

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF 078476	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR ROBERT L BAYLESS, PRODUCER LLC		7. UNIT AGREEMENT NAME 23383	
3. ADDRESS AND TELEPHONE NO. P.O. BOX 168 FARMINGTON, NM 87499		8. FARM OR LEASE NAME, WELL NO. OXNARD WN FEDERAL #13	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1640' FNL & 1160' FWL At proposed prod. zone		9. WELL NO. 30-045-29914	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE		10. FIELD AND POOL, OR WILDCAT BASIN FRUITLAND COAL	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 14, T27N, R8W	
16. NO. OF ACRES IN LEASE		12. COUNTY OR PARISH SAN JUAN	
17. NO. OF ACRES ASSIGNED TO THIS WELL W 320		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		19. PROPOSED DEPTH 2,285	
20. ROTARY OR CABLE TOOLS ROTARY		21. APPROX. DATE WORK WILL START* ASAP	
22. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,991 KB 5986 GL			
23. PROPOSED CASING AND CEMENTING PROGRAM This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.			

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 3/4	7" J-55	23.0#/ft.	120	30 sx (35.4 cf)
6 1/4	4 1/2" J-55	10.5#/ft.	2,285	200 sx (359 cf)

Drill 8 3/4" hole to 120 feet and set 120 feet of 7" 23.0#/ft. casing. Cement with 30 sx (35.4 cf) Class B cement, circulated to surface. Drill 6 1/4" hole to 2,285 feet using clear water, natural mud, and fluid loss additives. No abnormal temperatures or pressures are anticipated. Induction and density logs will be run. Set 2,285 feet of 4 1/2" 10.5#/ft. J-55 new casing. Cement with 200 sx (359 cf) Class B cement, circulated to surface. We request a variance on the use of an upper kelly cock, as the rig utilized has a double drum that uses a track to retract the kelly and the kelly cock lengthens the kelly such that connections cannot be made safely.

Estimated Formation Tops and Bottom-Hole Pressures:
Ojo Alamo 1,385 feet 200 psi
Kirtland 1,485 feet 250 psi
Fruitland 1,945 feet
Pictured Cliffs 2,216 feet

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. Price M. Bayless
SIGNED Price M. Bayless TITLE Engineer DATE 4/21/99
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE MAY 25 1999

Application approval 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 operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

HOLD C104 FOR NSL (S)
APPROVED BY JS/ Duane W. Spencer TITLE Team Lead, Petroleum Management DATE MAY 25 1999

*See Instructions On Reverse Side

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies
AMENDED REPORT

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-29914	² Pool Code 71629	³ Pool Name BASIN FRUITALND COAL
⁴ Property Code 23383	⁵ Property Name OXNARD WN FEDERAL	⁶ Well Number 13
⁷ OGRID No. 150182	⁸ Operator Name ROBERT L. BAYLESS, PRODUCER LLC	⁹ Elevation 5986

¹⁰ Surface Location

UL or lot no. E	Section 14	Township 27 N	Range 8 W	Lot Idn	Feet from the 1640	North/South line North	Feet from the 1160	East/West line West	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div><p>81.92ch.</p><p>1160'</p><p>1640'</p><p>Sec.</p><p>14</p><p>78.49ch.</p><p>81.33ch.</p><p>NO 49'E</p><p>NO 55'E</p><p>78.47ch.</p></div>	<div><p>RECEIVED</p><p>MAY 28 1999</p><p>OIL CON. DIV.</p><p>DIST. 3</p></div>	<div><p>¹⁷ OPERATOR CERTIFICATION</p><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p><p>Signature Price M. Bayless</p><p>Printed Name Engineer</p><p>Title 4/21/99</p><p>Date</p></div>
		<div><p>¹⁸ SURVEYOR CERTIFICATION</p><p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p><p>8 Apr. 1999</p><p>Date of Survey</p><p>Signature and Seal of Professional Surveyor</p><p>William E. Mahnke II</p><p>Certificate Number 8466</p></div>

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

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. Lease Designation and Serial No.
SF 078476

6. If Indian, Allottee or Tribe Name

7. If Unit or CA. Agreement Designation

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

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

3. Address and Telephone No.
PO Box 168 Farmington, NM 87499 (505)326-2659

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Section 14, T27N, R8W E 1640' FNL & 1160' FWL

8. Well Name and No.
OXNARD WN FEDERAL #13

9. API Well No.
30-045-29914

10. Field and Pool, or Exploratory Area
BASIN FRUITLAND COAL

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

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☐ Other

☒ 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 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.)*

Bayless requests approval to utilize a 2" 2000 psi rubber hose between the BOP and the choke manifold while drilling this well. The rig being utilized is L&B SpeedDrill and has very limited room under the sub. This well is being drilled to the Basin Fruitland Coal in an area of below normal pressures, and the hose would provide more than adequate safety precautions.

RECEIVED
JUL - 1 1999
OIL CON. DIV.
DIST. 3

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

Signed Price M. Bayless Title Petroleum Engineer Date June 23, 1999

(This space for Federal or State office use)

Approved by AS/Duane W. Spencer Title Team Lead, Petroleum Management Date JUN 24 1999
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 manner within its jurisdiction.

*See Instruction on Reverse Side

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