OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

June 3, 1998

Robert L. Bayless, Producer L.L.C. P. O. Box 168 Farmington, New Mexico 87499 Attention: Price M. Bayless

Administrative Order NSL-4049

Dear Mr. Bayless:

Reference is made to your application dated May 12, 1998 for a non-standard gas well location for your proposed Tiger Well No. 5 (API No. 30-045-29580) to be drilled 690 feet from the North line and 1070 feet from the East line (Unit A) of Section 35, Township 30 North, Range 13 West, NMPM, to test the Pictured Cliffs formation, San Juan County, New Mexico. The NE/4 of Section 35 is to be dedicated to the well in order to form a standard 160-acre gas spacing and proration unit for the Undesignated Fulcher 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").

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.

Fosi Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington