

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE

MULTIPLE
ZONE

2. NAME OF OPERATOR

Robert L. Bayless

3. ADDRESS OF OPERATOR

P.O. Box 168, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface 1450' FSL & 1850' FEL

At proposed prod. zone same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

16. NO. OF ACRES IN LEASE

Approx. 2249
irregular sections

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

4025'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

7039' GL 7051' RKB

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-7/8"	7-5/8"	26.4#	125'	60 sx Class B - 71 ft ³
6-3/4"	4-1/2"	11.6#	4025'	200 sx 50/50 pozmix - 252 ft ³

Will drill hole to 125' and set 125 ft. of 7-5/8" 26.4#/ft J-55 casing, cementing with 71 ft³ Class B cement, circulated to surface. Will drill 6-3/4" hole to 4025' and run 4025' of 4-1/2" 11.6#/ft J-55 casing and cement with 252 ft³ 50/50 pozmix with 2% gel and 10% salt. Circulating medium will be clear water, natural mud and water loss control additives. No abnormal pressures or temperatures are anticipated. Will run Induction and Density Logs. Blowout preventer schematic is attached. The gas from this formation is not dedicated to a gas contract.

ESTIMATED TOPS: Ojo Alamo - 3085'
Kirtland - 3321'
Fruitland - 3350'
Pictured Cliffs - 3663'
Lower P.C. - 3905'
Total Depth - 4025'

RECEIVED

SEP 26 1988

OIL CON. DIV
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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.

SIGNED

Kevin H. McCord

TITLE

Petroleum Engineer

DATE

7/11/88

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

NMOCC

*See Instructions On Reverse Side

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160.

PRINCIPAL PURPOSE: The information is to be used to process and evaluate your application for permit to drill, deepen, or plug back an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effects of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

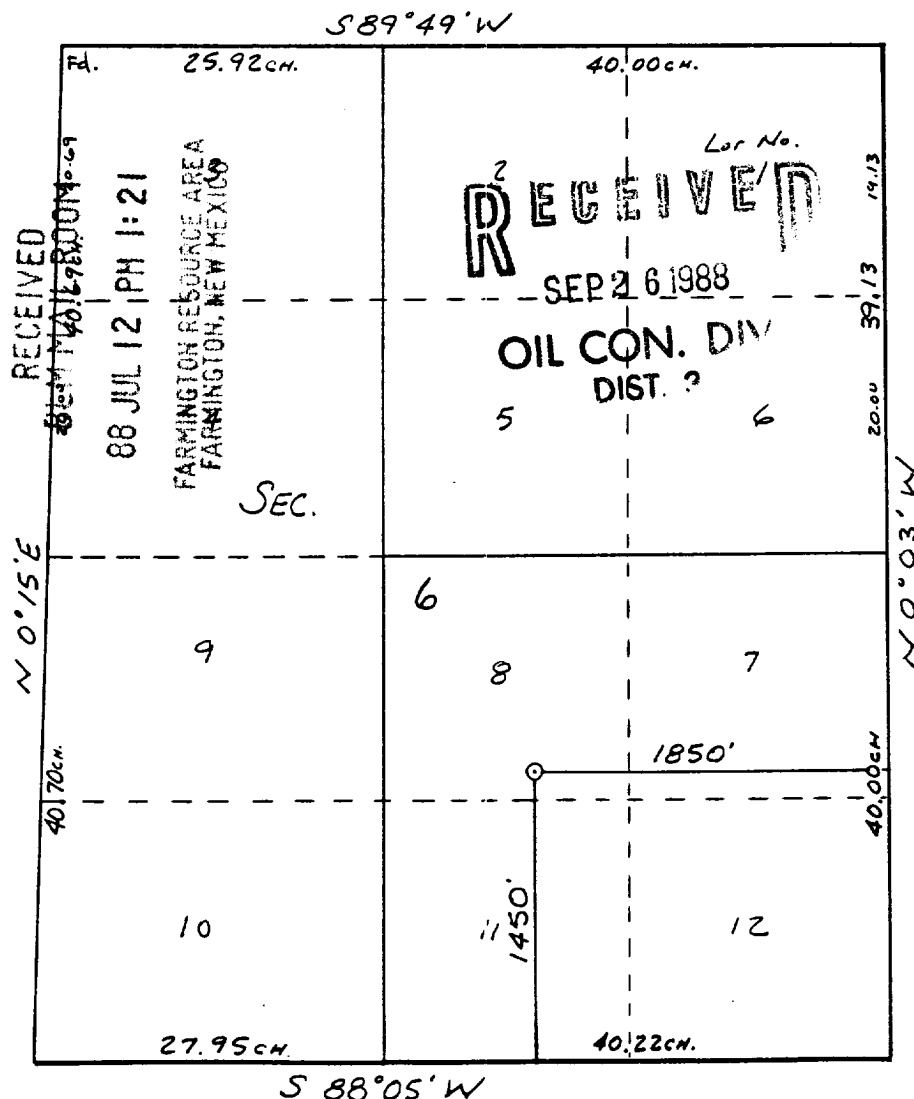
Operator ROBERT L. BAYLESS			Lease JICARILLA 458		Well No. 5
Unit Letter J	Section 6	Township 30 N	Range 3 W	County Rio Arriba	
Actual Footage Location of Well: 1450 feet from the South line and 1850 feet from the East line					
Ground Level Elev. 7039	Producing Formation Pictured Cliffs	Pool EAST BLANCO EXT Undesignated Pictured Cliffs		Dedicated Acreage: 160 161-42 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



