

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



June 10, 2009

Ms. Heather Riley
Williams Production Co., LLC
P.O. Box 640
Aztec, NM 87410

Administrative Order NSL-5851-A

Re: Rosa Unit Well No. 88C
API No. 30-045-34458
1060 feet FNL and 2230 feet FEL
Unit B, Section 8-31N-6W
San Juan County, New Mexico

Dear Ms. Riley:

Reference is made to the following:

(a) your application (**administrative application reference No. pKAA09-14049860**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on May 20, 2009, and

(b) the Division's records pertinent to this request.

Williams Production Co. LLC (Williams) has requested to complete the above-referenced well as a directional well having its surface location as described in the caption of this letter, at an unorthodox bottom hole location in the Mancos formation, 260 feet from the North line and 2307 feet from the West line (Unit C) of Section 8, Township 31 North, Range 6 West, in San Juan County, New Mexico. The W/2 of Section 8 will be dedicated to this well in order to form a standard 320-acre gas spacing unit in the Basin Mancos Pool (97232). Spacing in this pool is governed by the Special Rules for the Basin-Mancos Gas Pool, as promulgated in Order R-12984, issued on September 3, 2008, which provide for 320-acre units, with wells located at least 660 feet from a unit outer boundary. This location is less than 660 feet from the northern and eastern unit boundaries.

Your application has been duly filed under the provisions of Division Rules 15.13.C and 4.12.A(2).



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It is our understanding that you are seeking this location in order to utilize an existing wellbore already completed in other formations.


It is also understood that notice of this application to offsetting operators or owners is unnecessary because of common ownership.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire", with a long horizontal stroke extending to the right.

Mark E. Fesmire, P.E.

Director

MEF/db

cc: New Mexico Oil Conservation Division – Aztec
United States Bureau of Land Management - Farmington