

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO. 30-045-32963
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Hazel Bolack 10
8. Well No. 4
9. Pool name or Wildcat Basin Fruitland Coal

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER:	
2. Name of Operator ROBERT L. BAYLESS, PRODUCER LLC	
3. Address of Operator P.O. BOX 168, FARMINGTON, NM 87499	
4. Well Location Unit Letter <u>N</u> : <u>730'</u> Feet from the <u>South</u> Line and <u>1875'</u> Feet from The <u>West</u> Line Section <u>10</u> Township <u>30N</u> Range <u>11W</u> NMPM <u>SAN JUAN</u> County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 5793'	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>
	OTHER: <input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Ran production casing and cemented. See attached report.



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

SIGNATURE Tom McCarthy TITLE Petroleum Engineer DATE 12/16/2005

TYPE OR PRINT NAME Tom McCarthy TELEPHONE NO. (505) 326-2659

(This space for State Use)
APPROVED BY H. Villanueva DEPUTY OIL & GAS INSPECTOR, DIST. 3 TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE DEC 19 2005

CONDITIONS OF APPROVAL, IF ANY:

Robert L. Bayless, Producer LLC
Hazel Bolack 10 No. 4
730' FSL and 1875' FWL, Section 10 T30N, R11W
San Juan County, New Mexico
Daily Report

10/25/2005: Build road and location. Dig and line reserve pit. Install temporary fence around location. From 10/24 – 11/7/2005 lay and bury 4" steel gas line and 2" HDPE water line from 10-4 to 10-3 location. Haul in frac tank.

11/28/2005: Move in D&D Services drilling rig. Rig up. Haul drilling water to location. Notified OCD and City of impending spud. Night watchman on location.

11/29/2005: Spud well at 8 AM. Drill 8 3/4" hole to 143' with fresh water. Run 3 joints 7" 20# J-55 casing. Ran centralizer on bottom joint.

KB	5.00'
Below ground level	1.00'
3 jts 7" 20# J-55 casing	132.47'
Landed at	<u>138.47'</u>

Rig up BJ to cement casing. Pump 10 BBL spacer. Pump 56 sx (78 CF) Type 3 cement with 3% CaCl and 1/4#/sx cello flake. Displace with 4 BBL water. Had good cement to surface. NMOCD on location. Circulated 4 BBL cement. WOC. Shut in for night. Night watchman on location.

11/30/2005: Nipple up and test BOP. Trip in with 6 1/4" bit, drill collars, and drill pipe and tag cement at 60'. Drill to 510'. Trip out to add reamer to drill string. Deviation survey at 130'; 1/2 degree. Shut down for night with watchman on location.

12/1/2005: Trip in with 6 1/4" bit, DC's, reamers, and DP. Drill to 1070'. Shut down for night with watchman on location.

12/2/2005: Drill to 1530' with 6 1/4" bit. Shut down for night with watchman on location.

12/3/2005: Drill to 1890' with 6 1/4" bit. Broke pin in brake linkage and dropped the blocks. No injuries. Cleaned up mess and picked up 100' off bottom. Shut down for night with watchman on location.

12/4/2005: TD 1890'. Rig repair. Trip out with drill string. Missing two cones from bit. Bent three joints drill pipe and tool joint flared. Plan magnet trip Monday morning.

12/5/2005: TD 1890'. Trip in with 5" magnet. Washed to bottom. Start trip out; the hole was very tight and the trip out was slow. Swept hole 4 times on trip out. Did not recover bit cones. Plan to mud up the hole and another magnet trip Tuesday.

12/6/2005: TD 1890'. Trip in with old bit to 200' off bottom. Mud up; Vis 50, weight 8.5, WL 9, PH 10.5. Trip in circulate to bottom. Drill on cones. Made 2' of hole but could not get past cones. Trip out to 300' and shut down for night. Watchman on location.

12/7/2005: TD 1890'. Trip out with bit. Make up and trip in with magnet to TD. Circulate on top of cones at TD. Trip out with magnet. Recovered 1 cone. Start back in hole with magnet to recover remaining cone. Watchman on location.

12/8/2005: TD 1890'. Trip in with magnet to TD to recover bit cone. Circulate on top of cones at TD. Trip out with magnet. Recovered 6 buttons from cone. Trip in with bit to drill cone and remainder of hole. Watchman on location.

12/9/2005: Trip in with bit. Drill to 2070'. Watchman on location.

12/10/2005: Drill to 2290'. Basal Fruitland coal at 2211-2237'. Lost 30 barrels mud into the basal coal. Watchman on location.

12/11/2005: Drill to 2360', total depth. Circulate hole to clean up. Watchman on location.

12/12/2005: TD 2360'. Trip out drill pipe laying down. Move out drill pipe. Rig up Schlumberger to log. Ran Array Induction Resistivity, Triple Lithology Density, Gamma Ray, SP, Caliper logs. Rig down Schlumberger. Move in and unload production casing. Watchman on location.

12/13/2005: TD 2360'. Rig up casing crew. Trip in hole with 4 1/2" 10.5# J-55-EUE casing. Circulate 20' to bottom, 4' higher than expected at 2356'. Rig up BJ to cement. Pumped 20 BBL gelled water, 5 BBL water with red dye, 235 sx (505 cf) Premium Lite High strength cement with 3#/sk CSE (compressive strength enhancer), 1/4 #/sx cello flake, .3% CD-32 (polymer dispersant), 5% LCM-1 (asphaltite), and .7% FL-52 (fluid loss additive). Displaced with 36.7 BBLs water. Bumped plug and held. Good circulation throughout job. The last 11 BBLs of displacement showed strong red dye, but no cement circulated to surface. Rig down BJ. Wait on cement. Had night watchman.

*TOC-Survey. 300'
next page*

Casing:	Cut off above KB:	-1.00
	54 jt 4 1/2" 10.5# J55 casing:	2309.56
	Float collar:	0.70
	1 jt casing:	42.76
	Shoe:	.50
	Landed at:	2352.52

Centralizers at 2314', 2269', 2183', 2098', 2012', 944', 816'.

Surveys: 130', 1/2 degree; 630', 1 degree; 1130', 1 degree; 1630', 1 1/2 degrees; 2130', 2 degrees.

12/14/2005: Run temperature survey. Found PBD at 2310'. Found cement top at 300'. Nipple down BOP, set slips on casing, cut off casing and weld on bell nipple. Rig down and move out D&D Service.