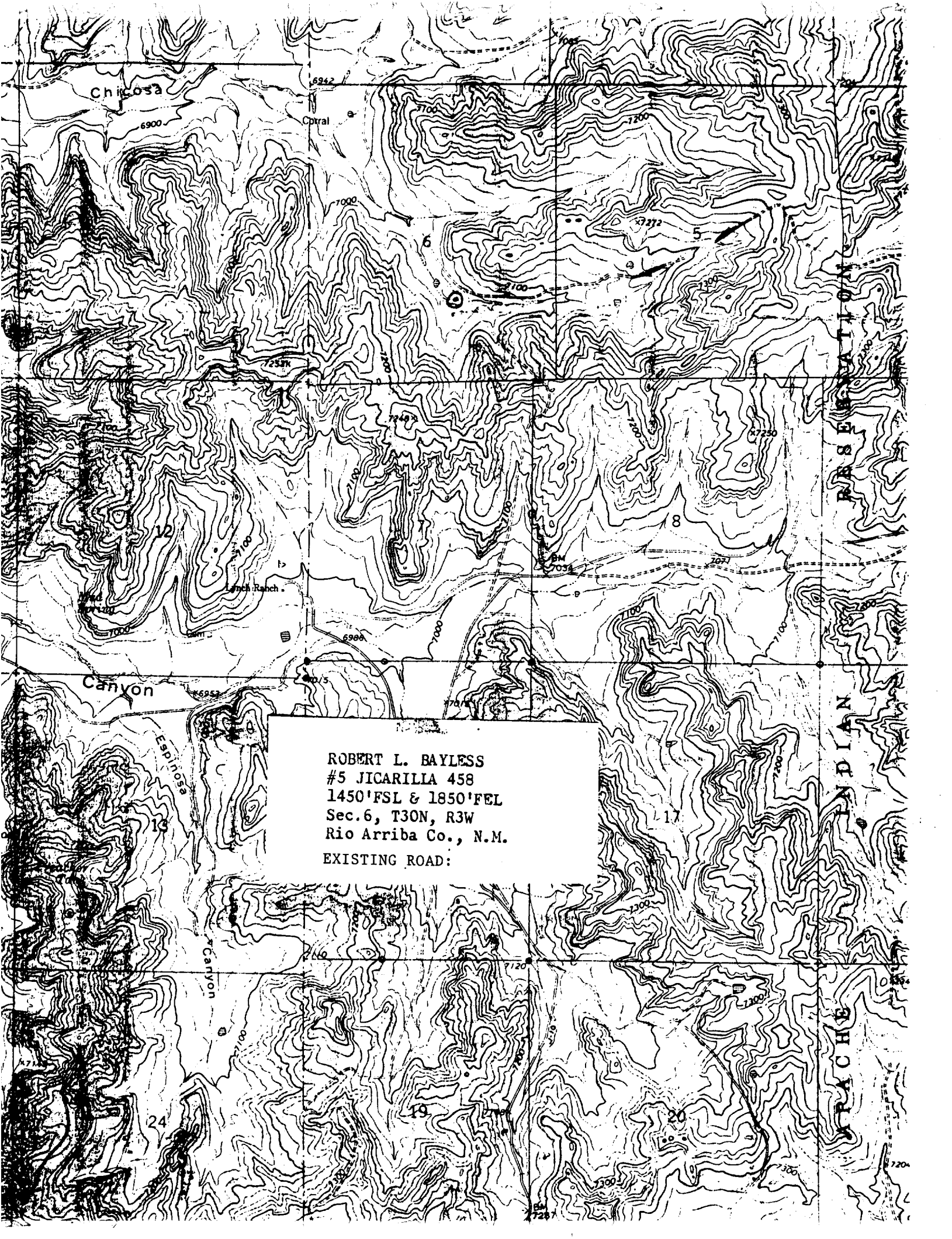
CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Kevin H. McCord
 Name
 Kevin H. McCord
 Position
 Petroleum Engineer
 Company
 Robert L. Bayless
 Date
 7/11/88

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 knowledge and belief.

6-30-87
 Date Surveyed
 WILLIAM E. MAHNE II
 Registered Professional Engineer and Land Surveyor
 #8456
 Certificate of Registration
 PROFESSIONAL LAND SURVEYOR



ROBERT L. BAYLESS
#5 JICARILLA 458
1450' FSL & 1850' FEL
Sec. 6, T30N, R3W
Rio Arriba Co., N.M.
EXISTING ROAD: