

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-5699-A

**Re: Rosa Unit Well No. 85C
API No. 30-039-30220
685 feet FNL and 835 feet FEL
Unit A, Section 20-31N-5W
Rio Arriba County, New Mexico**

RCVD JUN 22 '09
OIL CONS. DIV.
DIST. 3



Dear Ms. Riley:

Reference is made to the following:

(a) your application (**administrative application reference No. pKAA09-14050090**) 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, 2430 feet from the North line and 254 feet from the East line (Unit H) of Section 20, Township 31 North, Range 5 West, in Rio Arriba County, New Mexico. The N/2 of Section 20 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 eastern and southern unit boundaries.

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



June 10, 2009

Page 2

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 line 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