

OIL CONSERVATION DIVISION

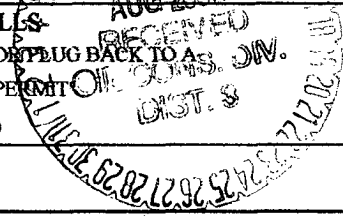
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-045-28993
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 Moseley
8. Well No. 1
9. Pool name or Wildcat Basin FC/Flora Vista Fruitland

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT TO DRILL" (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>K</u> : <u>1470</u> Feet from the <u>South</u> Line and <u>1645</u> Feet from The <u>West</u> Line Section <u>2</u> Township <u>30N</u> Range <u>12W</u> NMPM <u>SAN JUAN</u> County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 5788 GR	

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: <u>Change Producing Zone</u> <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input 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.

This well is shut in currently. It is completed commingled in the Basin Fruitland Coal and Flora Vista Fruitland Sand. Bayless requests permission to plug back the Basin Fruitland Coal and produce the Flora Vista Fruitland Sand only, using the following procedure:

1. Check rig anchors if needed for rig.
2. Rig up workover rig. Kill well if necessary. Trip out and lay down rods. Nipple up BOP. Trip in with tubing and tag and document PBD.
3. Trip out and get a good tubing tally.
4. Rig up Blue Jet and trip in with Weatherford composite drillable bridge plug. Set bridge plug at 1960' KB.
5. Trip in with tubing to produce. Land tubing at 1910' KB with 15' joint on bottom, and then the seating nipple.
6. Nipple down BOP. Rig up to swab if necessary, and try to get the well producing into the pipeline. Rig down

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

SIGNATURE Tom McCarthy TITLE ENGINEER DATE 8/9/2006

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

(This space for State Use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 5 DATE AUG 10 2006

CONDITIONS OF APPROVAL, IF ANY: