

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor
Jennifer A. Salisbury
Cabinet Secretary

November 5, 2001

Lori Wrotenbery
Director
Oil Conservation Division

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

Telefax No. (505) 327-9834

Administrative Order NSL-4662

Dear Mr. Thompson:

Reference is made to the following: (i) your application on behalf of the operator, Williams Production Company ("Williams"), dated August 31, 2001 (application reference No. pKRV0-130946486), but not submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe until November 1, 2001; and (ii) the Division's records in Aztec and Santa Fe: all concerning Williams's request for an exception to the well location requirements provided within the "Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987-B, dated June 30, 2000, as amended by Division Order No. R-10987-B (1), dated August 10, 2000. The E/2 of Section 8, Township 31 North, Range 6 West, NMPM, San Juan County, New Mexico is to be dedicated to Williams's proposed well in order to form a standard 320-acre stand-up gas spacing and proration unit for the Basin-Dakota Pool (71629).

The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F (2), the following described well to be drilled at an unorthodox gas well location in Section 8 is hereby approved:

Rosa Unit Well No. 167-B 955' FNL & 2205' FEL (Unit B) (API No. 30-045-30816).

Further, the aforementioned well and spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington