

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**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.*

RECEIVED

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM121498	
2. Name of Operator ROBERT L BAYLESS PRODUCER LLC		6. If Indian, Allottee or Tribe Name	
3a. Address 368 NEW MEXICO HIGHWAY 170 FARMINGTON, NM 87499		7. If Unit or CA/Agreement, Name and/or No.	
3b. Phone No. (include area code) Ph: 505-564-7809		8. Well Name and No. HORSESHOE GALLUP 18 8H	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 18 T30N R15W SENE 2420FNL 0245FEL 36.814690 N Lat, 108.450310 W Lon		9. API Well No. 30-045-35373-00-S1	
		10. Field and Pool, or Exploratory HORSESHOE GALLUP	
		11. County or Parish, and State SAN JUAN COUNTY, NM	

**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 checked="" 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recomple 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 recomple 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 Completion Report

RCVD JAN 18 '13  
OIL CONS. DIV.  
DIST. 3

14. Thereby certify that the foregoing is true and correct. <b>Electronic Submission #184721 verified by the BLM Well Information System For ROBERT L BAYLESS PRODUCER LLC, sent to the Farmington Committed to AFMSS for processing by TROY SALYERS on 01/17/2013 (13TLS0157SE)</b>	
Name (Printed/Typed) JOHN D THOMAS	Title OPERATIONS ENGINEER
Signature (Electronic Submission)	Date 01/17/2013

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <b>ACCEPTED</b>	TROY SALYERS Title PETROLEUM ENGINEER	Date 01/17/2013
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 Farmington

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 or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

NMOCD

**Robert L. Bayless, Producer LLC**  
**Horseshoe Gallup 18-8H**  
Federal Lease: NMNM121498  
API #: 30-045-35373  
SEC: 18 T: 30N R: 15W  
SHL: 240 FNL & 245 FEL  
BHL: 1732 FNL & 252 FWL

**CASING DEPTH:** SURFACE: 9-5/8" 36#/FT J-55 CASING @ 326 FT  
INTERMEDIATE: 7" 23#/FT J-55 CASING @ 4,554 FT  
PRODUCTION: 4-1/2" 11.6#/FT N-80 CASING @ 8,397 FT (3,932 FT TVD)

**PACKER DEPTH:**

Packer #1 8,135 FT

PACKER #2	7,892 FT	PACKER #9	6,119 FT
PACKER #3	7,648 FT	PACKER #10	5,876 FT
PACKER #4	7,405 FT	PACKER #11	5,631 FT
PACKER #5	7,122 FT	PACKER #12	5,390 FT
PACKER #6	6,883 FT	PACKER #13	5,149 FT
PACKER #7	6,640 FT	PACKER #14	4,868 FT
PACKER #8	6,358 FT	PACKER #15	4,626 FT

**GALLUP LATERAL COMPLETION REPORT**

**10/18/2012**

Set and Fill 10 – 400 bbl upright frac tanks with 2% KCL water. Nippled up frack Y and Blow down spool and pressure tested to 5000 psi. Moved in and rigged up pump truck and loaded well with 2% KCL. Pressured up on casing to open Hydraulic port at 4,500 psi. Shut down and moved out services.

**10/24/2012**

Moved in and rigged up Halliburton pumping services and wireline services. Pressure tested line to 10,000 psi. Stimulated stage #1 with 53,246 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,706 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 8,135 ft. Tripped in hole with perforating guns and perforated stage #2 (Packers 8,135 ft – 7,892 ft) from 8114-7964 ft. Stimulated stage #2 with 40,734 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,706 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 7,892 ft. Tripped in hole with perforating guns and perforated stage #3 (Packers 7,892 ft – 7,648 ft) from 7850-7684 ft. Stimulated stage #3 with 42,493 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,408 psi. Tripped in hole with perforating guns and frac plug. Set

