

MAY 16 1988

NORTHWEST PIPELINE CORPORATION
ONE OF THE WILLIAMS COMPANIES

299-88

LAND DEPARTMENT

P.O. BOX 8900
SALT LAKE CITY, UTAH 84108-0899
801-584-7215

May 12, 1988

VIA CERTIFIED, RETURN RECEIPT REQUESTED

BEFORE EXAMINER CATANACH	
OIL CONSERVATION DIVISION	
_____	DEPOSIT NO. <u>2</u>
CASE NO. <u>9401</u>	

All Working Interest Owners
Rosa Unit

Re: Rosa Unit
San Juan and Rio Arriba Counties, New Mexico
Supplemental 1988 Drilling Program

Gentlemen:

Northwest Pipeline Corporation, as Unit Operator, submits for your approval this Supplemental 1988 Drilling Program for the Rosa Unit and recommends that such program be filled with the Governmental Agencies.

It is proposed that the following three Fruitland Coal formation wells be drilled during 1988 by Northwest Pipeline Corporation, as Unit Operator.

<u>Well No.</u>	<u>Spacing Unit</u>	<u>Formation</u>
Rosa Unit #203	SE/4 Sec. 18, T31N, R5W	Fruitland Coal
Rosa Unit #204	NE/4 Sec. 19, T31N, R5W	Fruitland Coal
Rosa Unit #206	Lots 1, 2, W/2NE/4 Sec. 24, T31N, R6W	Fruitland Coal

The cost for drilling these three Fruitland Coal wells will be borne 73% by Northwest Pipeline and 27% by Coastal Oil & Gas drilling block owners. If these three wells prove to be commercial, they will create a Participating Area of the Fruitland Coal formation.

It is also proposed that Northwest Pipeline as Unit Operator convert the Rosa Unit #94 Mesaverde well, located in Sec. 16-T31N-R5W, N.M.P.M., Rio Arriba County, New Mexico to a salt water disposal facility for the Fruitland Participating Area. This well was drilled in August 1982. Northwest Pipeline paid 100% of the drilling cost. The well has been determined non-commercial and is temporarily abandoned.

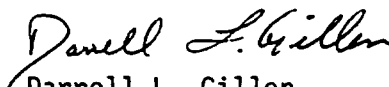
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The conversion cost for the Rosa Unit #94, facilities and equipment for salt water disposal, will be borne initially 73% by Northwest Pipeline and 27% by Coastal Oil & Gas. The investment and operating expenses will be reallocated as to reflect changes in the Fruitland Coal Participating Areas as additional wells are drilled.

Prior to filing with the Governmental Agencies, we must have the approval of a majority of the Working Interest Owners within the unit. We will appreciate prompt action on your part in returning to the undersigned a copy of this letter with the approval form completed since we desire to file this Drilling Program at the earliest possible date.

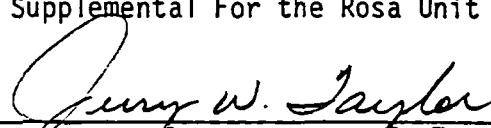
Sincerely,

NORTHWEST PIPELINE CORPORATION


Darrell L. Gillen
Supervisor, Land/NGPA

DLG:cg
Enclosure
cc: K. J. Stracke
P. C. Thompson

This Supplemental For the Rosa Unit 1988 Drilling Program is approved.

By 
Jerry W. Taylor, Attorney-In-Fact
Company Mitchell Energy Corporation

Date May 16, 1988

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05/12/88

WORKING INTEREST OWNERS
ROSA UNIT

AMOCO PRODUCTION COMPANY
SOUTHERN DIVISION, PRODUCTION MGR.
1670 BROADWAY
P.O. BOX 800
DENVER, CO 80201

COASTAL OIL & GAS CORP.
ATTN: MR. JOHN R. KENNEDY
P.O. BOX 749
DENVER, CO 80201-0749

ELIZABETH T. CALLOWAY
4801 ST. JOHNS DRIVE
DALLAS, TX 75205

FRANK A. SCHULTZ
LINCOLN PLAZA, SUITE 2160 LB-1
500 NORTH AKARD
DALLAS, TX 75201

FRED E. TURNER
ONE ENERGY SQUARE, SUITE 852
4925 GREENVILLE AVENUE
DALLAS, TX 75201

J. GLENN TURNER, JR.
500 LTV CENTER
2001 ROSS AVENUE
DALLAS, TX 75206

JOHN BRENNAND, EXECUTOR OF
ESTATE OF J.R. BRENNAND
4476 MEADOWLARK LANE
SANTA BARBARA, CA 93105

JOHN L. TURNER
8585 NORTH STEMMONS, SUITE 925N
DALLAS, TX 75247

LOIS J. WILLARD
P.O. BOX 5205
SANTA FE, NM 87501

MARY FRANCIS TURNER, JR.
C/O MERCANTILE NAT'L BANK AT DALLAS
P.O. BOX 225415
DALLAS, TX 75265

MERIDIAN OIL PRODUCTION INC
LAND DEPARTMENT
P.O. BOX 4289
FARMINGTON, NM 87401

MITCHELL ENERGY CORPORATION
ATTN: MR. JERRY TAYLOR
555 SEVENTEENTH STREET, SUITE 3500
DENVER, CO 80202

PATRICIA PENROSE SCHIEFFER, TRUSTEE
1640 1ST CITY BANK TOWER
201 MAIN STREET
FORT WORTH, TX 76102

PHILLIPS PETROLEUM COMPANY
ATTN: DAVID S. SMITH
8055 E. TUFTS AVE. PKWY.
DENVER, CO 80237

THE WISER OIL COMPANY
700 PETROLEUM BUILDING
WICHITA FALLS, TX 76301

WILLIAM G. WEBB
4200 REPUBLIC BANK TOWER BLDG.
DALLAS, TX 75201

WORKING INTEREST OWNERS
ROSA UNIT

WINIFRED K. PONDER
C/O TEXAS COMMERCE BANK OF EL PASO
ATTN: JULIA E. MERKT
P.O. DRAWER 140
EL PASO, TX 79980

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05/12/88