

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

2011 AUG 23 A 9:49

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF WILLIAMS PRODUCTION
COMPANY FOR SIMULTANEOUS DEDICATION,
SAN JUAN AND COUNTY, NEW MEXICO.**

Case No. 14719

SUPPLEMENTAL RESPONSE IN OPPOSITION TO MOTION TO DISMISS

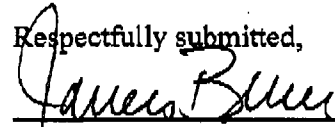
San Juan Basin Properties LLC ("San Juan") submits this supplemental response in opposition to the motion to dismiss filed by Williams Production Company ("Williams"), and in support thereof states:

1. Williams claims in its reply that San Juan is not entitled to notice because it is not the operator of the E $\frac{1}{2}$ of Section 33. San Juan points out that for most, if not all, administrative applications, the Division requires that the applicant notify its working interest owners in an offsetting tract if the working interests differ from well unit to well unit. That logic applies here.

2. The unorthodox location is part and parcel of the simultaneous dedication application. Granting Williams' motion to dismiss would result in an inequitable drainage situation and adversely affect San Juan's correlative rights.

WHEREFORE, San Juan requests that the Division deny Williams' motion to dismiss.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 27th day of August, 2011 via facsimile transmission:

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