

DATE IN <u>10/30/09</u>	SUSPENSE	ENGINEER <u>Brooks</u>	LOGGED IN <u>10/30/09</u>	TYPE <u>NSL</u>	PTG-W APP NO <u>0930350995</u>
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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



Williams
 Rosa Unit #0910

ADMINISTRATIVE APPLICATION CHECKLIST 30-039-30763

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]

6110

[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 _____

2009 OCT 30 A 11:42
 RECEIVED OOD

[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 Heather Riley Regulatory Specialist 10/29/09
 Print or Type Name Signature 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

October 29, 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 BHL
Rosa Unit #091D
API # 30-039-30763
SHL: 1055' FSL & 250' FEL, Sec. 35, T32N, R6W
BHL: 1954' FSL & 637' FEL, Sec. 35, T32N, 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 #091D. This is a directional well with a bottom hole location of 1954' FSL & 637' FEL, Sec. 35, T32N, 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. This well was originally staked to a standard bottom hole location; however, during drilling operations the wellbore deviated to the east causing it to become non-standard. See As Drilled Plat attached hereto.

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 36) by 23 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 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 #091, #091A, #091B, and #091C. Further, drainage patterns from the other offset Mesaverde wells were also considered. They are the Rosa Unit #044, #044A, #044B, and #044C in the West half of 35, the Rosa Unit #152, #152A, #152B, #152C, and #152D in the West half of 36, the Rosa Unit #148, and #148B in the E2 of Section 2, T31N, R6W, and the Rosa Unit #164 and the #164B in the W2 of Section 1, T31N, R6W. 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 35 and 36 are in the PA in the Mesaverde Formation therefore no setback requirements apply. Sections 35 and 36 are not in a PA in the Dakota formation, therefore setback requirements do apply. There is no PA in the Mancos so setback requirements apply in that formation as well.

The offset unit's working interest ownership in the S2 of 35 and the W2 of 36 are common in both the Mancos and Dakota formations so notice is not required. The mineral interest is uncommon but there are no unleased minerals.

The spacing unit for the Mesaverde formation is the east half. The other Mesaverde wells in the spacing unit are the Rosa Unit #091, #091A, #091B, and #091C. The Rosa Unit #091B (TD'd) is a Dakota well in the unit. There are no other Mancos wells.

This well is ready to be first delivered and, since there are no notice requirements, we respectfully request your expediting this approval. 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
As Drilled Plat
Drainage Map
PA Maps (MV & DK)
Mineral ownership map

O:TK
C:Fil
C:MLandITL
C:Dir
C:R1312
C:WFS
C:WCI
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

APPLICATION FOR PERMIT TO DRILL OR REENTER
Bureau of Land Management
Farmington Field Office

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMSF-078772	
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. 91D	
3b. Phone No. (include area code) (505) 634-4208		9. API Well No. 30-039-30763 20-045-34466 W	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1055' FSL & 250' FEL At proposed prod. zone 2000' FSL & 700' 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 28 miles northeast of Blanco, New Mexico		11. Sec., T., R., M., or Blk. and Survey or Area Section 35, 32N, 6W	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 250'		12. County or Parish Rio Arriba	
16. No. of Acres in lease 2561.86 WPX		13. State NM	
17. Spacing Unit dedicated to this well 320.0 - (S/2)			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 50' Rosa 91B			
19. Proposed Depth 8,221'		20. BLM/BIA Bond No. on file UT0847	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,324' GR		22. Approximate date work will start* April 1, 2009	
23. Estimated duration 1 month			
24. Attachments This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4			

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form: DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED GENERAL REQUIREMENTS*.

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. 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 4-28-09
Title Drilling COM		
Approved by (Signature) <i>D. Mankowski</i>	Name (Printed/Typed)	Date 5/18/09
Title AFM	Office FFO	

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).

