

March 21, 2007

WILLIAMS PRODUCTION COMPANY, LLC One Williams Center P.O. Box 3102 Tulsa, OK 74101-3102 918/573-6169

Assistant District Manager, Minerals Bureau of Land Management Farmington Resource Area 1235 LaPlata Highway Farmington, New Mexico 87401 Commissioner of Public Lands State of New Mexico P. O. Box 1148 Santa Fe, New Mexico 87504-1148

Oil Conservation Commission State of New Mexico 1220 South St. Francis Drive Santa Fe, New Mexico 87505-4000

Re:

Cox Canyon Unit I, Sec.No.946 San Juan County, New Mexico 2007 Plan of Development

Gentlemen:

Earlier this month, Williams Production Company proposed a Plan of Development for the Cox Canyon Unit for 2007. There were a couple of clerical errors listing the plan year as 2006 on the first and second pages. Please replace the original letter with the replacement letter enclosed.

Should you have any questions, please feel free to contact me at (918) 573-6169.

Sincerely,

M. Vern Hansen, CPL

Staff Landman

Enclosures

cc: Working Interest Owners

Mike Turnbaugh Kris Russell Bryan Holmes Tracy Ross Gary Sizemore Ralph Hawks Kirk Place

Larry Higgins

WORKING INTEREST OWNERS COX CANYON UNIT

BP America Production Company Attn: John Larson 501 Westlake Park Boulevard (77079) P.O. Box 3092 Houston, TX 77253-3092

Burlington Resources Attn: Land Department P. O. Box 4289 Farmington, NM 87499-4289

ConocoPhillips Company Attn: Cherylene Charley P. O. Box 4289 Farmington, NM 87499-4289



March 07, 2007

WILLIAMS PRODUCTION COMPANY, LLC One Williams Center P.O. Box 3102 Tulsa, OK 74101-3102 918/573-6169

Assistant District Manager, Minerals Bureau of Land Management Farmington Resource Area 1235 LaPlata Highway Farmington, New Mexico 87401 Commissioner of Public Lands State of New Mexico P. O. Box 1148 Santa Fe, New Mexico 87504-1148

Oil Conservation Commission State of New Mexico 1220 South St. Francis Drive Santa Fe, New Mexico 87505-4000

Re:

Cox Canyon Unit I, Sec.No.946 San Juan County, New Mexico 2007 Plan of Development

Gentlemen:

By letter dated March 29, 2006, Williams Production Company, as Cox Canyon Unit Operator, filed the 2006 Plan of Development for the referenced Unit. Following is a summary of operations proposed under the 2006 Plan of Development:

Well Name	Formation	Operation Status
Cox Canyon Unit #3C	Mesaverde	Carry over to 2007 POD
(Mesaverde/Dakota Dual)	Dakota	Carry over to 2007 POD
Cox Canyon Unit #4C	Mesaverde	Carry over to 2007 POD
(Mesaverde/Dakota Dual)	Dakota	Carry over to 2007 POD
Cox Canyon Unit #5B	Mesaverde	Drilled and completed
(Mesaverde/Dakota Dual)	Dakota	Drilled and completed
Cox Canyon Unit #5C	Mesaverde	Carry over to 2007 POD
Cox Canyon Unit #7B	Mesaverde	Carry over to 2007 POD
(Mesaverde/Dakota Dual)	Dakota	Carry over to 2007 POD
Cox Canyon Unit #7C	Mesaverde	Carry over to 2007 POD
(Mesaverde/Dakota Dual)	Dakota	Carry over to 2007 POD
Cox Canyon Unit Com #9B	Mesaverde	Carry over to 2007 POD
(Mesaverde/Dakota Dual)	Dakota	Carry over to 2007 POD
Cox Canyon Unit Com #9C	Mesaverde	Carry over to 2007 POD
(Mesaverde/Dakota Dual)	Dakota	Carry over to 2007 POD

Cox Canyon 2007 Plan of Development March 07, 2007

The Participating Areas, which have been established in the Cox Canyon Unit, are as follows:

<u>Formation</u>	Revision	<u>Effective</u>
Pictured Cliffs	Fifth	October 2, 1977
Mesaverde	Initial	July 23, 1953

Attached are maps of each of the producing formations within the Cox Canyon Unit showing the boundaries of the Participating Areas as applicable. There were no wells commingled, recompleted or abandoned within the Cox Canyon Unit during 2006.

