

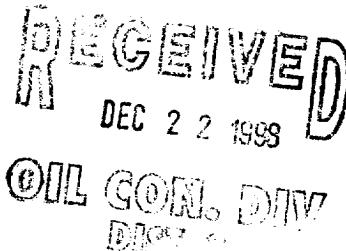


NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

December 17, 1998

Williams Production Company
c/o Walsh Engineering & Production Corporation
7415 East Main
Farmington, New Mexico 87402
Attention: Paul C. Thompson



Administrative Order NSL-3537-A

Dear Mr. Thompson:

Reference is made to your application on behalf of the operator, Williams Production Company, dated December 9, 1998 for an exception to the well location requirements provided within the "*Special Rules and Regulations for the Blanco-Mesaverde Pool*," as promulgated by Division Order No. R-10987, for a non-standard Blanco-Mesaverde infill gas well location in an existing standard 320-acre stand-up gas spacing and proration unit for the Blanco-Mesaverde Pool comprising the W/2 of Section 33, Township 32 North, Range 6 West, NMPM, San Juan County, New Mexico. This unit is currently dedicated to Williams Production Company's Rosa Unit Well No. 151 (**API No. 30-045-29267**), located at an unorthodox gas well location (approved by Division Administrative Order NSL-3537, dated June 1, 1995) 1150 feet from the North line and 2205 feet from the West line (Unit C) of Section 33.

The application has been duly filed under the provisions of Rules 104.F and 605.B of the Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well, which was recently drilled and completed at an unorthodox infill gas well location in Section 33, is hereby approved:

Rosa Unit Well No. 151-A
1940' FSL & 920' FWL (Unit L)
(API No. 30-045-29631)

Further, both of the aforementioned Rosa Unit Well Nos. 151 and 151-A and existing gas spacing and proration unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

The provisions of Division Administrative Order NSL-3537 shall remain in full force and affect until further notice.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec /
U. S. Bureau of Land Management - Farmington
File: NSL-3537