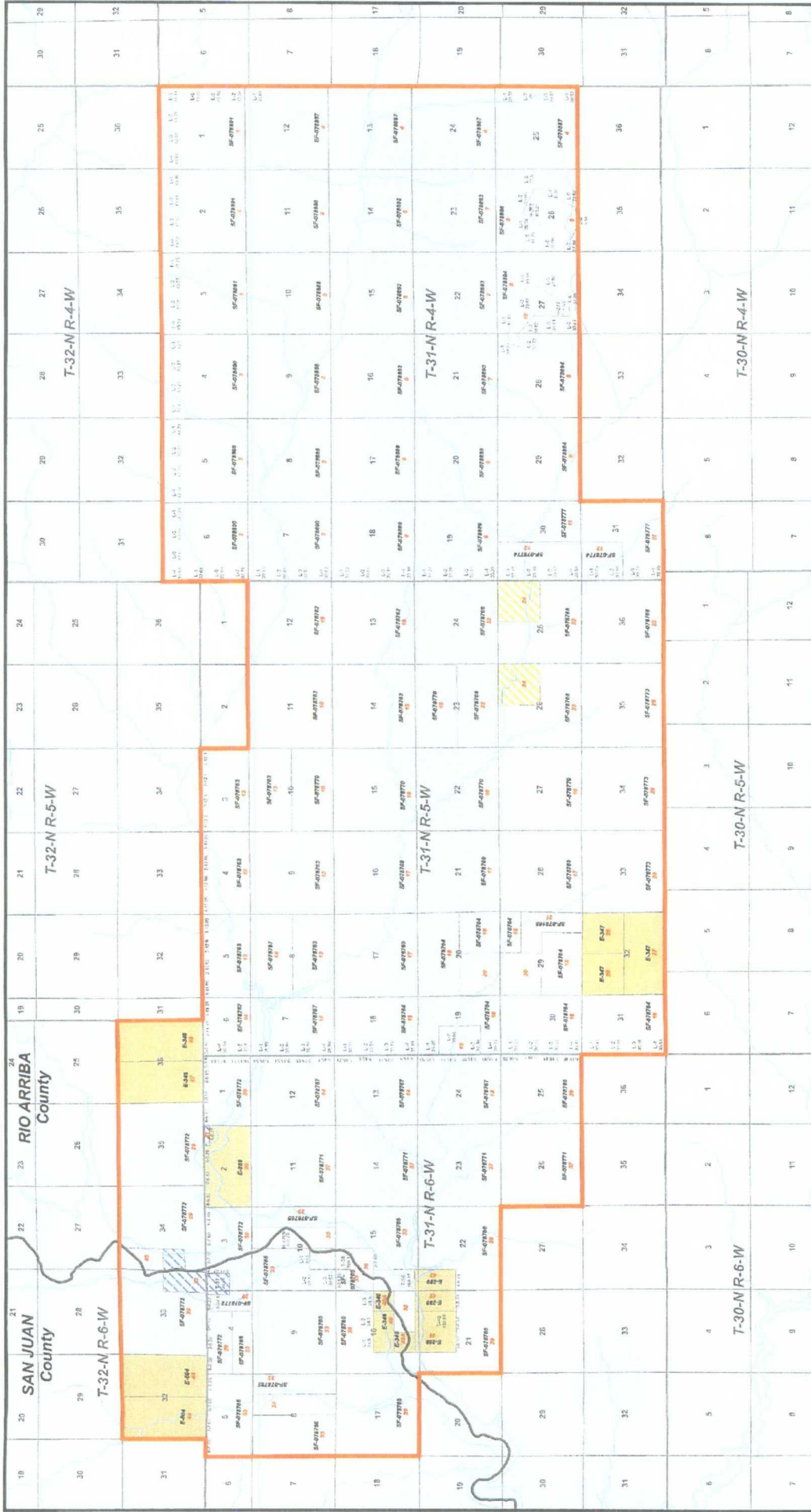
5/22/2009 - 9:35:26 AM

Williams Exploration & Production

Williams

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

Scale: 1:72,000
Projection: NAD 1983 State Plane NM West
Date: 4/6/2006
Author: TJ



Williams

Exporation & Production

Rosa Unit

San Juan and Rio Arriba Counties, New Mexico

Scale: 1:72,000

Date: 3/5/2008

Author: TJ

Williams

Exporation & Production

Rosa Unit

San Juan and Rio Arriba Counties, New Mexico

Scale: 1:72,000

Date: 3/5/2008

Author: TJ



WILLIAMS PRODUCTION COMPANY, LLC
One Williams Center
P.O. Box 3102
Tulsa, OK 74101-3102
918/573-2878

June 4, 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 #138D Mancos/Dakota formation well to be drilled to a bottom hole location at 1000 feet from the North line and 200 feet from the East line of Section 17, Township 31 North, Range 6 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 #138D Mancos/Dakota formation well to be drilled to a bottom hole location at 1000 feet from the North line and 200 feet from the East line of Section 17, Township 31 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico. The E/2 of Sec. 17, T31N, R6W, 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,

A handwritten signature in black ink, appearing to read "Brennan West".

Brennan West
Landman

Rosa Unit #138D Mancos and Dakota Formation Well
Affected Interest Owners
N/2 of Sec. 16, T31N, R6W (Mancos and Dakota Drill Block Owners)
S/2 of Sec. 16, T31N, R6W (Mancos Drill Block Owners, Dakota Participating Area Owners)

BP AMERICA PRODUCTION CO.
ATTN: JOHN LARSON
P.O. BOX 3092
HOUSTON, TX 77253-3092

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

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

MR. FRED E. TURNER, LLC
4925 GREENVILLE AVENUE, #852
DALLAS, TX 75206-4079

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

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

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

OMIMEX PETROLEUM, INC.
ATTN: CLARK P. STORMS
2001 BEACH ST., SUITE 810
FORT WORTH, TX 76103