



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

July 6, 2001

Lori Wrotenbery
Director
Oil Conservation Division

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

Telefax No. (505) 327-9834

Administrative Order NSL-4600

Dear Mr. Thompson:

Reference is made to the following: (i) your application on behalf of the operator, Williams Production Company ("Williams") that was submitted to the New Mexico Oil Conservation Division ("Division") on May 24, 2001; and (ii) the Division's records in Aztec and Santa Fe: all concerning Williams's request for an exception to the well location requirements provided within the "*Special Rules and Regulations for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987-B, issued in Case No. 12290 and dated June 30, 2000, as amended by Division Order No. R-10987-B (1), dated August 10, 2000, for a non-standard infill gas well location within an existing standard 271.35-acre lay-down gas spacing and proration unit for the Basin-Dakota Pool comprising Lots 3 and 4, the SW/4, and the W/2 SE/4 (S/2 equivalent) of Section 12, Township 31 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. This unit is currently dedicated to Williams's Rosa Unit Well No. 30 (API No. 30-039-25570), located at a standard initial gas well location 890 feet from the South line and 920 feet from the East line (Unit O) of Section 12.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F (2), the following described well to be drilled at an unorthodox infill gas well location in Section 12 is hereby approved:

Rosa Unit Well No. 30-B
20' FSL & 2360' FWL (Unit N)
(API No. 30-039-26601).

Further, both of the aforementioned Rosa Unit Wells No. 30 and 30-B 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.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

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