

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. Navajo Tribal "U" 4
2. Name of Operator Robert L. Bayless	9. API Well No. 30-045-05784
3. Address and Telephone No. P.O. Box 168, Farmington, NM 87499 505/326-2659	10. Field and Pool, or Exploratory Area Tocito Dome Penn. "D"
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Section 21, T26N, R18W 660' FNL & 1980' FEL B	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	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other Long term shut in
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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.)*

Request approval for long term shut in. Bayless plans to rotate production of this and other wells on the lease to maximize ultimate oil recovery. Please refer to our letter to Ron Fellows dated May 22, 1991. All wellhead valves will be sealed. The location will be cleaned up. The rods and/or tubing will be left as is.

RECEIVED

JUN 1 1991

JUN 01 1992

OIL CON. DIV.
DIST. 9

THIS APPROVAL IS VALID

14. I hereby certify that the foregoing is true and correct. Signed <u>Tom M. Bayless</u> Title <u>Petroleum Engineer</u> Date <u>5/22/91</u>	APPROVED JUN 07 1991
(This space for Federal or State office use) Approved by _____ Title _____ 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 statement or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

ROBERT L. BAYLESS

P. O. BOX 168
FARMINGTON, NM 87499

FAX NO
(505) 326-6911

OFFICE NO
(505) 326-2659

May 22, 1991

Bureau of Land Management
1235 La Plata Highway
Farmington, NM 87401

ATTN: MR. RON FELLOWS

RE: Navajo Tribal N, P, & U Leases
Lease Nos. 14-20-603-5035
14-20-603-5033
14-20-603-5034

Please refer to your recent letters concerning the status of several wells on the subject Navajo Tribal Leases. In that letter you have required Bayless to advise you of our future plans for these wells. Attached herewith are Sundry Notices for the subject wells, requesting that they be approved for long term shut in. Given Bayless' depletion plan, we urge you to consider these requests on a group basis rather than an individual well basis.

As you are aware, the subject Navajo Tribal leases are in the Tocito Dome Field which has been productive since 1963. The field is now nearly depleted. Bayless is attempting to operate these leases economically such that recovery of remaining reserves is maximized. The advanced state of depletion of the field prohibits major new investment required to bring all nonproducing wells into production. This investment would include, but not be limited to, pumping equipment and tubulars, facility and flowline repair, and compression.

Bayless plans to continue production of the subject leases by rotating production of these wells on a long term basis. Bayless believes this plan is the most effective means to maximize field ultimate recovery. The reasons supporting the plan are set forth below.

The initial fluid distribution in the Tocito Dome Field has never been fully understood, even though the reservoir was extensively cored and studied by several Amoco Engineers and Geologists. Though not apparent on open hole logs, the reservoirs in the Penn "D" are poorly connected vertically, and stratigraphically pinch out laterally. Horizontal permeability varies from poor in some zones to outstanding in others. In some areas of the reservoir water occurs above oil. The reservoir oil originally was fully gas saturated with a gas cap. As oil production continued, solution gas was liberated in the reservoir. This free gas moved up dip until a barrier encountered, and displaced oil in the process. Production also coned water in some areas, further displacing oil.