Form 3160-5 (February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

5.	Lease Serial No.
	NMCP_0478301

BUREAU OF LAND MA		5. Lease Serial No. NMSF-047039B
SUNDRY NOTICES AND RI Do not use this form for proposals abandoned well. Use Form 3160-3	to drill or to re-enter an	6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE- Other ins	7. If Unit or CA/Agreement, Name and/or No.	
1. Type of Well Gas Well Other	8. Well Name and No. 1974	
2. Name of Operator Robert L. Bayless, Producer LLC		Bimson Federal #1G
3a Address P.O.Box 168 Farmington, NM 87499	3b. Phone No. (include area code) (505)3262659	3 83-045-33991 10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description	1)	Basin Fruitland Coal
1400' FNL & 1425' FEL, Sec 17, T28 N, R10W		11. County or Parish, State San Juan, NM
12. CHECK APPROPRIATE BOX(ES) 1	O INDICATE NATURE OF NOTICE,	REPORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
Notice of Intent Notice of Intent Subsequent Report Final Abandonment Notice Actidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Production Fracture Treat Reclamation New Construction Recomplete Plug and Abandon Temporarily Plug Back Water Dispo	
determined that the site is ready for final inspection.) Please see the Final drilling report summary attached	d.	RCVD JUN12'07 OIL CONS. DIV. DIST. 3
		JUN 0 8 2007
14. Thereby certify that the foregoing is true and correct		
Name (Printed/Typed) Kevin H. McCord	Title Operational Mana	ger
Signature Um H. Milli	Date	96/04/2007
THIS SPACE FO	R FEDERAL OR STATE OFFI	CE USE
Approved by	Title	Date .
Conditions of approval, if any, are attached. Approval of this no certify that the applicant holds legal or equitable title to those rig which would entitle the applicant to conduct operations thereon.	hts in the subject lease Office	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make	e it a crime for any person knowingly and willi	ully to make to any department or agency of the United

(Instructions on page 2)

Robert L. Bayless, Producer LLC Morning Report - Drilling

Bimson Federal No. 1G 1400' FNL & 1425' FEL Section 17, T28N, R10W San Juan County, NM API # 30-045 – 33991

5/10/07

Cutting wood and building road and location.

5/14/07

Location finished.

5/26/07

Move in and rig up D&D drilling Services. Spudded Well at 10:00 am 05/26/2007. Drilled 8 ¾ surface hole to 145 ft. Circulate and condition hole for casing. Rig up to run casing. Run 3 joints of 7" 20 # J-55 STC surface casing, 3 centralizers and a guide shoe. Casing was landed at 139 ft. Rig up Halliburton Well Services and cement casing to Surface with 66 sx (77 cubic ft) Class G Premium Cement, 2% Calcium Chloride and 1/8#/sx Polyflake mixed at 15.6 ppg, 1.18 yield. Good returns throughout job with 4 bbls of good cement circulated to surface. Displaced with 4.5 bbls water. Rig down cementers. Wait on Cement.

05/27/07

Break off landing joint and make up wellhead. Nipple up and rig up to pressure test BOP and surface casing. Pressure test BOP and surface casing to 250/750 psi, held OK. Make up 6 1/4" BHA. Trip in the hole and tag top of cement at 95 ft. Drilled out cement shoe to 145 ft and continue drilling to 805 ft. Took surveys at 130 ft (1/2 degrees) and 630 ft (3/4 degrees).

05/28/07

Drilled to 1265 ft. Took a survey at 1130 ft (1 degree). Water flow (10 Bbls/hr approximately) and gas surface were found at 1015 ft while drilling through out the Kirtland formation. Currently, drilling ahead through out the Kirtland formation at 1300 ft. Gas and water flow are under control.

05/29/07

Drilled to 1765 ft. Took survey at 1630 ft (1 ¼ degree). Currently, drilling ahead throughout the Fruitland formation. We should be able to run logs tomorrow morning at 10:30 am, unless we have to mud up.

05/30/07

Drilled to 2045 ft, TD instead of 2035 ft to fit casing tally. While drilling at 1800 ft, hole became sticky. The decision was made to mix and mud up for logs (40 or 50 cp). Circulate and condition the hole for logs.

05/31/07

Trip out drill pipe and rig up for logs. Rig up Schlumberger Wireline services and run open hole log Triple Lithodensity, GR, SP, Array induction, and Caliper logs. Logger's TD was 2028 ft (17 ft of fill). Trip back in the hole with drill pipe and lay down.

06/1/07

Rig up to run casing. Run a total of 50 joints of 4½" 10.5 #/ft J-55 STC, new casing. Centralizers at 2018 ft, 1915 ft, 1833 ft, 1751 ft, 1669 ft, 979 ft, and 735 ft. Landed casing at 2039 ft, as follows:

KB to landing point	5.00 ft	0 – 5 ft
49 joints casing	1992.51 ft	5 – 1997 ft
Float Collar	1.00 ft	1997 – 1998 ft
Shoe Joint	40.05 ft	1998 – 2038 ft
Guide Shoe	0.50 ft	2038 - 2039 ft
	2039.06 ft	

Circulate and condition hole for cementing. Rig up Halliburton and cement as follows: Pump 12 bbls of water to establish circulation, pump 20 bbls of chemical wash, pump 5 bbls of water with green dye. Pump 225 sx (450 cf) PRB-2 cement with 5#/sx Gilsonite, ½#/sx Poly-E-flake at 13 ppg and 3½ BPM. Displaced cement with 31.9 bbls of water. Bumped plug to 1000 psi and plug held OK. Good circulation throughout job, circulated 17 bbls of good cement to surface. Shut down, released rig. Wait on completion.