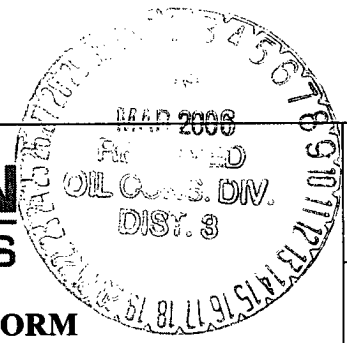
Area: «TEAM»



BURLINGTON RESOURCES

PRODUCTION ALLOCATION FORM

Distribution:
Regulatory
Accounting
Well File
Original: August 1, 2003

Status
PRELIMINARY ☐
FINAL ☒
REVISED ☐

Type of Completion
NEW DRILL ☒ RECOMPLETION ☐ PAYADD ☐ COMMINGLE ☐

Date: **02/27/2006**

API No. **30-045-33117**
DHC#:**DHC2120AZ**

Well Name
CAIN

Well No.
#100

Unit Letter	Section	Township	Range	Footage	County, State
N	**30**	**T029N**	**R009W**	**1145' FSL & 1510' FWL**	**San Juan County, New Mexico**

Completion Date
2/20/2006

Test Method
HISTORICAL ☐ FIELD TEST ☒ PROJECTED ☐ OTHER ☐

FORMATION	GAS	PERCENT	CONDENSATE	PERCENT
Fruitland Coal	**106 MCFD**	**29%**	**0**	**0%**
Pictured Cliffs	**259 MCFD**	**71%**	**0**	**100%**
	365			

JUSTIFICATION OF ALLOCATION: These percentages are based upon isolated flow tests from the Fruitland Coal and Pictured Cliffs formations during completion operations. Oil was not present during flow test operations. For that reason, oil percentages are based upon the gas allocation and are provided in the event this wellbore begins producing oil at some point in the future.

APPROVED BY	TITLE	DATE
X Julian Carrillo	Engineer	2-27-06
Julian Carrillo		
X Wendy Payne	Engineering Tech.	2/27/06
Wendy Payne		

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

5. Lease Serial No.
NM03604

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
MARRON #14

2. Name of Operator
Robert L. Bayless, Producer LLC

9. API Well No.
30-045-33439

3a. Address
PO Box 168, Farmington, NM 87499

3b. Phone No. *(include area code)*
(505) 326-2659

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1260' FSL & 1920' FEL, Sec.24 , T27N, R8W

11. County or Parish, State
San Juan, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☑ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other Casing & Cement
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, A Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

SEE ATTACHED MORNING REPORT.

MAR 2006
RECEIVED
OIL CONS. DIV.
DIST. 3

2006 MAR 1 AM 10 14
RECEIVED
070 FARMINGTON NM

14. I hereby certify that the foregoing is true and correct

Name *(Printed/Typed)* Price M. Bayless — Title Engineering Manager

Signature — Date February 28 , 2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by — Title — Date MAR 09 2006

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operation thereon. — Office FARMINGTON FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCD

Robert L. Bayless, Producer LLC

Marron #14
1260 FSL & 1920 FEL
Section 24 – T27N – R8W
San Juan County, New Mexico

Morning Report – Drilling

2/17/06
Build location and dig pit. Line and fence pit. Move Scorpion Rig #1 onto location and rig up. Spud 8 ¾" hole at 10:00 am, 2/16/06. Drill to 362 feet and circulate hole clean. Run survey, deviation 1 ¼° at 355 ft. Pull 2 joints off bottom. Shut down overnight.
2/18/06
Trip out and run 8 joints (354.55ft) new 7" 20 #/ft J-55 caising, landed at 360 ft. Rig up Key Pumping Services and cement casing with 185 (218 c.f.) sx Class B with ¼ #/sx cellofiake and 2% CaCl. Good returns throughout job with 10 bbls circulated to pit Shut down overnight.
2/19/06
Break off cementing head and make up wellhead. Nipple up BOP and choke manifold. Pressure test to BOP, manifold, surface casing, and Kelly cock to low pressure of 250 psi for 5 minutes and high pressure of 1000 psi for 30 minutes, held OK. Tag cement and drill out. Drill new formation to 500 ft. Run deviation survey, deviation 1 ¼° at 500 ft. Continue drilling to 1015 ft, circulate hole clean. Run survey, deviation 3° at 1015 ft. Continue drilling to 1250 ft, circulate hole clean. Run survey, deviation 2 ¾° at 1250 ft. Continue drilling to 1384 ft.
2/20/06
Continue drilling to 1500 ft. Run survey, deviation 3° at 1500 ft. Continue drilling to 2006 ft. Run survey, deviation 2 ¼° at 2006 ft. Continue drilling to 2016 ft.
2/21/06
Continue drilling to 2037 ft. Condition hole and trip out of hole for bit. Trip back to bottom and continue drilling to 2466 feet. Circulate hole clean and run survey, deviation 2°at 2466 ft.
2/22/06
Continue drilling to 2965 ft. Circulate and condition hole for logs. Short trip to 2000 ft and trip back to bottom. Run survey, deviation 1 ¾ at 2965 ft. Trip out of hole for logs.
2/23/06
Continue trip out of hole for logs. Rig up loggers and attempt to log well. Work through bridge at 2100 ft, tag fill at 2873 ft. Log out until 2345 ft. Logging tool stuck, cannot move up or down. Set up fishing for morning. Shut down overnight.
2/24/06
Move logging truck and unload fishing tools. Trip in hole with sidedoor overshot and drillpipe. Wash over logging tool and pull free. Trip out of hole with pipe and fish. Rig down fishing tools and logging truck. Start trip in hole to condition for casing. Shut down overnight.
2/25/06
Trip in hole and circulate to condition for casing. Trip out of hole. Prepare to run production casing. Spot casing and rig up casing crew. Run 75 joints (2957.09 feet) 4 ½" 10.5 #/ft new J-55 casing as follows:

KB to landing point	4.00 feet	0 – 4 feet
76 joints casing	2920.79 feet	4 – 2925 feet
Float collar	1.00 feet	2925 – 2926 feet
Shoe joint	36.30 feet	2926 – 2962 feet
Guide shoe	0.70 feet	2962 – 2963 feet
	2962.79 feet	

Land casing at 2963 feet with centralizers at 1972, 2211, 2604, 2683, 2762, 2842, and 2940 feet. Circulate hole clean. Rig up BJ Services and cement production casing as follows:

Spacer	10 bbls water
Flush	20 bbls gelled water
Spacer	5 bbls fresh water w/ red dye
Cement	225 sx (484 cf) Premium Lite High Strength w/ ¼ #/sx cello flake

Good returns throughout job with 3 bbls good cement circulated to pit. Bump plug to 1250 psi at 6:15 pm am, 2/24/06. Release drilling rig and wait on completion.