

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



June 1, 2009

Williams Production Company
Attn: Ms. Heather Riley
P.O. Box 640
Aztec, NM 87410

Administrative Order NSL-5701-A

Re: Rosa Unit Well No. 153C
API No. 30-039-30197
1115 feet FNL and 1745 feet FWL
Unit C, Section 17-31N-5W
Rio Arriba County, New Mexico

Dear Ms Riley:

Reference is made to the following:

(a) your application (**administrative application reference No. pKAA09-13348347**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on May 13, 2009, and

(b) the Division's records pertinent to this request.

Williams Production Company (Williams) has requested to complete the above-referenced directional well (surface location described in the caption of this letter) at an unorthodox bottom hole location in the Mancos formation, 1676 feet from the North line and 2222 feet from the East line (Unit G) of Section 17, Township 31 North, Range 5 West, in Rio Arriba County, New Mexico. The E/2 of Section 17 will be dedicated to this well in order to form a standard 320-acre spacing unit in the Basin-Mancos Gas 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 western unit boundary.

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A(2).



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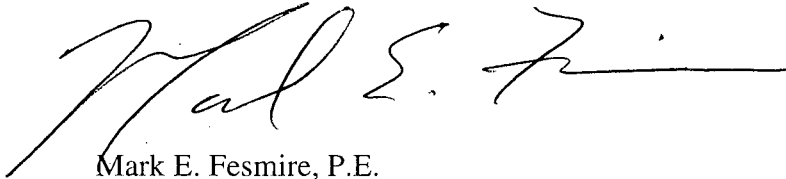
It is our understanding that you are seeking this location in order to utilize an existing wellbore that was previously completed in another formation.

It is also understood that no notice of this application to offsetting owners or operators is necessary due to common ownership.

Pursuant to the authority conferred by Division Rule 104.F(2), the above-described unorthodox location is hereby approved.

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 stroke 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