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April 4, 2011

VIA HAND-DELIVERY

Mr. Daniel Sanchez
Acting Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Request for Nunc Pro Tunc Order for Division Order No. R-13200-A: New Mexico Oil Conservation Division Case No. 14335: Application of Williams Production Company, LLC for Pre-Approval of Non-Standard Locations in the Rosa Unit, San Juan and Rio Arriba Counties, New Mexico.

Dear Mr. Sanchez:

On February 15, 2010, the New Mexico Oil Conservation Division issued Order No. R-13200-A (Nunc Pro Tunc) which granted the application of Williams Production Company, LLC to allow pre-approval of non-standard locations in the Rosa Unit. Williams requests that another nunc pro tunc order be entered by the Division to correct the following provision in Order R-13200-A:

1. Order Paragraph 1 of the Order states: "Non-standard locations in the Rosa Unit for pools including the Basin-Fruitland Coal Gas Pool, Rosa-Pictured Cliffs Pool, East Blanco-Pictured Cliffs Pool, Carracas-Pictured Cliffs Pool, Blanco-Mesaverde Pool, Cottonwood-Fruitland Sand Pool, and the Basin-Mancos Pool that Williams produces as the unit operator are hereby approved..."

The Basin Dakota Gas Pool was inadvertently left out of this list of approved pools. Indeed the Order references the fact that Williams produces and commingles from the Dakota formation. See Finding 4(b). And in Williams' application, the Basin Dakota Gas Pool is specifically referenced. See Paragraph 2. This pool was also referenced several times during the hearing on this application.

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This error appear to be inadvertent. Therefore, Williams respectfully requests a nunc pro tunc order that adds the Basin Dakota Gas Pool to Order Paragraph 1 in Order No. R-13200-A. A copy of Order No. R-13200-A is enclosed for your reference. Thank you for your time and attention to this matter.

Sincerely,



Ocean Munds-Dry

Attorney for Williams Production Co., LLC

cc: Vern Hansen
Terry Warnell (via e-mail)
Richard Ezeanyim (via e-mail)

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

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

CASE NO. 14335
ORDER NO. R-13200-A

APPLICATION OF WILLIAMS PRODUCTION COMPANY, LLC FOR PRE-
APPROVAL OF NON-STANDARD LOCATIONS IN THE ROSA UNIT, SAN
JUAN AND RIO ARriba COUNTIES, NEW MEXICO.

NUNC PRO TUNC
ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on October 15, 2009, at Santa Fe, New Mexico, before Examiner Terry Warnell.

On the 16th day of December, 2009 the Division Director, having considered the testimony, the record and the recommendations of the Examiner issued Order No. R-13200.

Order No. R-13200 contains one or more inadvertent errors.

NOW, THEREFORE, on this 15th day of February, 2010, the Division Director, having considered all relevant matters, issues this Order Nunc Pro Tunc in place of Order No. 13200 which prior order is superseded in its entirety. The Division Director,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and of the subject matter.

(2) Williams Production Co., LLC ("Williams" or "Applicant") seeks an order allowing for pre-approval of non-standard locations in the Rosa Unit, San Juan and Rio Arriba Counties, New Mexico.

(3) Williams is a working interest owner and the designated operator of the Rosa Unit. The Unit was approved by Division Order No. 759, in Case No. 133 dated

April 22, 1948, and currently encompasses 54,209.49 acres, more or less, of federal, state and fee lands in San Juan and Rio Arriba Counties, New Mexico with horizontal limits of said Unit Area described as follows:

Township 32 North, Range 6 West, NMPM

Sections 32-36: All

Township 31 North, Range 6 West, NMPM

Sections 1-3: All

Sections 4, 5, 8-17, 21-26: All

Township 31 North, Range 5 West, NMPM

Sections 3-36: All

Township 31 North Range 4 West, NMPM

Sections 1-31: All

(4) At the hearing, Applicant appeared through legal counsel and presented land and engineering testimony and evidence to the effect that:

(a) The Applicant currently produces from the Fruitland, the Pictured Cliffs, the Mesaverde, the Mancos and the Dakota.

(b) Applicant is comingling multiple completions and currently has commingled production from the Pictured Cliffs and Mesaverde formations, the Mesaverde and the Dakota formations and commingled the Mesaverde, Mancos and Dakota formations.

(c) Williams has a number of complicating issues in the Rosa Unit that force them to utilize non-standard locations. Because of topographical, archeological, geological and cultural factors, it is difficult for them to comply with Division well location rules.

(d) Additionally, in the federal tracts, Williams is required to create Participating Areas. Because these Participating Areas often overlap and Williams often commingles production, a well may be standard in one pool and non-standard in another pool.

(e) In the past two years they have completed 45 non-standard location drill sites.

(f) This application has been reviewed with the United States Bureau of Land Management and OCD. Neither opposes this application.

(g) Interest owners will not be negatively affected by the granting of this application.

(h) Notice was sent to all interest owners.

(5) Williams therefore seeks an order from the Division that authorizes wells to be drilled, completed and recompleted at unorthodox well locations in the Rosa Unit in the above-mentioned pools, provided that any such unorthodox well location is no closer than the required minimum orthodox distance (660 feet) from the outer boundary of the Unit or any non-committed, or partially committed tract and no closer than 10 feet to any interior quarter section, or quarter-quarter section line, or subdivision inner boundary.

(6) Approval of this application will result in the production of hydrocarbons which otherwise will not be produced and will be in the best interest of conservation, the prevention of waste, and the protection of correlative rights.

(7) Williams has provided notice of this application and of this hearing to all affected interest owners including the United States Bureau of Land Management and the New Mexico State Land Office.

(8) No other party appeared at the hearing, or otherwise opposed the granting of this application.

(9) Accordingly, this Application should be approved.

IT IS THEREFORE ORDERED THAT:

(1) Non-standard locations in the Rosa Unit for pools including the Basin-Fruitland Coal Gas Pool, Rosa-Pictured Cliffs Pool, East Blanco-Pictured Cliffs Pool, Carracas-Pictured Cliffs Pool, Blanco-Mesaverde Pool, Cottonwood-Fruitland Sand Pool, and the Basin-Mancos Pool that Williams produces as the unit operator are hereby approved, provided that any such location is at least 660 feet from the outer boundary of the Rosa Unit and at least 660 feet from any non-committed, or partially committed tract and no closer than 10 feet to any interior quarter section, or quarter-quarter section line, or subdivision inner boundary.

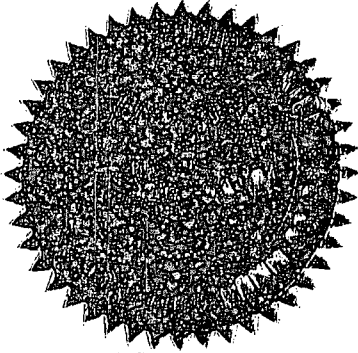
(2) All other rules and regulations governing production from the Rosa Unit except those relating to well locations shall remain in full force and effect.

(3) The Division may, after notice and hearing, or without prior notice and hearing in the event of an emergency, terminate the authority granted herein.

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

Case No. 14335
Order No. R-13200
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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

MARK E. FESMIRE, P.E.
Director