frac plug at 7,648 ft. Tripped in hole with perforating guns and perforated stage #4 (Packers 7,648 ft – 7,405 ft) from 7430-7635 ft. Stimulated stage #4 with 43,452 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,427 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 7,405 ft. Tripped in hole with perforating guns and perforated stage #5 (Packers 7,405 ft – 7,122 ft) from 7152-7293 ft. Stimulated stage #5 with 44,570 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,540 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 7,122 ft. Tripped in hole with perforating guns and perforated stage #6 (Packers 7,122 ft – 6,883 ft) from 6895-7055 ft. Stimulated stage #6 with 44,403 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,868 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 6,883 ft. Tripped in hole with perforating guns and perforated stage #7 (Packers 6,883 ft – 6,640 ft) from 6675-6848 ft. Stimulated stage #7 with 42,266 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,156 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 6,640 ft. Tripped in hole with perforating guns and perforated stage #8 (Packers 6,640 ft – 6,358 ft) from 6435-6600 ft. Stimulated stage #8 with 40,429 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,124 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 6,358 ft. Tripped in hole with perforating guns and perforated stage #9 (Packers 6,358 ft – 6,119 ft) from 6160-6341 ft. Stimulated stage #9 with 33,281 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,434 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 6,119 ft. Tripped in hole with perforating guns and perforated stage #10 (Packers 6,119 ft – 5,876 ft) from 5950-6081 ft. Stimulated stage #10 with 39,529 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,244 psi.

#### 10/25/2012

Tripped in hole with perforating guns and frac plug. Set frac plug at 5,876 ft. Tripped in hole with perforating guns and perforated stage #11 (Packers 5,876 ft – 5,631 ft) from 5725-5823 ft. Stimulated stage #11 with 41,860 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 1,988 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 5,876 ft. Tripped in hole with perforating guns and perforated stage #12 (Packers 5,631 ft – 5,390 ft) from 5400-5605 ft. Stimulated stage #12 with 40,357 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,220 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 5,390 ft. Tripped in hole with perforating guns and perforated stage #13 (Packers 5,390 ft – 5,149 ft) from 5180-5335 ft. Stimulated stage #13 with 40,158 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,059 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 5,149 ft. Tripped in hole with perforating guns and perforated stage #14 (Packers 4,868 ft – 5,149 ft) from 4903-5004 ft. Stimulated stage #11 with 57,557 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,068 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 4,817 ft. Tripped in hole with perforating guns and perforated stage #15 (Packers 4,868 ft – shoe ft) from 4625-4800 ft. Stimulated stage #15 with 42,149 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 1,940 psi. Set frac plug at 4,500 ft. shut down wait on rig.

#### 10/28/2012

frac plug at 7,648 ft. Tripped in hole with perforating guns and perforated stage #4 (Packers 7,648 ft – 7,405 ft) from 7430-7635 ft. Stimulated stage #4 with 43,452 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,427 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 7,405 ft. Tripped in hole with perforating guns and perforated stage #5 (Packers 7,405 ft – 7,122 ft) from 7152-7293 ft. Stimulated stage #5 with 44,570 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,540 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 7,122 ft. Tripped in hole with perforating guns and perforated stage #6 (Packers 7,122 ft – 6,883 ft) from 6895-7055 ft. Stimulated stage #6 with 44,403 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,868 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 6,883 ft. Tripped in hole with perforating guns and perforated stage #7 (Packers 6,883 ft – 6,640 ft) from 6675-6848 ft. Stimulated stage #7 with 42,266 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,156 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 6,640 ft. Tripped in hole with perforating guns and perforated stage #8 (Packers 6,640 ft – 6,358 ft) from 6435-6600 ft. Stimulated stage #8 with 40,429 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,124 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 6,358 ft. Tripped in hole with perforating guns and perforated stage #9 (Packers 6,358 ft – 6,119 ft) from 6160-6341 ft. Stimulated stage #9 with 33,281 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,434 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 6,119 ft. Tripped in hole with perforating guns and perforated stage #10 (Packers 6,119 ft – 5,876 ft) from 5950-6081 ft. Stimulated stage #10 with 39,529 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,244 psi.

#### **10/25/2012**

Tripped in hole with perforating guns and frac plug. Set frac plug at 5,876 ft. Tripped in hole with perforating guns and perforated stage #11 (Packers 5,876 ft – 5,631 ft) from 5725-5823 ft. Stimulated stage #11 with 41,860 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 1,988 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 5,876 ft. Tripped in hole with perforating guns and perforated stage #12 (Packers 5,631 ft – 5,390 ft) from 5400-5605 ft. Stimulated stage #12 with 40,357 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,220 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 5,390 ft. Tripped in hole with perforating guns and perforated stage #13 (Packers 5,390 ft – 5,149 ft) from 5180-5335 ft. Stimulated stage #13 with 40,158 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,059 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 5,149 ft. Tripped in hole with perforating guns and perforated stage #14 (Packers 4,868 ft – 5,149 ft) from 4903-5004 ft. Stimulated stage #11 with 57,557 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 2,068 psi. Tripped in hole with perforating guns and frac plug. Set frac plug at 4,817 ft. Tripped in hole with perforating guns and perforated stage #15 (Packers 4,868 ft – shoe ft) from 4625-4800 ft. Stimulated stage #15 with 42,149 gallons of Delta 140 N2 foam and 82,000 # of 20/40 sand at an average pressure of 1,940 psi. Set frac plug at 4,500 ft. shut down wait on rig.

