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

February 10, 1998

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

Administrative Order NSL-3941

Dear Mr. Bayless:

Reference is made to your application dated February 3, 1998 for a non-standard gas well location for your proposed Tiger Well No. 4 (API No. 30-045-29521) to be drilled 543 feet from the South line and 685 feet from the East line (Unit P) of Section 33, Township 30 North, Range 13 West, NMPM, to test the Pictured Cliffs formation, San Juan County, New Mexico. The SE/4 of said Section 33 shall be dedicated to the well to form a standard 160-acre gas spacing and proration unit for the Undesignated Fulcher Kutz-Pictured Cliffs Pool.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox gas well location will be at a more favorable geologic position within the Pictured Cliffs formation than a well drilled at a location considered to be standard.

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

Jou Wrotenberg

Director

LW/MES/kv

cc: Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington