

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

NOV 1

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. NMNM 121498
6. If Indian, Allottee or Tribe Name Farmington Field Office Bureau of Land Management
7. If Unit of CA/Agreement, Name and/or No.
8. Well Name and No HORSESHOE GALLUP 18-16H
9. API Well No. 30-045-35300
10. Field and Pool or Exploratory Area HORSESHOE GALLUP
11. Country or Parish, State SAN JUAN, NEW MEXICO

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other	
2. Name of Operator ROBERT L BAYLESS, PRODUCER LLC	
3a. Address PO BOX 168 FARMINGTON, NM 87499	3b. Phone No. (include area code) 505-326-2659
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) AT SURFACE 220' FSL & 140' FWL SEC. 18 T:30N R:15W AT PRODUCTION ZONE 506' FSL & 961' FEL SEC. 18 T:30N R:15W	

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☒ New Construction	☐ Recomplete	☒ Other <u>BOP TEST</u>
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

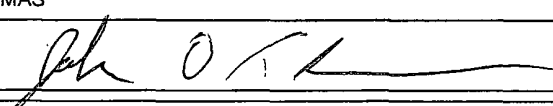
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Lateral Spud Date 11/1/2011. MIRU D&J #2 and set whipstock at 4016'. Milled window in 7" casing from 4016'-4006' (6-1/8" mill). Drilled 6 1/8" hole to 7798 ft MD. Ran 4 1/2" 11.6#/ft N-80 casing with 9 open hole inflatable packers to 7767 ft. Casing is not cemented and tied back to surface. Shut down for 21 days to allow packers to inflate prior to completion. Casing will be pressure tested to 5000 psi prior to completion. ATTACHED ARE THE BOP TESTS PERFORMED ON 11/1/2011.

RCVD NOV 21 '11

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) JOHN D THOMAS		Title OPERATIONS ENGINEER
Signature 		Date 11/17/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE 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 operations thereon.	Office	ACCEPTED FOR RECORD

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

(Instructions on page 2)

NMOC D

BY 

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law 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, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment.

NOTICES

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., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: 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 in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

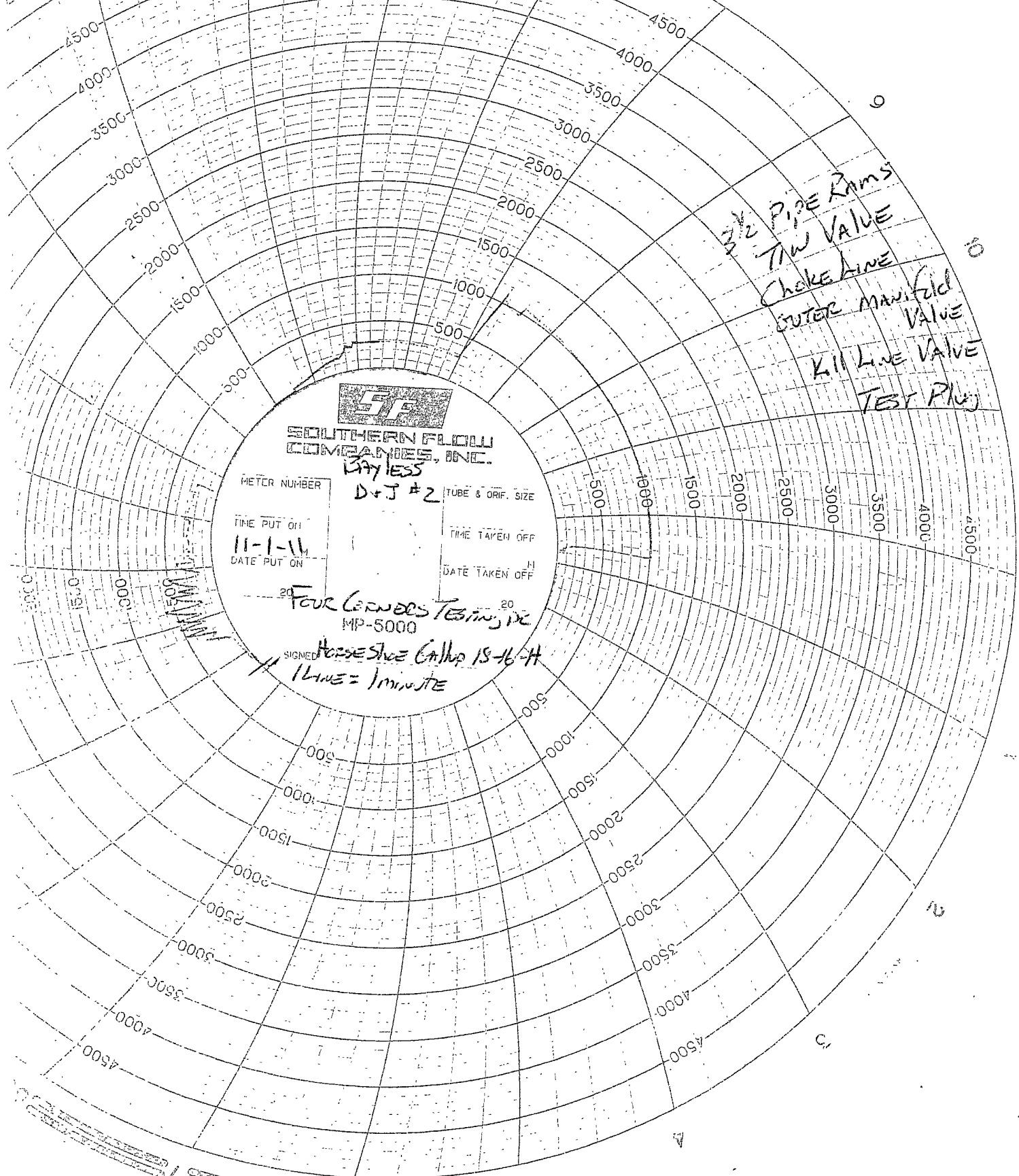
The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

4 5 6 AM



SOUTHERN FLOW
COMPANIES, INC.

