



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

September 9, 1996

Robert L. Bayless
P. O. Box 168
Farmington, New Mexico 87499
Attention: Kevin H. McCord

Administrative Order NSL-3708

Dear Mr. McCord:

Reference is made to your application dated July 26, 1996 for a non-standard gas well location for your proposed Golden Bear Well No. 2 to be drilled 2001 feet from the South line and 2363 feet from the West line (Unit K) of Section 2, Township 29 North, Range 13 West, NMPM, to test the Pictured Cliffs formation, San Juan County, New Mexico. The SW/4 of said Section 2 shall be dedicated to the well to form a standard 160-acre gas spacing and proration unit for either the Undesignated Fulcher Kutz-Pictured Cliffs Pool or the Undesignated West Kutz-Pictured Cliffs Pool.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996.

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox gas well location is hereby approved.

Sincerely,

by  Deputy Director

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec