30-045-32259

ROBERT L. BAYLESS, PRODUCER LLC

HAZEL BOLACK #10-3

825 FSL & 1090 FEL (SESE)
SECTION 10, T30N, R11W
SAN JUAN COUNTY, NEW MEXICO

COMPLETION REPORT

10/1/04 Rigged up Halliburton. Pressure tested frac valve and casing to 3500 psi, held OK. Rigged up Blue Jet Wireline. Run GR-CLL from corrected PBTD of 2401 ft to 1800 ft. Perforated the Basal Fruitland Coal interval with 3 1/8" casing gun at 3 JSPF as follows:

2238 - 2264	26 ft	78 holes	.34" diameter

Broke down perforations at 1800 psi. Pumped 500 gals of 15% HCl acid at 4 BPM @ 450 psi. Fracture stimulated the Basal Fruitland Coal with 43,500 gallons of 20# Delta Frac 140 & Sandwedge system containing 58,500 lbs of 20/40 sand as follows:

17,000 gals X-linked fluid pad	41 BPM @ 1450 psi
7,000 gals X-linked fluid with 1 ppg sand	41 BPM @ 1550 psi
7,000 gals X-linked fluid with 2 ppg sand	41 BPM @ 1800 psi
12,500 gals X-linked fluid with 3 ppg sand	41 BPM @ 1900-3500 psi *
1,490 gals of X-linked flush	25 BPM @ 3500-3200 psi

*- Job cut short due to max pressure limitations

ISIP was 2800 psi, decreasing to 1250 psi after 15 minutes. Average rate 41 BPM, average pressure 1900 psi. Maximum pressure 3400 psi, minimum pressure 1200 psi. Ran Owens drillable bridgeplug in hole on wireline and set at 2230 ft. Tried to pressure test plug, would not hold pressure. Ran Baker drillable bridgeplug in hole on wireline and set at 2227 ft. Pressure tested plug to 3500 psi, held OK. Perforated the Upper Fruitland Coal interval with 3 1/8" casing gun at 3 JSPF as follows:

2077 - 2081	4 ft	12 holes	.34" diameter
2084 - 2089	5 ft	15 holes	.34" diameter
2140 - 2142	2 ft	6 holes	.34" diameter
2144 - 2146	2 ft	6 holes	.34" diameter
2150 - 2154	4 ft	12 holes	.34" diameter
2164 - 2166	2 ft	6 holes	.34" diameter
Total	19 ft	57 holes	.34" diameter

NMOCD

Broke down perforations at 1350 psi. Pumped 500 gals of 15% HCl acid at 5 BPM @ 650 psi. Fracture stimulated the Basal Fruitland Coal with 56,000 gallons of 20# Delta Frac 140 & Sandwedge system containing 128,000 lbs of 20/40 sand as follows:

17,000 gals of X-linked fluid pad	40 BPM @ 1200 psi
5,000 gals of X-linked fluid with 1 ppg sand	41 BPM @ 1250 psi
5,000 gals of X-linked fluid with 2 ppg sand	41 BPM @ 1200 psi
10,000 gals of X-linked fluid with 3 ppg sand	41 BPM @ 1250 psi
12,000 gals of X-linked fluid with 4 ppg sand	41 BPM @ 1300 psi
7,000 gals of X-linked fluid with 5 ppg sand	40 BPM @ 1300 psi
1,300 gals of X-linked flush	27 BPM @ 900 psi

ISIP was 850 psi, decreasing to 650 after 15 minutes. Average rate 40 BPM, average pressure 1250 psi. Maximum pressure 1400 psi, minimum pressure 1200 psi. Total load fluid to recover from both jobs 2493 barrels. Shut well in overnight to allow gel to break.

10/2/04 Move in and rig up JC Well Service completion rig. Nipple up wellhead. Nipple up BOP. Pick up 3 7/8" bit and 2 3/8" tubing. Tag sand fill at 2090 ft. Pull 5 jts of tubing. Shut down for the weekend.

10/3/04 Shut down, Sunday.

10/4/04 Rig up Hurricane air package. Circulate 137 ft of sand from hole from 2090 ft to bridge plug at 2227 ft. Drill on bridgeplug for 5 hrs, made 1 ft. Had to release air package. Trip tubing and bit out of hole. Shut down for the night.

10/5/04 Run 10 joints of tubing in hole. Shut in well. Had to move rig to yard for repairs. Shut down.

10/6 - 10/10/04 Shut down waiting on rig repair.

10/11/04 Move back in and rig up JC Well Service completion rig. Trip in hole with mill on tubing. Tag bridgeplug at 2228 ft. Tried to establish circulation with water with no success. Shut in well. Shut down for the night. Waiting on air package.

10/12/04 Waiting on air package, trucks not available until late in day. Move Precision Air package to location. Shut down for the night.

10/13/04 Rigged up Precision Air package. Start milling on bridgeplug. Made 8" on plug when mister broke and had to shut down operations. Spent remainder of day repairing mister. Shut down for the night.

10/14/04 Milled up remainder of 1st bridgeplug and 2nd bridgeplug at 2230 ft. Circulate sand to 2386 ft (15 ft above PBTD). Move tubing and mill above perforations. Shut in well. Shut down for the night.

10/15/04 Overnight pressure was 320 psi on annulus. Blow down pressure. Tripped tubing and mill back to bottom. Circulate well clean with air. Trip tubing and mill out of hole. Well kicking on trip out. Trip in hole with tubing and land as follows:

Description	Length	Depth
GL to landing point	3.00	0 - 3
2 pup jts 2 3/8" tubing	20.20	3 - 23
68 jts of 2 3/8" 4.7#/ft J55 EUE new tubing	2239.18	23 - 2262
1 seating nipple	1.10	2262 - 2263
1 tail joint of 2 3/8" tubing	16.16	2263 - 2280
	2279.64	

Nipple down BOP. Nipple up wellhead. Blow well around with air. Shut in well. Released air package and rig. Job complete.