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 146.30 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
"As Drilled"

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	910
GRID No.	Operator Name	Elevation
120782	WILLIAMS PRODUCTION COMPANY	6324'

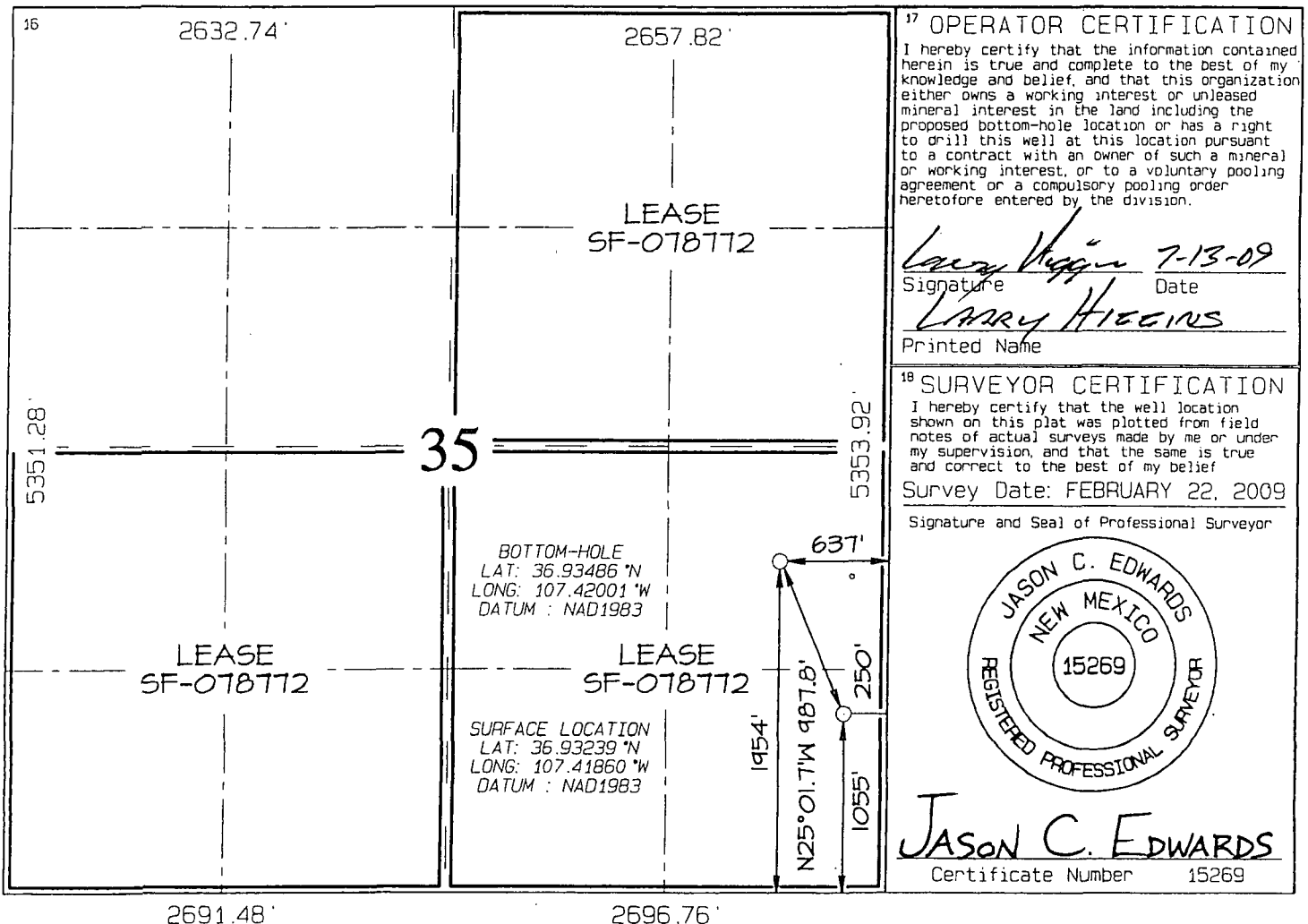
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	35	32N	6W		1055	SOUTH	250	EAST	RIO ARriba

