New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

John H. Bemis Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



September 28, 2011

Williams Production Company Attn: Ms. Heather Riley

> Administrative Order SD-201131 Administrative Application Reference No. pTGW11-25150261

ADMINISTRATIVE SIMULTANEOUS DEDICATION ORDER

Operator: Williams Production Company OGRID: 120782

Subject Wells

Rosa Unit Well No. 209 (existing vertical) API No. 30-039-24864 1310 feet FSL & 1310 feet FWL Unit M, Section 24-31N-6W Rio Arriba County, New Mexico

Rosa Unit Well No. 209A (proposed horizontal)

API No. 30-039-27699 Section 24-31N-6W County, New Mexico Surface location 1085 feet FSL & 975 feet FEL (Unit O) Penetration Point 973 FSL & 1428 feet FEL (Unit O) Terminus 250 FSL & 400 FWL (Unit M)

Oil Conservation Division 1220 South St. Francis Drive - Santa Fe, New Mexico 87505 Phone (505) 476-3440 - Fax (505) 476-3462 - <u>www.emnrd.state.nm.us/OCD</u>



Subject Unit

S/2 Section 24272.02 acresBasin Fruitland Coal Gas Pool (71629)

Reference is made to your application filed on September 8, 2011.

You have requested to simultaneously dedicate the Subject Unit to the Subject Wells.

The Subject Unit is a 272.02-acre, more or less, gas spacing unit in the above-identified pool. Applicable well density rules for this pool allow two wells to be completed in the unit, but require that the wells be in different quarter sections. Because the proposed well will be completed within both quarter sections of this unit, including the quarter section in which the existing well is also completed, division approval for simultaneous dedication is required.

Your application has been duly filed under the provisions of Division Rules 15.11.C [19.15.15.11.C NMAC] and 4.12.A [19.15.4.12.A NMAC].

It is our understanding you have proposed the simultaneous dedication of this unit to the Subject Wells for geological reasons, in order to prevent waste and maximize production from this unit. We further understand that all affected persons in offsetting units or projected units within the same pool or formation have been duly notified of this application.

Pursuant to the authority granted by Rule 15.11.C, the above-described simultaneous dedication is herby approved.

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

Sincerely,

Jami Bailey Director

JB/db

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