

PKRVU210533248

N2L 5/2/02

# Robert L. Bayless, Producer LLC

Oil & Gas Producer

P. O. Box 168  
Farmington, New Mexico 87499

FAX NO.  
(505) 326-6911

OFFICE NO.  
(505) 326-2659

April 9, 2002

Ms. Lori Wrotenbery, Director  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505-4000

RE: Application for Administrative Approval of a Non-Standard Location  
Floyd #8  
1105' FSL and 1070' FEL, Section 17, T30N R12W  
San Juan County, New Mexico

OL CONSERVATION DIV  
02 APR 12 PM 1:21

Gentlemen:

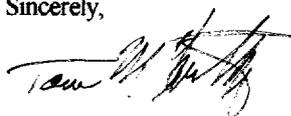
Robert L. Bayless, Producer LLC requests administrative approval of a non-standard Basin Fruitland Coal location for the above referenced Floyd #8 well. This well is located in the SE¼ of the section instead of the standard NE¼ or SW¼ location of Basin Fruitland Coal Wells.

The Floyd #8 well was drilled by Bayless in December 2001 through the Pictured Cliffs formation with the intent to complete the well as a Fulcher Kutz Pictured Cliffs well. The logs from this well indicate a completion attempt in the Pictured Cliffs will likely result in an uneconomic well. However, comparison of these well logs with offset well logs and the corresponding production from these wells indicate the Fruitland Coal formation in the Floyd #8 well should be economically productive.

Enclosed with this request is a map showing operators of the acreage surrounding the Floyd #8 well. Also enclosed is an acreage dedication plat for this well assigning a S ½, 320 acre spacing unit to this well. A list of the names and addresses of offset operators that were sent copies of this application is also included, with evidence of mailing. **As per NMOCD regulations, by copy of this letter to offset operators, Robert L. Bayless, Producer LLC is asking offset operators to waive any objection to this Basin Fruitland Coal non-standard location.**

I believe this request provides all the information required by NMOCD regulations for administrative approval of a non-standard location. Your prompt response to this request is appreciated.

Sincerely,



Tom McCarthy  
Engineer



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

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

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 30 045 30808	<sup>2</sup> Pool Code 71629	<sup>3</sup> Pool Name BASIN FRUITLAND COAL
<sup>4</sup> Property Code	<sup>4</sup> Property Name FLOYD	<sup>6</sup> Well Number 8
<sup>7</sup> OGRID No. 150182	<sup>8</sup> Operator Name ROBERT L. BAYLESS, PRODUCER LLC	<sup>9</sup> Elevation 5810

<sup>10</sup> Surface Location

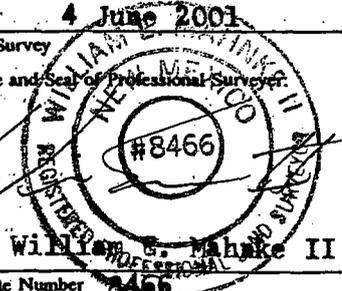
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
16	17	30 N	12 W		1105'	South	1070	East	SAN JUAN

<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.
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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

81.12cm DESTROYED NO 04 W BC	4 589°57'W 3 2 79.60cm BC Lot No. (TYP.) 1	82.46cm NO 02 E BC	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature: <i>Tom McCarthy</i> Printed Name: TOM MCCARTHY Title: ENGINEER Date: APRIL 9, 2002
	12 11 10 9		<sup>18</sup> SURVEYOR CERTIFICATION 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. Date of Survey: 4 June 2001 Signature and Seal of Professional Surveyor:  Certificate Number: 8466
13 14 15 16 1105' 1070' 79.07cm BC	17 10 9 12 11 10 9 13 14 15 16 1105' 1070' 79.07cm BC		

**Robert L. Bayless, Producer LLC**  
**Unorthodox Basin Fruitland Coal Location**  
**Floyd No. 7 & 8**  
**Offset Operators List**

Burlington Resources Oil & Gas Company  
PO Box 4289  
Farmington, NM 87499-4289  
Attention: James Strickler

Texakoma Oil and Gas Corporation  
5400 LBJ Freeway, Suite 500  
Dallas, Texas 75240-6236  
Attention: Craig Sluetz

XTO Energy Inc.  
6001 US Highway 64  
Farmington, New Mexico 87401

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

XTO Energy Inc  
6001 US Hwy 64  
Farmington, nm 87401

2. Article Number

(Transfer from service label)

7001 0320 0003 0994 2246

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-2509

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

 Agent Addressee

B. Received by (Printed Name)

C. Date of Delivery

 D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Burlington Resources Oil & Gas  
Company  
PO Box 4289  
Farmington nm 87499

2. Article Number

(Transfer from service label)

7001 0320 0003 0994 2260

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-2509

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

 Agent Addressee

B. Received by (Printed Name)

C. Date of Delivery

 D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Texaluma Oil & Gas Corporation  
5400 LBJ Freeway, Suite 550  
Dallas Tx 75240-6236

2. Article Number

(Transfer from service label)

7001 0320 0003 0994 2253

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-2509

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

 Agent Addressee

B. Received by (Printed Name)

C. Date of Delivery

 D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E	Feet	NS	Ft	EW	Order_No
30-045-29505-00-00	FLOYD	002	ROBERT L BAYLESS PRODUCER LLC	G	A	San Juan	F	2	7	30	N	12	W	865	S	1065	E	
30-045-29506-00-00	FLOYD	003	ROBERT L BAYLESS PRODUCER LLC	G	C	San Juan	F	1	17	30	N	12	W	790	S	1660	W	
30-045-29923-00-00	FLOYD	003	ROBERT L BAYLESS PRODUCER LLC	G	A	San Juan	F	1	17	30	N	12	W	790	S	1660	W	
30-045-30224-00-00	FLOYD	004	ROBERT L BAYLESS PRODUCER LLC	G	A	San Juan	F	1	17	30	N	12	W	985	N	1070	E	
30-045-30808-00-00	FLOYD	008	ROBERT L BAYLESS PRODUCER LLC	G		San Juan	F	P	17	30	N	12	W	1105	S	1070	E	
30-045-30809-00-00	FLOYD	006	ROBERT L BAYLESS PRODUCER LLC	G	A	San Juan	F	M	7	30	N	12	W	1050	S	1065	W	
30-045-30810-00-00	FLOYD	007	ROBERT L BAYLESS PRODUCER LLC	G		San Juan	F	4	17	30	N	12	W	955	N	980	W	

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

- 5. Lease Serial No.  
NM 047
- 6. If Indian, Allottee or Tribe Name
- 7. If Unit or CA/Agreement, Name and/or No.

*ATTENTION: (C/A) - Other instructions on reverse side*

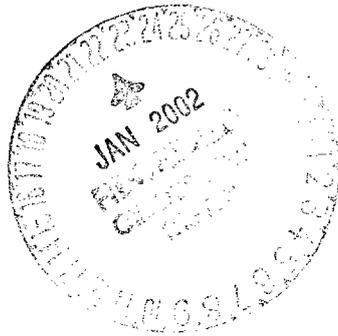
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. FLOYD #8
2. Name of Operator Robert L. Bayless, Producer LLC	9. API Well No. 30-045-30808
3a. Address PO Box 168, Farmington, NM 87499	10. Field and Pool, or Exploratory Area FULCHER KUTZ PC
3b. Phone No. (include area code) (505) 326-2659	11. County or Parish, State SAN JUAN COUNTY, NM
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1105' FSL, 1070' FEL, SEC.17, T30N R12W	

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Spud, Surface Casing, Run
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Cement

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, A Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

SEE ATTACHED MORNING REPORT.



*MMA*

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

Name (Printed/Typed) Price M. Bayless	Title Operational Manager
Signature <i>Price M. Bayless</i>	Date January 14, 2002

THIS SPACE FOR FEDERAL OR STATE OFFICIAL USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice 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 operation thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

# Robert L. Bayless, Producer LLC

Floyd #8  
1105 FSL & 1070 FEL  
Section 17 – T30N – R12W  
San Juan County, New Mexico

## Morning Report – Drilling

12/19/01

Build location and dig pit. Line and fence pit. Move L&B Speedrill onto location and rig up. Spud 8 3/4" hole at 10:00 am, 12/18/01. Drill to 330 feet and circulate hole clean. Shut down overnight.

12/20/01

Continue drilling 8 3/4" hole to 400 feet. Bit dulled. Circulate hole clean and trip out for bit #2. Trip in hole and continue drilling to 560 feet. Circulate hole clean shut down overnight.

12/21/01

Continue drilling to 665 ft RKB. Circulate hole and drop survey tool. Trip out of hole. Deviation 1/4° at 665 feet. Run 15 joints (653.92 feet) 7" 20 #/ft J-55 ST&C casing. Turbo centralizers at 614 and 216 feet Land casing at 659 feet. Rig up BJ Services and cement casing with 165 sx (234 cf) Type III cement with 2% CaCl, 1/4 #/sx celloflake, and 3 #/sx gilsonite. Good returns throughout job with 10 bbls good cement circulated to reserve pit. Plug down at 3:00 pm, 12/20/01. WOC and shut down overnight.

12/22/01 – 1/9/02

Shut down for holidays.

1/10/02

Nipple up BOP and pressure test all equipment and casing to 600 psi for thirty minutes each, held OK. Trip in hole and tag cement at 590 feet. Drill out cement and continue drilling new formation to 1160 feet. Circulate hole clean and run deviation survey. Deviation 1/2° at 1160 feet. Shut down overnight.

1/11/02

Continue drilling to 1650 feet. Circulate hole clean and run survey, deviation 3/4° at 1650 feet. Shut down overnight.

1/12/02

Continue drilling to 2130. Circulate hole clean and shut down overnight.

1/13/02

Continue drilling to 2160 feet. Circulate and condition hole for logs. Run survey, deviation 1° at 2160 feet. Log well with Schlumberger. Rig up to run casing. Shut down overnight.

1/14/02

Rig up casing crew. Spot casing and run 51 joints (2155.54 feet) 4 1/2" 10.5 #/ft new J-55 casing as follows:

KB to landing point	4.00 feet	0 – 4 feet
50 joints casing	2113.37 feet	4 – 2117 feet
Insert float	0.00 feet	2117 – 2117 feet
Shoe joint	42.17 feet	2117 – 2155 feet
Guide shoe	<u>0.70 feet</u>	2155 – 2156 feet
	2156.24 feet	

Land casing at 2156 feet with centralizers at 2140, 2028, 1943, 1859, 1774, and 1690 feet. Circulate hole clean. Rig up BJ Services and cement production casing as follows:

Flush	25 bbls gelled water
Spacer	10 bbls fresh water
Cement	160 sx (342.4 cf) Premium Lite High Strength w/ 1/4 #/sx cello flake, 1% KCl, 3 #/sx gilsonite
Displacement	33.7 bbls water

Good returns throughout job with 2 bbls good cement circulated to pit. Bump plug to 1400 psi at 11:15 am, 1/13/02. Release drilling rig and wait on completion.



C. HARRADEN/ September 4, 2001 *CEH*

Robert L. Bayless, Producer LLC/ Floyd # 8 APD

STIPULATION/CONDITION OF APPROVAL

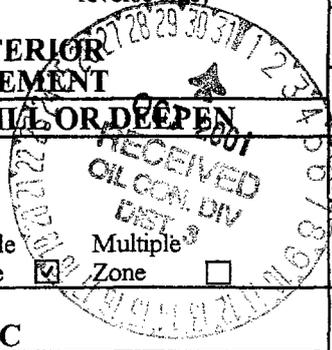
In order to protect the integrity of the Ojo Alamo aquifer, minimum surface csg. depth of 648' is stipulated as a condition of approval for this APD.

SUBMIT IN TRIPLICATE\*  
(Other instructions on  
reverse side)

FORM APPROVED  
OMB NO. 1004-0136

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN



Expires: February 28, 1995

5. Lease Designation and Serial No.  
**NM 047**

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name  
**10/28 AM 9:44**

8. Farm or Lease Name, Well No.  
**Floyd #8**

9. API Well No.  
**30-045-30808**

10. Field and Pool, or Wildcat  
**Fulcher Kutz PC**

11. Sec., T., R., M., or Blk, and Survey or Area  
**Section 17, T30N, R12W**

12. County or Parish  
**San Juan**

13. State  
**New Mexico**

17. No. of Acres Assigned to this Well  
**162.54 acres SEA**

20. Rotary or Cable Tools  
**Rotary**

22. Approx. Date Work Will Start  
**ASAP**

1a. Type of Work  
DRILL  DEEPEN

b. Type of Well  
Oil Well  Gas Well  Other   
Single Zone  Multiple Zone

2. Name of Operator  
**ROBERT L. BAYLESS, PRODUCER LLC**

3. Address and Telephone No.  
**P.O. BOX 168, FARMINGTON, NM 87499 (505) 326-2659**

4. Location of Well (Report location clearly and in accordance with an State requirements\*)  
At surface  
**1105 FSL & 1070 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 drlg. Unit line, if any)

16. No. of Acres in Lease

18. Distance from Proposed Location\* to nearest Well, Drilling, Completion, or applied for, on this Lease, ft.

19. Proposed Depth  
**2150**

21. Elevations (Show whether DF, FT, GR. Etc.)  
**5810 GR, 5815 KB**

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Grade, Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
8 3/4"	J-55, 7"	23.0	<del>120</del> 648'	35 sx (41.3 cf) <i>Circulate</i>
6 1/4"	J-55, 4 1/2"	10.5	2150	185 sx (297.5 cf) <i>Circulate</i>

Will drill 8 3/4" hole to 120 feet and run 120 ft of 7" 23.0 #/ft J-55 casing, cemented with 35 sx Class B cement circulated to surface. Will drill 6 1/4" hole to 2150 feet with clear water and natural mud with water loss control additives. Induction and density logs will be run. Will set 2150 ft of 4 1/2" 10.5 #/ft new J-55 casing, cemented with 185 sx (297.5 cf) Class B cement, circulated to surface. No abnormal temperature or pressure is anticipated. Estimated mud weight is 8.6 #/gallon. Pipeline will be included in this APD as per attached drawing.

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present production 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 *P. M. Bayless* Title Operations Manager Date June 15, 2001

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE 10/29/01

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:

Approved By *B. J. Mackenzie* Title AFM minerals Date 10/29/01  
\*See Instruction on Reverse Side

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.

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

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

Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-045-30808		2 Pool Code 77200		3 Pool Name FULCHER KUTZ PICTURED CLIFFS	
4 Property Code 22186		5 Property Name FLOYD			6 Well Number 8
7 OGRID No. 150182		8 Operator Name ROBERT L. BAYLESS, PRODUCER LLC			9 Elevation 5810

10 Surface Location

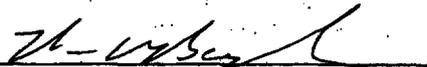
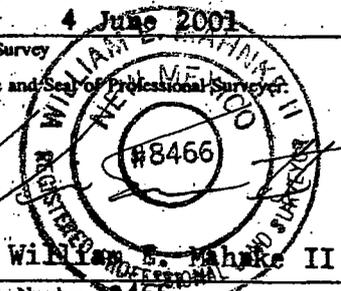
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
16	17	30 N	12 W		1105'	South	1070	East	San Juan

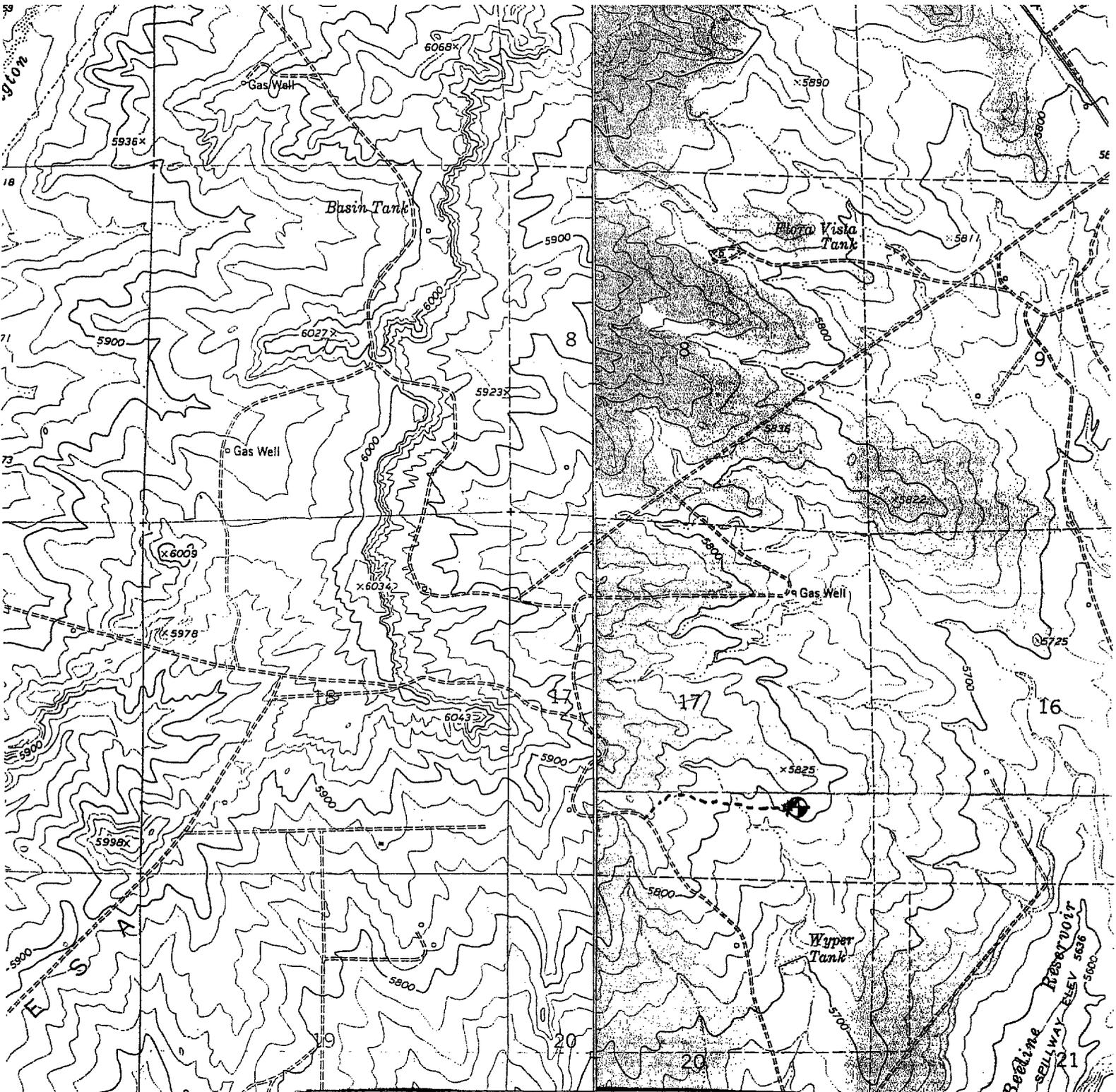
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

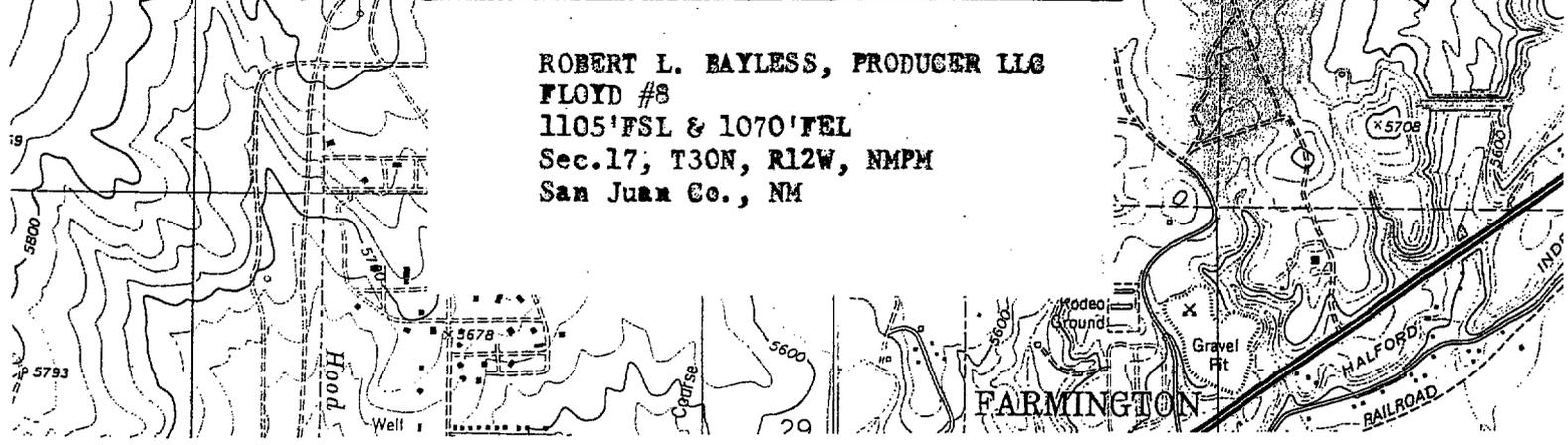
12 Dedicated Acres 162.54	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

F18/BC 81.12ch. DESTROYED N10°04'W BC	S89°05'W 4	3	BC 79.60ch 2	BC Lot No. (TYP.) 1	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief   Signature PRICE M. BAYLESS Printed Name ENGINEER Title JUNE 20, 2001 Date
	5	6	7	8	
	12	11 SEC.	10	9	
13	14 N89°05'W	15	16 1105' 1070' 79.60ch BC	18 SURVEYOR CERTIFICATION 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. 4 June 2001 Date of Survey  Signature and Seal of Professional Surveyor William B. Mahre II Certificate Number 8466	



ROBERT L. BAYLESS, PRODUCER LLC  
FLOYD #8  
1105'FSL & 1070'FEL  
Sec.17, T30N, R12W, NMPM  
San Juan Co., NM



# Robert L. Bayless, Producer LLC

## Drilling Technical Program

(Attachment to Form 3160-3)

### Floyd #8

1105 FSL & 1070 FEL (se se)

Section 17, T30N, R12W

San Juan County, New Mexico

## 1. ESTIMATED FORMATION TOPS

<u>Formation</u>	<u>Depth KB</u>	<u>Est Pressure</u>
Ojo Alamo	450 feet	
Kirtland	610 feet	
Fruitland	1660 feet	450 psi
Pictured Cliffs	1985 feet	570 psi

## 2. WELL CONTROL SYSTEM

- A. The proposed blowout system (schematic drawings attached) is a bag type preventer, and will be used in 1000 psi service. Bayless requests a waiver from O & G Order #2 requirements for 2M service as the well is shallow and low pressure, with the surface pressure not to exceed 350 psi. Such moderate conditions lower any chance of uncontrolled gas flow.
- B. Minimum required working pressure rating for BOP stack is 1000 psi. Maximum anticipated bottom hole pressure = 570 psi. Well Control Anticipated Surface Pressure (ASP) = 570 psi - (.22 \* 2150') = 97 psi, assuming a partially gas cut column per BLM guidelines.
- C. BOP pressure testing will be conducted at the time of installation and prior to drilling out surface casing shoe. Bag type preventer will be tested to 250 psi. The BOP will be activated on each trip out of the hole and all will be recorded in the driller's log. A choke manifold will be installed as per attached drawing. Working pressure for the choke manifold is 1000 psi. In addition, a kill line from the mud pump will be installed.
- D. Stabbing valves for drill pipe and drill collars will be available on the rig floor. An upper kelly cock will also be available on the rig.
- E. Anticipated formation pressures average .25 psi/ft gradient and formation fracture pressures are anticipated to exceed the maximum mud weight of 9.1 pounds per gallon.

## 3. DRILLING MUD PROGRAM

- A. An 11" surface hole will be drilled with a fresh water system. Lime and gel will be added to provide viscosity as needed.
- B. A 6 1/4" hole will be drilled to total depth utilizing air. a low solids non-dispersed mud system. Additives such as starch, gel, and others will be used to control mud properties as needed. No materials of a hazardous nature will be added to the drilling fluid in hazardous quantities. Lost circulation material will be on location, but no mud weighting materials will be stores on location.

Interval	Mud System	Weight PPG	Viscosity sec/qt	WL cc
0 – 120 ft	Spud mud	<9.0	35 – 55	NC
120 – 2150 ft	LSND	8.6 – 9.3	28 – 50	<12

- C. Mud level monitoring will be done visually.

#### 4. HAZARDS

- A. Abnormal pressure is not expected in this area.
- B. Lost circulation is expected to be of minimal problems in this area.
- C. No hydrogen sulfide is expected. However, should hydrogen sulfide be encountered during drilling, detection and warning systems will be installed.
- D. Hole deviation is not expected in this area. Single shot surveys giving hole inclination will be run a minimum of every 500 feet.

#### 5. LOGGING AND TESTING

- A. Induction and density logs will be run from total depth across all zones of interest.
- B. No drill stem tests are anticipated in this well.
- C. No cores are anticipated in this well.
- D. No mud logging unit will be used on this well.

6. **CASING PROGRAM**

- A. Surface casing: 7" 23.0 #/ft J-55 from surface to ~~120~~ feet. 648'
- B. Production casing: 4 1/2" 10.5 #/ft J-55 from surface to 2150 feet.
- C. A proposed wellbore diagram is attached.

Robert L. Bayless, Producer LLC  
Floyd #8  
1105 FSL & 1070 FEL (se se)  
Section 17 - T30N - R12W  
San Juan County, NM

Longstring Cementing Guidelines

The following estimated volumes of cement will be pumped on the longstring casing cementing job to provide a cement sheath from the end of production casing to the surface to protect useable water zones in this well. The exact cement pumped may vary slightly after examination of open hole logs.

lead slurry: 90 sx (185.4 cf) Class B cement with 2%  
econolite  
weight: 12.5 #/gal  
yield: 2.06 ft<sup>3</sup>/sx

tail slurry: 95 sx (112.1 cf) Class B cement neat.  
weight: 15.6 #/gal  
yield: 1.18 ft<sup>3</sup>/sx

**NOTE:** a 10 barrel spacer of clear water will be pumped ahead of the lead cement slurry to prevent mud contamination of the cement.

If cement does not reach the surface, a temperature log or cement bond log will be run to determine the top of cement.

The longstring production casing will be centralized through the Pictured Cliffs production interval and through any usable water zones. Turbo-centralizers will be placed just below and into the base of the lowest water zone.

A chronological log will be kept on the longstring cement job, recording the pump rate, pump pressure, slurry density, and slurry volume. This log will be sent to the BLM after completion of the job.



# BURLINGTON RESOURCES

SAN JUAN DIVISION

April 15, 2002

Robert L. Bayless, Producer LLC  
P.O. Box 168  
Farmington, New Mexico 87499  
Attn: Tom McCarthy, Petroleum Engineer

APR 18 2002

RE: Application for Administrative Approval of Non-Standard Locations

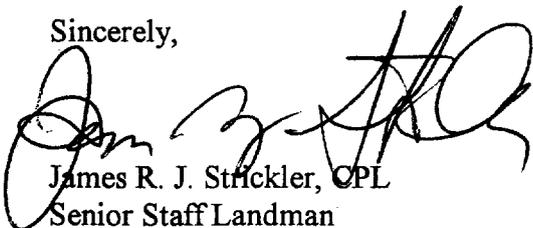
- 1) Floyd # 7  
955' FNL and 980" FWL, Sec. 17 (N/2 Unit), T30N-R12W
- 2) Floyd # 8  
1105" FSL and 1070" FEL, Sec. 17 (S/2 Unit), T30N-R12W  
Fruitland Coal Formation  
San Juan County, New Mexico

Gentlemen:

Burlington Resources Oil & Gas Company LP (Burlington) is in receipt of your letters dated April 9, 2002, where Robert L. Bayless, Producer LLC requests our waiver of your Application for a Non-Standard location for the subject wells. Burlington has no problem with your locations. We hereby waive any objection to your Application for a Non-Standard Location for the subject Fruitland Coal wells.

If you should have any questions about our waiver, please call me at 505-326-9756.

Sincerely,



James R. J. Strickler, OPL  
Senior Staff Landman

JRJS/hme  
Bayless waiver 041502

cc: Ms. Lori Wrotenbery, Director  
NMOCD  
Santa Fe, NM