HOLLAND&HART.

Ocean Munds-Dry omundsdry@hollandhart.com

July 5, 2011

VIA HAND-DELIVERY

Ms. Jami Bailey, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

 \triangleright ë

Re: Williams Production Co.'s Application for Simultaneous Dedication for the Rosa Unit Well No. 242A, Section 33, Township 32 North, Range 6 West, San Juan County, New Mexico.

Dear Ms. Bailey:

Wiliams Production Company ("Williams") is in receipt of San Juan Basin Properties, LLC's ("San Juan") objection to Williams' application for simultaneous dedication of the Rosa Unit Well No. 242A in Section 33, Township 32 North, Range 6 West, San Juan County, New Mexico.

Pursuant to Division Order No. R-13200, the well has been pre-approved to be at a nonstandard location. Order No. R-13200 required Williams to remain 660 feet from any uncommitted acreage. The well is approximately 1452 feet from San Juan's acreage. In fact, San Juan's acreage in the E/2 of Section 33 is not adjoining the project area/spacing unit in the W/2 of Section 33 where Williams has requested simultaneous dedication.

Therefore, San Juan is not adversely affected by Williams' application and Williams respectfully requests that its application be approved administratively.

Your attention to this matter is appreciated.

Very truly yours,

Cean Mlunde-L

Ocean Munds-Dry () Attorney for Williams Production Company

cc: James Bruce

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208 Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. 🙃