DAY LESS

D+J #2

METER NUMBER

TIME PUT ON

11-1-11

DATE PUT ON

TUBE & ORIF. SIZE

TIME TAKEN OFF

DATE TAKEN OFF

FOUR CORNERS TESTING, INC.
MP-5000

SIGNED: H. S. S. Callup 18-16-H

1 LINE = 1 minute

3/2 PIPE RAMS
T.W. VALVE
CHOKER LINE

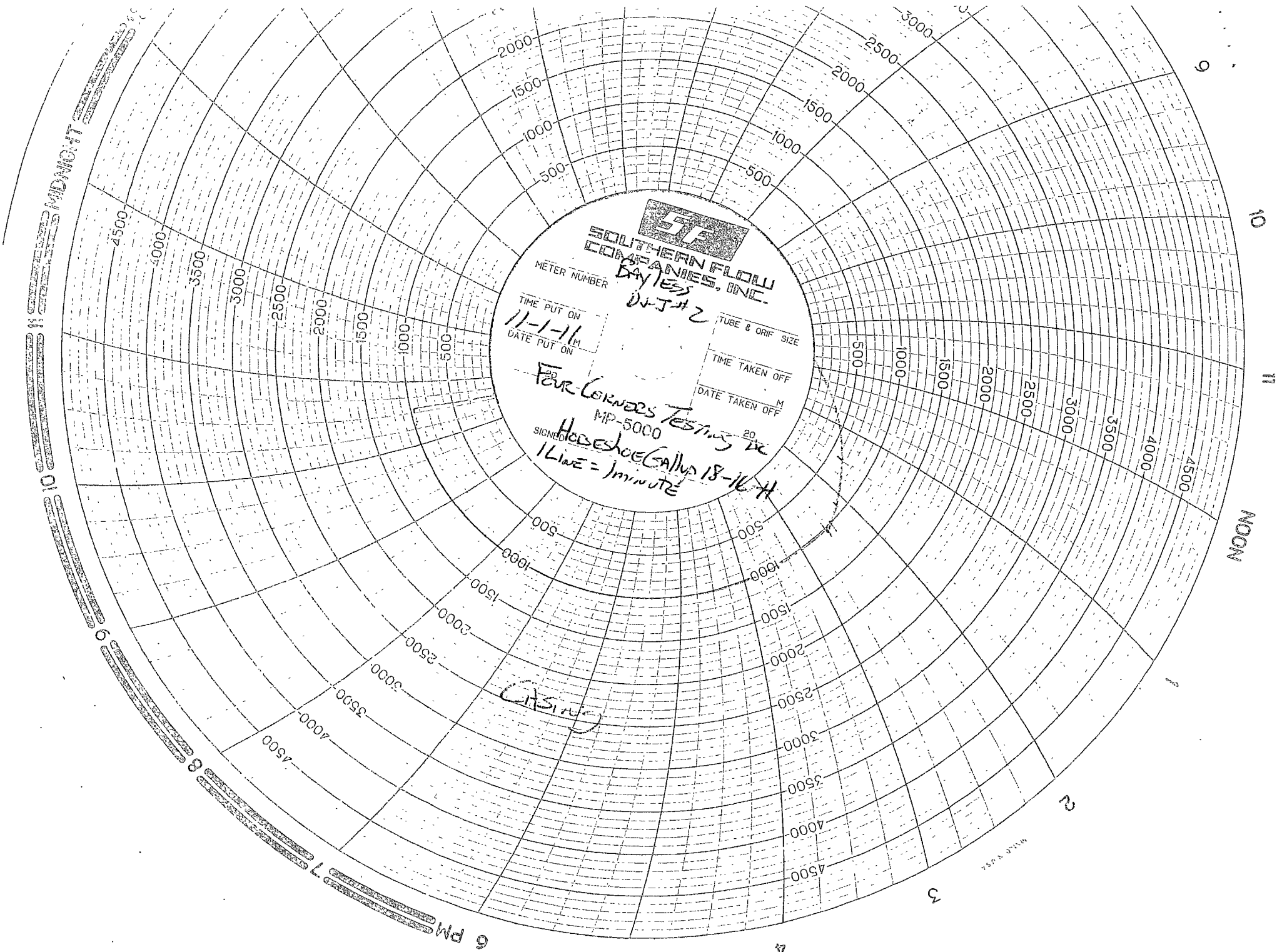
OUTER MANIFOLD
VALVE

KILL LINE VALVE

TEST PLUG

7 8 PM

FOUR CORNERS TESTING INC.
MP-5000
DATE TAKEN OFF
SIGNED
H. B. SHUE GALLUP 18-16-11
1 Line = 1 minute



SF
SOUTHERN FLOW
COMPANIES, INC.

METER NUMBER

Bayless
DJ-J-12

TIME PUT ON

11-1-11

DATE PUT ON

TUBE & ORIF SIZE

TIME TAKEN OFF

DATE TAKEN OFF

Four Corners Testing Co.
MP-5000

SIGNED: HOBBSHOE GALLIN
1 Line = 1 minute

CASING

W-10-4-0-5-1