#### **10/28/2012**

Moved in and rigged up Hurricane completion rig. Picked up 4500' of 2-3/8" PH6 tubing and tagged cap plug. Picked up 2.5 swivel and drilled out 5 composite plugs to 5050' with N2/air mist. Tripped above curve 3600 ft and shut down for night.

**10/29/2012**

Drilled out plugs 6-10 to 6,052 ft. Pulled up to 3,600 ft and shut down for night.

**10/30/2012**

Drilled out plugs 6-15 and tagged shoe at 8350 ft. Sand fill tagged at 7,965 ft. Circulate bottoms up at 8,190 ft with Nitrogen mist. Pulled up to 3,600 ft and shut down for night.

**10/31/2012**

Tagged setting shoe at 8,347 ft. Staged out of hole to 3,700 ft and shut down to allow well to flow overnight. Well flowed on 0.75" choke and 250 psi avering 17 bbl fluid/hr. Total fluid recovered to date 3,243 bbl.

**11/01/2012**

Tagged sand fill at 4,700 ft. Washed through sand with nitrogen mist. Tripped to toe and tagged. Unloaded well at toe. Staged out of hole to 3700 ft and allowed well to flow overnight. Well flowed overnight on .75" choke on 150 psi. Shut down for weekend.

**11/15/2012**

Move in wireline services and trip in hole to 3810 ft and chemical cut casing. Release wireline. Trip out of hole with 3810 ft of 4.5" J-55 11.6# casing. Shut down for weekend.

**11/05/2012**

Lay down PH6 Tubing. Rigged down and moved off N2/air package. Hot oiled well with 40 bbl to clean paraffin build up from casing. Picked up production packer, 4,658 ft of 2 3/8" EUE tubing and 4 gas lift mandrels. Landed tubing at 4,600 ft and set packer at 4,500 ft. Swabbed well to recover 40 bbl and well kicked off at 350 psi on a 3/4" choke. Allowed well to flow overnight. Pressure dropped to 100 psi averaging 30 bbl/hr. Rigged down rig and move out.

**12/09/2012**

Hook up gas lift automation surface equipment and test.

Moved in and rigged up Hurricane completion rig. Picked up 4500' of 2-3/8" PH6 tubing and tagged cap plug. Picked up 2.5 swivel and drilled out 5 composite plugs to 5050' with N2/air mist. Tripped above curve 3600 ft and shut down for night.

**10/29/2012**

Drilled out plugs 6-10 to 6,052 ft. Pulled up to 3,600 ft and shut down for night.

**10/30/2012**

Drilled out plugs 6-15 and tagged shoe at 8350 ft. Sand fill tagged at 7,965 ft. Circulate bottoms up at 8,190 ft with Nitrogen mist. Pulled up to 3,600 ft and shut down for night.

**10/31/2012**

Tagged setting shoe at 8,347 ft. Staged out of hole to 3,700 ft and shut down to allow well to flow overnight. Well flowed on 0.75" choke and 250 psi avering 17 bbl fluid/hr. Total fluid recovered to date 3,243 bbl.

**11/01/2012**

Tagged sand fill at 4,700 ft. Washed through sand with nitrogen mist. Tripped to toe and tagged. Unloaded well at toe. Staged out of hole to 3700 ft and allowed well to flow overnight. Well flowed overnight on .75" choke on 150 psi. Shut down for weekend.

**11/15/2012**

Move in wireline services and trip in hole to 3810 ft and chemical cut casing. Release wireline. Trip out of hole with 3810 ft of 4.5" J-55 11.6# casing. Shut down for weekend.

**11/05/2012**

Lay down PH6 Tubing. Rigged down and moved off N2/air package. Hot oiled well with 40 bbl to clean paraffin build up from casing. Picked up production packer, 4,658 ft of 2 3/8" EUE tubing and 4 gas lift mandrels. Landed tubing at 4,600 ft and set packer at 4,500 ft. Swabbed well to recover 40 bbl and well kicked off at 350 psi on a 3/4" choke. Allowed well to flow overnight. Pressure dropped to 100 psi averaging 30 bbl/hr. Rigged down rig and move out.

**12/09/2012**

Hook up gas lift automation surface equipment and test.