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

March 3, 1998

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

Administrative Order NSL-3956

Dear Mr. Thompson:

Reference is made to your application dated February 27, 1998 for an unorthodox Blanco-Mesaverde "infill" gas well location on an existing standard 320-acre gas spacing and proration unit ("GPU") for said Blanco-Mesaverde Pool comprising the N/2 of Section 33, Township 31 North, Range 5 West, NMPM, Rio Arriba County, New Mexico. Said GPU is currently dedicated to the Rosa Unit Well No. 147 (API No. 30-039-25514), located at a standard gas well location 1110 feet from the North line and 1675 feet from the West line (Unit C) of said Section 33.

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 following described well to be drilled at an unorthodox "infill" gas well location in said Section 33 is hereby approved:

Rosa Unit Well No. 147-A 1850' FNL - 1295' FEL (Unit H)

Both the Rosa Unit Well Nos. 147 and 147-A are to be dedicated to the subject GPU. Further said wells and GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest New Mexico.

Sincerely,

Jan Wtotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington