

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☐ Gas Well ☒ Other SWD well

2. Name of Operator
Robert L. Bayless

3. Address and Telephone No.
P.O. Box 168, Farmington, NM 87499 505/326-2659

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FSL & 660' FWL L
Section 21, T26N, R18W

5. Lease Designation and Serial No.

14-20-603-5034

6. If Indian, Allottee or Tribe Name

Navajo

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Tocito SWD #1

9. API Well No.

10. Field and Pool, or Exploratory Area

Tocito Dome Penn. "D"

11. County or Parish, State

San Juan County, NM

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other long term shut in

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

(formerly Navajo Tribal U #1)

Request approval for long term shut in. Bayless may require use of this well for water disposal in the future. Please refer to our letter dated May 22, 1991 to Ron Fellows. All wellhead valves will be sealed. The location will be cleaned up. The tubing will be left as is.

RECEIVED
JUN 1 1991

OIL CON. DIV.
DIST. 3

THIS APPROVAL EXPIRES JUN 01 1992

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

Signed

Title Petroleum Engineer

Date 5/22/91

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

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

*See Instruction on Reverse Side

NAVAJO TRIBAL N,P,& U LEASES
MAY 22, 1991
PAGE 2

Water disposal and gas injection projects further complicate the fluid distribution scenario. Injected water and gas has channeled into some areas of the reservoirs, but not into others.

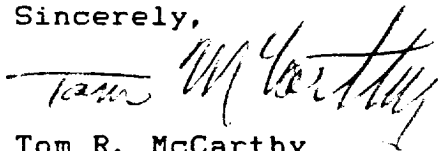
Amoco recognized this problem when they operated in the field. Their foreman has told us that they shut in wells with high gas or water cuts, allowing oil resaturation and higher oil cuts when the wells were produced later. Bayless has returned wells to production at initial rates of over 100 BOPD, that when last produced were uneconomic.

Bayless' plan is to recommence production on several of these wells on a rotating basis in an attempt to find trapped or resaturated oil and gas. Obviously this cannot be done without the existing wellbores. For the most part, additional drilling for these remaining reserves cannot be justified. Putting all shut in wells back on production at this time does not make good engineering sense, in addition to not being a sound economic policy. Many of the remaining shut in wells should be pumped again on a rotating basis in an effort to find oil redistributed by previous operating practices.

We request that BLM approve long term shut in status for all the subject wells not currently producing. Bayless plans to rotate its existing production equipment between the current producing wells and the remaining non plugged wellbores in the field on a long term basis. This plan will maximize remaining oil recovery from this depleted field, and will benefit both Bayless and the Navajo Nation.

Sundry notices requesting long-term shut in are provided with this letter for your approval. Please contact me if you wish to discuss this matter further.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tom R. McCarthy".

Tom R. McCarthy
Petroleum Engineer

Attachments