

ROBERT L. BAYLESS

OIL CONSERVATION DIVISION  
RECEIVED

P. O. BOX 168  
FARMINGTON, NM 87499

FAX NO. (505) 326-6691  
NOV 30 AM 8 52

OFFICE NO.  
(505) 326-2659

December 1, 1994

Return Receipt Requested

Mr. William J. LeMay  
NMOCD  
PO Box 2088  
Santa Fe, N.M. 87504

cc: Amoco Production Co P 565 392 428  
BHP Petroleum Inc P 565 392 429  
Meridian Oil Inc P 565 392 430  
Nassau Resources Inc P 565 392 431  
Mr. Rip C. Underwood P 565 392 432  
Yates Petroleum Corp P 565 392 433

RE: Request for Administrative Approval  
of an Unorthodox Basin Fruitland Coal Location  
Robert L. Bayless  
West Draw #2  
827' FSL & 857' FEL  
Section 18, T27N, R12W  
San Juan County, New Mexico

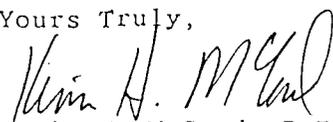
Gentlemen:

Robert L. Bayless requests administrative approval of the above referenced well as an unorthodox Basin Fruitland Coal formation gas well. This well will be a newly drilled well on the same wellpad as the Bayless West Draw #1 which is a shutin gas well completed in the Farmington Sandstone formation. The reason the location of the new well is so close to the West Draw #1 is do to the gas shows observed from the Fruitland formation during the drilling of this well. Also, a second gas well in nearly the same location considerably enhances the economics of pipeline construction for both of the wells.

The West Draw #2 will be an unorthodox Fruitland Coal location in that it will be located in the SE $\frac{1}{4}$  of Section 18 rather than the SW $\frac{1}{4}$  or the NE $\frac{1}{4}$ . The proration unit to be assigned to this well will be the S $\frac{1}{2}$ . This will be the first Fruitland Coal well drilled in this area, so an unorthodox well should not cause any Fruitland Coal drainage problems in this area.

You will find enclosed with this request a map showing the wells offsetting the proposed West Draw #2 and the ownership of the leases around this new well. Also enclosed you will find an acreage dedication plat for this well and copies of this letter which were sent to offset leaseholders. As per NMOCD Regulations, by copy of this letter to offset leaseholders, Robert L. Bayless is asking offset leaseholders that they waive any objection to this Basin Fruitland Coal unorthodox location.

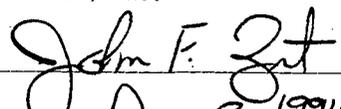
I believe this request provides all the information required by NMOCD Regulations for an unorthodox location. If any other information is needed, please call. Your prompt response to this request is appreciated.

Yours Truly,  
  
Kevin H. McCord, P.E.  
Petroleum Engineer

enc.

The undersigned has no objection to the above location.

Meridian Oil, Inc.

By:   
Date: Dec 3 1994

If you concur and have no objection, please sign and return one copy of this letter to the NMOCD in Santa Fe, one copy to our office, and retain one for your files.

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name Basin Fruitland Coal
<sup>4</sup> Property Code	<sup>5</sup> Property Name WEST DRAW	
<sup>7</sup> OGRID No.	<sup>1</sup> Operator Name ROBERT L. BAYLESS	<sup>6</sup> Well Number 2
		<sup>8</sup> Elevation 5810

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	18	27 N	12 W		827	South	857	East	San Juan

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.

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

<p>16</p> <p>5890 56'E</p> <p>Lot No. (TYP.)</p> <p>1</p> <p>80.00 ch.</p> <p>2</p> <p>Sec.</p> <p>3</p> <p>4</p> <p>80.00 ch.</p> <p>80.00 ch.</p> <p>80.00 ch.</p> <p>80.00 ch.</p>	<p>78.16 ch.</p> <p>80.00 ch.</p>	<p><sup>17</sup> 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><i>Kevin H. McCord</i></p> <p>Signature</p> <p>Kevin H. McCord</p> <p>Printed Name</p> <p>Petroleum Engineer</p> <p>Title</p> <p>December 1, 1994</p> <p>Date</p>
		<p><sup>18</sup> 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>13 Nov 1994</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p><i>William E. Mahrke II</i></p> <p>William E. Mahrke II</p> <p>Certificate Number 8466</p>
		<p>857'</p> <p>827'</p>
		<p>New Mexico Oil Conservation Division</p>

T27N R13W

T27N R12W

<p><u>AMOCO</u></p> <p>#1-X</p> <p>I-149-IND-8182-A I-149-IND-8182-B</p>	<p><u>AMOCO</u></p> <p>#1</p> <p>N.M. 0149968</p>	<p><u>AMOCO</u></p> <p>#1</p> <p>N.M. 0175792</p>	<p><u>AMOCO</u></p> <p>#1 5991</p> <p>IE</p> <p>N.M. 0149968</p>	<p><u>BHP</u></p> <p>#1</p> <p>NM 032325</p>
<p>IE #1</p> <p>149-Ind-8182B 149-Ind-8182A I-149-Ind-8182</p>	<p><u>MERIDIAN</u></p> <p>#1 5912</p> <p>N.M. 032326A</p>	<p><u>AMOCO</u></p> <p>IE</p> <p>N.M. 0149968</p>	<p><u>AMOCO</u></p> <p><u>AMOCO</u></p> <p>N.M. 0175792 N.M. 032325</p>	<p><u>FEDERAL OPEN</u></p>
<p><u>AMOCO</u></p> <p>#1</p> <p>2E</p> <p>S.F. 078099-A SF 078099-B</p> <p>4-64</p> <p>S.F. 078099-C</p> <p>-6401</p> <p>SF 078099</p>	<p>-61 3 DK</p> <p><u>AMOCO</u></p> <p>SFO-78.000</p> <p><u>AMOCO</u></p> <p>SF 078100-F SF 078100-B</p> <p><u>BAYLESS</u></p> <p>#1 6040</p> <p>1423'</p> <p>BAYLESS WEST DRAW #2</p> <p>NM 33017</p>	<p>#1 6070 #1 6030</p> <p><u>YATES</u></p> <p>17</p> <p>US</p>		
<p>#2 <u>NASSAU RESOURCES</u></p> <p>24</p> <p><u>NASSAU</u></p> <p>#4 6080</p> <p>N.M. 0359209 NM12033</p>	<p>#1 6054'</p> <p><u>YATES</u></p> <p>19</p> <p>US</p>	<p><u>INDIAN OPEN</u></p>	<p><u>UNDERWOOD</u></p> <p>20 SF 078935</p> <p><u>MERIDIAN</u></p> <p>SF 078936</p>	