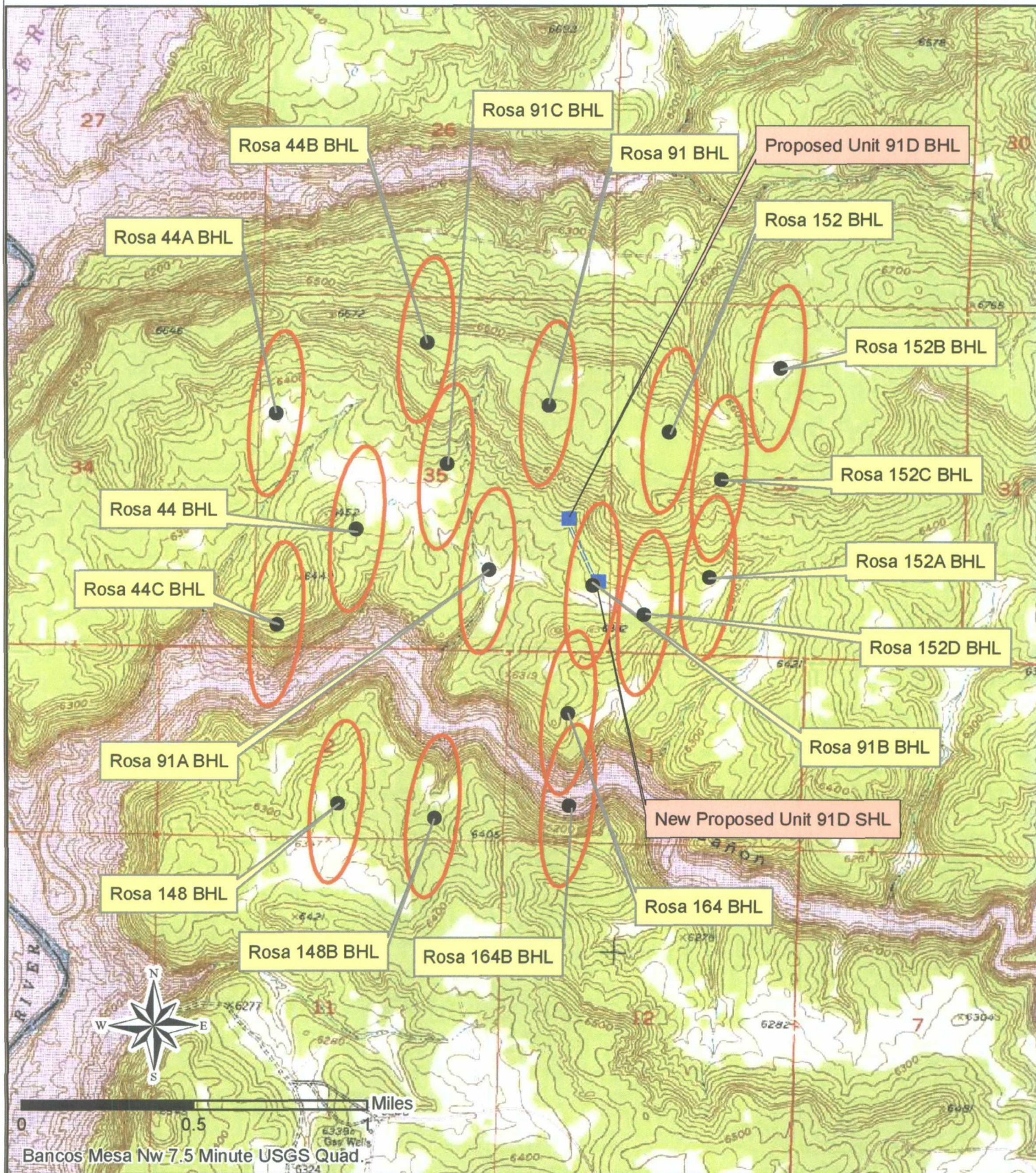
11 Bottom Hole Location If Different From Surface

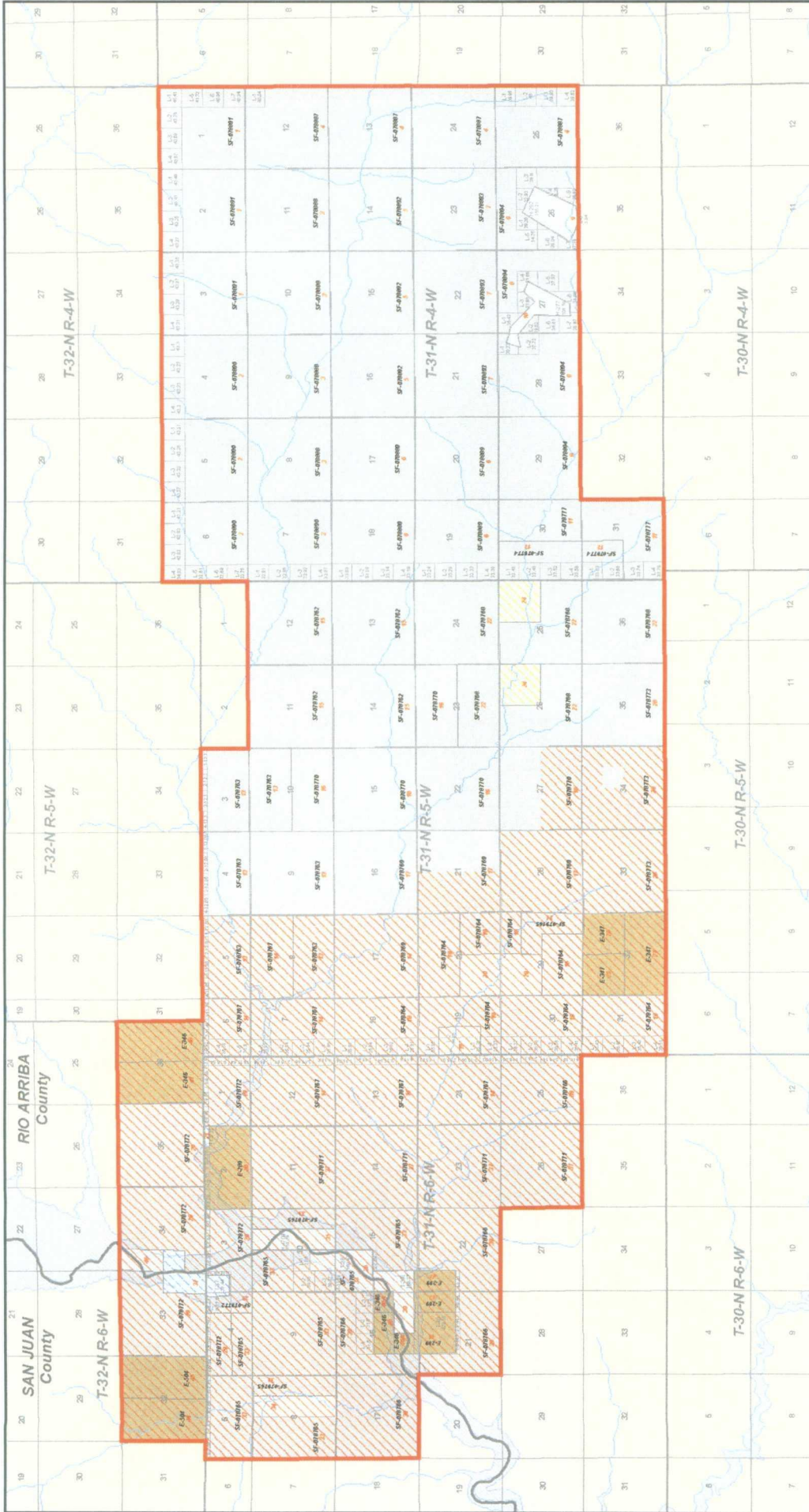
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	35	32N	6W		1954	SOUTH	637	EAST	RIO ARriba
Dedicated Acres					Joint or Infill	Consolidation Code	Order No.		
320.0 Acres (MV) - E/2									
320.0 Acres (MANCOS-DK) - S/2									

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



NSL Application Drainage Map
Williams Production Company, LLC
Proposed Rosa Unit No. 91D
T32N, R06W, Section 35 NMPM
Rio Arriba County, New Mexico





Map Document: G:\Projects\San_Juan\Map\Participating_Areas\rosas_unit_mxd

Scale: 1:72,000

Date: 3/7/2007

Author: SA

Williams **Williams** **Williams**

Exploration & Production

Rosa Unit

Mesaverte Formation

San Juan and Rio Arriba Counties, New Mexico

Projection: NAD 1983 State Plane NM West

Map Document: G:\Projects\San_Juan\Map\Participating_Areas\rosas_unit_mxd

Scale: 1:72,000

Date: 3/7/2007

Author: SA

Williams **Williams** **Williams**

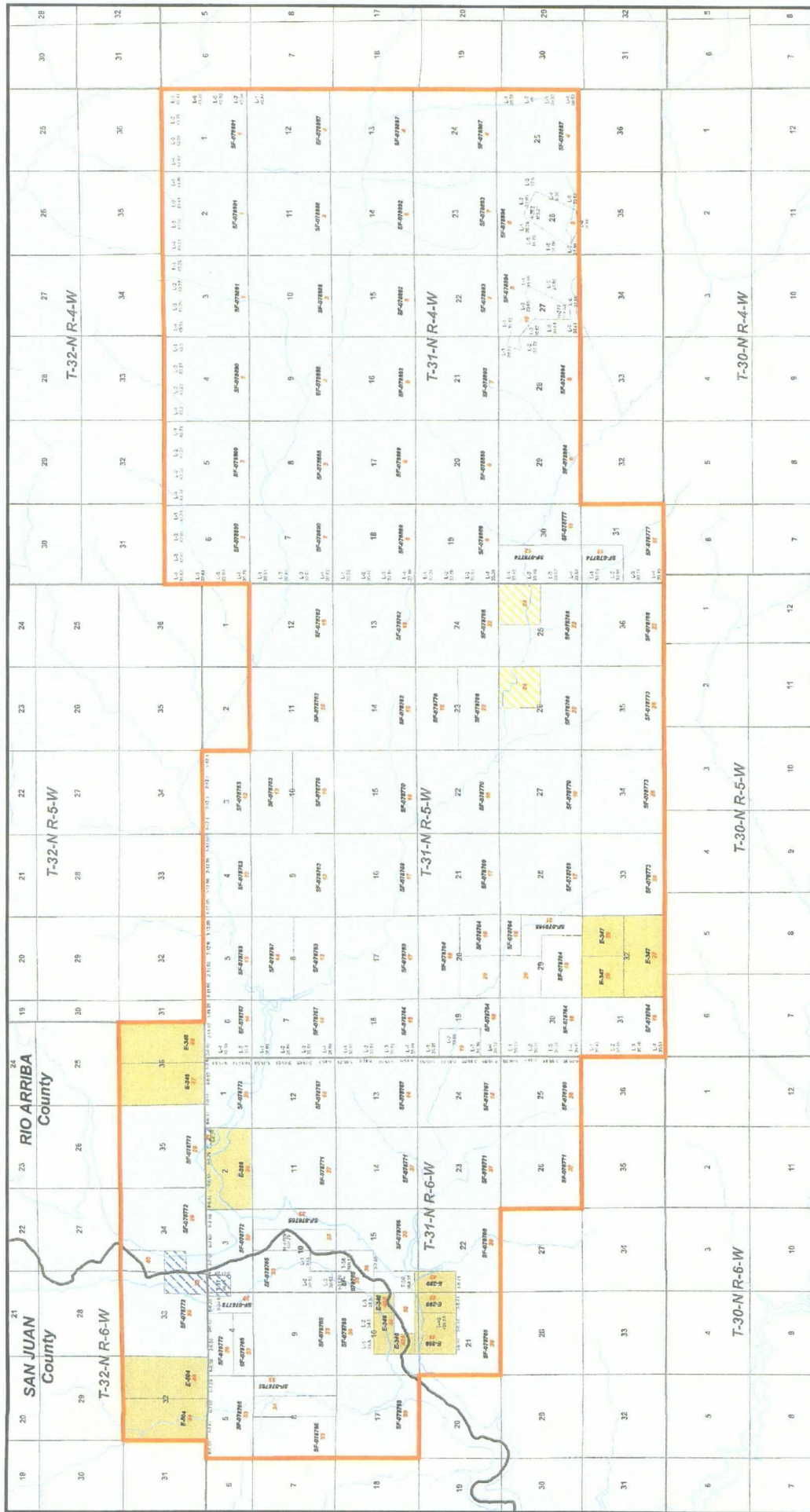
Exploration & Production

Rosa Unit

Mesaverte Formation

San Juan and Rio Arriba Counties, New Mexico

Projection: NAD 1983 State Plane NM West



Rosa Unit Tract No. XX

Map Document: (S:\Projects\San_Juan\Rosa_Unit\rosa_unit.mxd)
3/3/2008 - 1:10:48 PM

0 6,000 3,000 0 6,000 12,000 Feet

San Juan and Rio Arriba Counties, New Mexico

Scale: 1:72,000
Projection: NAD 1983 State Plane NM West
Author: TJ

Mineral Ownership

- Federal
- Free
- Partially Committed
- State
- Not Committed

Williams Exploration & Production

Rosa Unit

Williams

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Tuesday, November 03, 2009 9:45 AM
To: 'Riley, Heather '
Subject: RE: Rosa Unit #091D API #30-039-30763

Dear Ms. Riley

I have looked at the referenced application. You there state that the spacing unit for the MV is the E/2. Is the spacing unit for the Dakota and Mancos the S/2?

Sincerely
David K. Brooks

From: Riley, Heather [mailto:Heather.Riley@Williams.com]
Sent: Tuesday, November 03, 2009 8:54 AM
To: Brooks, David K., EMNRD
Cc: Higgins, Larry ; Winters, Lacey ; McQueen, Ken
Subject: Rosa Unit #091D API #30-039-30763

Mr. Brooks,

On 10/29/09 I sent, via overnight delivery, an NSL application for the Rosa Unit #091D. The Aztec office said that it has been received in Santa Fe.

This well was originally staked to a standard location however, during drilling operations, the wellbore deviated enough to put the bottom hole at an NSL location. There are no notice requirements. We are ready to first deliver this well so would it be possible to expedite the NSL approval process?

Any help you can give us would be greatly appreciated.

Thank you,

Heather Riley
Regulatory Specialist
WILLIAMS PRODUCTION CO., LLC
P. O. Box 640
Aztec, NM 87410
(505) 634-4222 (Office)
(505) 634-4205 (Fax)
(970) 749-8747 (Cell)

This inbound email has been scanned for malicious software and transmitted safely to you using Webroot Email Security.

Brooks, David K., EMNRD

From: Riley, Heather [Heather.Riley@Williams.com]
Sent: Tuesday, November 03, 2009 10:26 AM
To: Brooks, David K., EMNRD
Subject: RE: Rosa Unit #091D API #30-039-30763

Mr. Brooks,

Yes, the MC and DK are a south half dedication.

Heather Riley
Regulatory Specialist
WILLIAMS PRODUCTION CO., LLC
P. O. Box 640
Aztec, NM 87410
(505) 634-4222 (Office)
(505) 634-4205 (Fax)
(970) 749-8747 (Cell)

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Tuesday, November 03, 2009 9:45 AM
To: Riley, Heather
Subject: RE: Rosa Unit #091D API #30-039-30763

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This email has been scanned using Webroot Email Security.

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Tuesday, November 03, 2009 4:32 PM
To: 'Riley, Heather '
Cc: 'jay_spielman@nm.blm.gov'
Subject: Williams Production Co., LLC - Rosa Unit #91D; NSL approval
Attachments: Williams Rosa U #91D.doc

Dear Ms. Riley

The OCD no longer mails original administrative orders.

This application was approved November 3, 2009, under Order No. NSL-6110 (unsigned copy attached).

The signed original will be posted on our website.

Sincerely

David K. Brooks
Legal Examiner