

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
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AZTEC NM 87410
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GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary

July 22, 1999

Mr. Paul Thompson Williams Production Company C/O Walsh Engineering 7415 East Main St. Farmington, NM 87402

Re: Rosa Unit #164, J-01-31N-06W, API 30-039-26151

Dear Mr. Thompson:

Your application to directionally drill the proposed referenced well at a surface location of 1500' FSL, 1310' FEL and a proposed bottom hole location of 1550' FSL, 1750' FWL is hereby approved. After the well is side tracked, the bottom hole location must conform to the requirements of I.B.(1)(b) in NMOCD Order R-10987-A (Special Rules For The Blanco-Mesaverde Pool), or this approval will be of no effect.

If you have any questions, please contact me.

Yours truly,

Ernie Busch

District Geologist/Deputy O&G Inspector

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EB/mk

Xc: Farmington BLM-Duane Spencer

NMOCD(Santa Fe)-Michael Stogner

Williams Production Company-Tracy Ross

Well File