

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.*

RECEIVED

JAN 20 AM 9:56

SUBMIT IN TRIPLICATE - Other instructions on reverse side

070 Farmington, NM

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. Graham B WN Federal #10G
2. Name of Operator Robert L. Bayless, Producer LLC		9. API Well No. 30-045-31646
3a. Address PO Box 168, Farmington, NM 87499	3b. Phone No. (include area code) (505) 326-2659	10. Field and Pool, or Exploratory Area Basin Fruitland Coal
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1750' FSL & 1935' FEL, Sec. 10, T27N, R8W		11. County or Parish, State San Juan, New Mexico

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 type="checkbox"/> Other <u>Spud, Surface Casing</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>& Cement</u>
	<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 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 shall 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 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.



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

Name (Printed/Typed) Price M. Bayless	Title Engineering Manager
Signature <i>Price M. Bayless</i>	Date January 14, 2004

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

JAN 20 2004

Approved by	Title FARMINGTON FIELD OFFICE
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 <i>Jke</i>

Title 18 U.C.S. 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.

NMOCD

Robert L. Bayless, Producer LLC

Graham B #10G
API # 30-045-31646
1750 FSL & 1935 FEL
Section 10 – T27N – R8W
San Juan County, New Mexico

Morning Report – Drilling

1/13/04

Build location and dig pit. Line and fence pit.

1/14/04

Move L&B Speeddrill rig onto location and rig up. Spud well at 12:30 pm, 1/13/04. Drill 8 1/4" hole to 141 ft and circulate hole clean. Drop survey tool and trip out of hole. Deviation 1/4° at 141 ft. Rig up and run 3 joints (134.41 ft) 7" 20 #/ft new J-55 ST&C casing. land at 139 ft. Rig up AES and cement surface casing with 50 sx (59.0 cf) Class B cement with 3% CaCl and 1/4 #/sx celloflake. Good returns throughout job with 5 bbls circulated to pit. Plug down at 3:00 pm, 1/13/04. WOC and shut down overnight.