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new mexico energy, minerals III COM [& natural resources department DIST 3

CONSERVATION DIVISION (44 South Pachago Street ante Fe, New Mexico 57505 166] 827-7121

November 12, 1997

Williams Production Company c/o Walsh Engineering & Production Corp. 7415 East Main Farmington, New Mexico 87402 Attention: Paul C. Thompson 2054 66 M

Administrative Order NSL-3897 (Non-Standard Subsurface Location/Producing Area)

Dear Mr. Thompson:

Reference is made to your application on behalf of the operator, Williams Production Company ("Williams"), dated September 5, 1997 for a non-standard infill subsurface gas producing area/bottomhole infill gas well location, pursuant to Division General Rules 104.F, 111.C(2), and 111.A(7), in an existing standard 320-acre gas spacing and proration unit ("GPU") comprising the W/2 of Section 13, Township 31 North, Range 6 West, NMPM, Rio Arriba County, New Mexico within the Blanco-Mesaverde Pool for Williams' proposed Rosa Unit Well No. 66-M (API No. 30-039-25747), to be drilled at surface location 2565 feet from the North line and 2350 feet from the West line (Unit F) of said Section 13.

Said GPU is currently dedicated to Williams' Rosa Unit Well No. 10 (API No. 30-039-07964), located at a standard gas well location 890 feet from the South line and 990 feet from the West line (Unit M) of said Section 13.

It is our understanding that the proposed Rosa Unit Well No. 66-M is to be directionally drilled and completed in order to further develop both the Basin-Dakota and Blanco-Mesaverde Pools whereby the subsurface location within the deeper Basin-Dakota Pool is to be within a producing area that will be considered "standard", however the shallower Blanco-Mesaverde interval is to be within a producing area that will be considered "unorthodox".

The geological explanation submitted with this application indicates that directional drilling of the Rosa Unit Well No. 66-M is an attempt to intersect naturally occurring fractures in both pools.

All of said Section 13 and all of the surrounding sections thereto (Sections 11, 12, 14, 23, and 24 of Township 31 North, Range 6 West, NMPM, Rio Arriba County, New Mexico and Sections 7, 18, and 19 of Township 31 North, Range 5 West, NMPM, Rio Arriba County, New Mexico) are included in Williams Production Company's Rosa Unit Area in which Williams Production Company is the operator; therefore, there are no affected off set operators other then themselves.

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2001 549, DM

Control Number: 000870

POINT OF DISPOSITION AND WELL COMPLETION INFORMATION

OGRID: 000778 Operator Name: AMOCO PRODUCTION CO

Pc C-115 Filer Contact Name:	PO BOX 21178	TULSA Phone: ()	OK 74121 FAX: ()	
0084910 Product Type: 0IL	Facility Type: 03	Location: P 02 30N 11W County SAN JUAN	:y san juan	
OGRID	Name	<u>OGRID</u> N	Name	
Authorized Transporter(s): 014546	014546 MERIDIAN OIL INC.			
Description of POD (40 characters or less):	or less):			1
0084930 Product Type: GAS	Facility Type: 01	Location: P 02 30N 11W County SAN JUAN	y san Juan	
OGRID	Name	OGRID N	Name	
Authorized Transporter(s): 007057	007057 EL PASO NATURAL GAS COMPANY	IPANY		
Description of POD (40 characters or less):	or less):			
0084950 Product Type: WATER	WATER Facility Type: 05	Location: P 02 30N 11W County SAN JUAN	y SAN JUAN	
Description of POD (40 characters or less):	or less):			
		WELL COMPLETIONS		
Pool Name	Code Produ	Producing Property Name	API Well No. Loca	Location Well
BASIN DAKOTA (PRORATED GAS)	000320	BLANCO COM 1	30-045-25444 P 02 3	P 02 30N 11W 001A



Administrative Order NSL-3897 Williams Production Company November 12, 1997

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The applicable drilling window or "producing area" within the Blanco-Mesaverde Pool for said wellbore shall include that area within the subject 320-acre gas spacing and proration unit comprising the W/2 of said Section 13 that is:

- no closer than 790 feet to the North, West, and South lines of the NW/4 of said Section 13; and,
- no closer than 566 feet from the east line of the subject unit boundary.

By the authority granted me under the provisions of Rule 2(d) of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blanco-Mesaverde Pool," as promulgated by Division Order No. R-8170, as amended, the above-described non-standard subsurface infill gas producing area/bottomhole infill gas well location for the Rosa Unit Well No. 66-M is hereby approved.

The operator shall comply with all provisions of Division General Rule 111 applicable in this matter.

Sincerely,

William J. LeM

Director

WJL/MES/kv

New Mexico Oil Conservation Division - Aztec cc:

U. S. Bureau of Land Management - Farmington, New Mexico

Control Number: 000869

POINT OF DISPOSITION AND WELL COMPLETION INFORMATION

OGRID: 000778 Operator Name: AMOCO PRODUCTION CO

TULSA

PO	PO BOX 21178	TULSA	OK 74121	
C-115 Filer Contact Name:		Phone: (FAX: ()	
	racility Type: 03	Location:	H O6 30N 09W County SAN JUAN	
OGRĮD N	Name	31	OGRID Name	
Authorized Transporter(s): 014546 MERIDIAN OIL INC.	IERIDIAN OIL INC.			
Description of POD (40 characters o	cters or less):			
POD: 0084830 Product Type: GAS	Facility Type: 01	Location:	H 06 30N 09W County SAN JUAN	
OGRID N	Name	01	OGRID Name	
Authorized Transporter(s): 000756 AMOCO PRODUCTION CO	MOCO PRODUCTION	03		
Description of POD (40 characters or less):	r less):			
POD: 0084850 Product Type: WATER	WATER facility Type: 05	Location:	H 06 30N 09W County SAN JUAN	
Description of POD (40 characters or less):	(ess):			
		WELL COMPLETIONS		
Code Pool Name	Code	Producing Property Name	API Well No.	Location Well
71629 BASIN FRUITLAND COAL (GAS)	000537	FLORANCE GAS COM J	30-045-27787 H	H 06 30N 09W 003