Pursuant to Section 10 of the Cox Canyon Unit Agreement, Williams Production Company, as Unit Operator, proposes a Plan of Development providing for the completion of the following wells during 2007:

Well Name	Drilling Block	Formation
Cox Canyon Unit #3C	All Sec.09, T32N, R11W	Mesaverde
(Mesaverde/Dakota Dual)	All Sec.09, T32N, R11W	Dakota
Cox Canyon Unit #4C	E/2 Sec.21, T32N, R11W	Mesaverde
(Mesaverde/Dakota Dual)	E/2 Sec.21, T32N, R11W	Dakota
Cox Canyon Unit #5C	W/2 Sec.21, T32N, R11W	Mesaverde
Cox Canyon Unit #7B	W/2 E/2 & E/2 W/2 Sec.17, T32N, R11W	Mesaverde
(Mesaverde/Dakota Dual)	W/2 E/2 & E/2 W/2 Sec.17, T32N, R11W	Dakota
Cox Canyon Unit #7C	W/2 E/2 & E/2 W/2 Sec.17, T32N, R11W	Mesaverde
(Mesaverde/Dakota Dual)	W/2 E/2 & E/2 W/2 Sec.17, T32N, R11W	Dakota
Cox Canyon Unit Com #9B	N/2 Sec.20, T32N, R11W	Mesaverde
(Mesaverde/Dakota Dual)	N/2 Sec.20, T32N, R11W	Dakota
Cox Canyon Unit Com #9C	N/2 Sec.20, T32N, R11W	Mesaverde
(Mesaverde/Dakota Dual)	N/2 Sec.20, T32N, R11W	Dakota

Williams Production Company, as Unit Operator, will drill any offset wells that may be required to prevent drainage of unitized substances and any other wells deemed necessary or which are requested by the Unit Operator or Working Interest Owners.

If this Plan of Development is acceptable, please signify your approval, as required under Section 10 of the Unit Agreement, in the space provided on the enclosed sheet and return an approved copy to Williams Production Company.

Cox Canyon 2007 Plan of Development March 07, 2007

Copies of this Plan of Development are being sent to the Working Interest Owners as shown on the enclosed sheet.

Sincerely,

M. Vern Hansen, CPL Staff Landman

Enclosures

cc: Working Interest Owners

Mike Turnbaugh
Kris Russell
Bryan Holmes
Tracy Ross
Gary Sizemore
Ralph Hawks
Kirk Place
Larry Higgins

Cox Canyon 2007 Plan of Development March 07, 2007

APPROVED:		DATE:
	Assistant District Manager, Minerals	
	Bureau of Land Management	
	Subject to like approval by the	
	Commissioner of Public Lands and	
	The Oil Conservation Commission	
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APPROVED:	Commissioner of Public Lands	DATE:
	Subject to like approval by the	
	Area Oil and Gas Supervisor and	
	The Oil Conservation Commission	
APPROVED:		DATE:
minoves.	Oil Conservation Commission	
	Subject to like approval by the	
	Area Oil and Gas Supervisor and	
	The Commissioner of Public Lands	

The foregoing approvals are for the 2007 Plan of Development for the Cox Canyon Unit I, Sec.No.946, San Juan County, New Mexico.

Cox Canyon 2007 Plan of Development March 7, 2007

WORKING INTEREST OWNERS COX CANYON UNIT

BP America Production Company Attn: John Larson 501 Westlake Park Boulevard (77079) P.O. Box 3092 Houston, TX 77253-3092

Burlington Resources Attn: Land Department P. O. Box 4289 Farmington, NM 87499-4289

ConocoPhillips Company Attn: Chief Landman, San Juan/Rockies P. O. Box 4289 Farmington, NM 87499-4289