

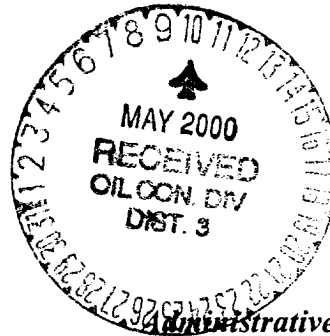


**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

May 5, 2000

**Williams Production Company
P. O. Box 3102
Tulsa, Oklahoma 74101
Attention: Lance A. Hobbs**



Administrative Order NSL-4444

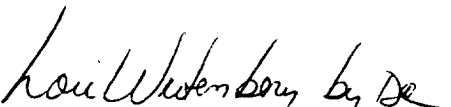
Dear Mr. Hobbs:

Reference is made to the following: (i) your application dated March 14, 2000; (ii) the New Mexico Oil Conservation Division's ("Division") initial response by letter dated March 22, 2000 from Mr. Michael E. Stogner, Chief Hearing Officer/Engineer in Santa Fe; (iii) your response by letter dated March 29, 2000 with the requested data; and (iv) the records of the Division in Aztec and Santa Fe: all concerning Williams Production Company's request for an off-pattern non-standard Basin-Fruitland coal gas well location for the existing Rosa Unit Well No. 500 (**API No. 30-039-26165**), located 990 feet from the North line and 970 feet from the West line (Unit D) of Section 23, Township 31 North, Range 4 West, NMPM, Basin-Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico.

The W/2 of Section 23 is to be dedicated to this well in order to form a standard 320-acre stand-up gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

By the authority granted me under the provisions of Rule 8 of the "*Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool*," as promulgated by Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

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