



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

May 2, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Robert L. Bayless, Producer LLC
P. O. Box 168
Farmington, New Mexico 87499

Telefax No. (505) 326-6911

Attention: Tom McCarthy

Administrative Order NSL-4728

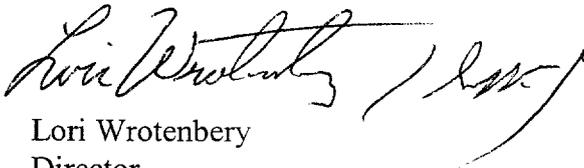
Dear Mr. McCarthy:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on April 12, 2002 (*application reference No. pKRV0-210532372*); and (ii) the records of the Division in Aztec and Santa Fe: all concerning Robert L. Bayless, Producer, LLC's request for an off-pattern non-standard Basin-Fruitland coal gas well location for the existing Floyd Well No. 7 (**API No. 30-045-30810**), located 955 feet from the North line and 980 feet from the West line (Lot 4/Unit D) of Section 17, Township 30 North, Range 12 West, NMPM, Basin-Fruitland Coal (Gas) Pool (**71629**), San Juan County, New Mexico.

Lots 1 through 8 (N/2 equivalent) of Section 17 is to be dedicated to this well in order to form a standard 324.90-acre lay-down gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

By the authority granted me under the provisions of Rule 8 of the "*Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool*," as promulgated by Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington