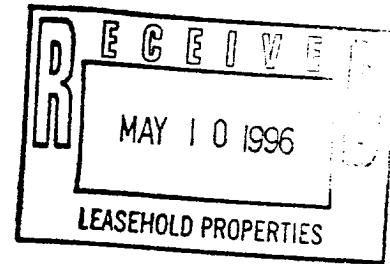




STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

May 1, 1996



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

Administrative Order NSL-3667

Dear Mr. Thompson:

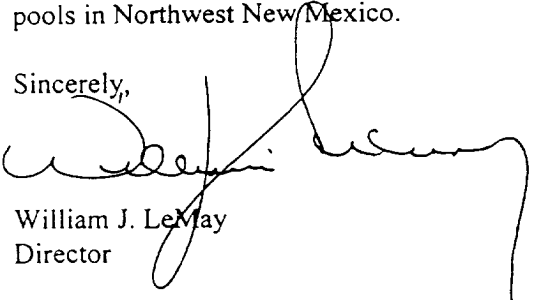
Reference is made to your application on behalf of the operator, Williams Production Company of Salt Lake City, Utah, dated March 22, 1996 for an unorthodox Blanco-Mesaverde "infill" gas well location on an existing non-standard 271.17-acre gas spacing and proration unit ("GPU") for said Blanco-Mesaverde Pool, comprising Lots 1 and 2, the W/2 NE/4, and the NW/4 (N/2 equivalent) of Section 12, Township 31 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Said GPU is currently dedicated to the Rosa Unit Well No. 149 (API No. 30-039-25501), located at a standard gas well location 1510 feet from the North line and 830 feet from the East line (Unit G) of said Section 12.

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 12 is hereby approved:

Rosa Unit Well No. 149-A
1900' FNL - 2190' FWL (Unit F) - 12 31 N - 6 W

Further, both the Rosa Unit Well Nos. 149 and 149-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,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington
U. S. Bureau of Reclamation - Durango, Colorado