

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

|  |  |  |
|--|--|--|
| 1. TYPE OF WORK<br><b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/> <b>PLUG BACK</b> <input type="checkbox"/>                   |  | 5. LEASE DESIGNATION AND SERIAL NO.<br>SF-076337                           |
| 2. NAME OF OPERATOR<br>Robert L. Bayless   |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME                                       |
| 3. ADDRESS OF OPERATOR<br>P.O. Box 168, Farmington, NM 87499   |  | 7. UNIT AGREEMENT NAME   |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*<br>At surface<br>1700' FNL & 2310' FEL<br>At proposed prod. zone<br>same |  | 8. FARM OR LEASE NAME<br>Santa Rosa <del>X</del> 9                         |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*  |  | 9. WELL NO.<br>9-1   |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  |  | 10. FIELD AND POOL, OR WILDCAT<br>Basin Fruitland Coal                     |
| 16. NO. OF ACRES IN LEASE<br>2449.35   |  | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA<br>Section 9, T29 N, R9 W |
| 17. NO. OF ACRES ASSIGNED TO THIS WELL<br>320  |  | 12. COUNTY OR PARISH<br>San Juan   |
| 18. PROPOSED DEPTH<br>2375'  |  | 13. STATE<br>NM  |
| 19. ROTARY OR CABLE TOOLS<br>0 - TD  |  |  |
| 20. APPROX. DATE WORK WILL START*<br>ASAP  |  |  |

|  |   |                 |               |   |
|--|---|-----------------|---------------|---|
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.)<br>5750' GL 2310' RKB | 22. APPROX. DATE WORK WILL START*<br>ASAP |                 |               |   |
| 23. PROPOSED CASING AND CEMENTING PROGRAM                            |   |                 |               |   |
| SIZE OF HOLE   | SIZE OF CASING                            | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT  |
| 12-1/4"  | 8-5/8"                                    | 24.0#           | 120'          | 90 sx Class B (106 ft <sup>3</sup> )                                    |
| 7-7/8"   | 4-1/2"                                    | 10.5#           | 2375'         | 500 sx assorted cements-see longstring cementing guidelines for details |

Will drill 12-1/4" hole to 120' and set 120' of 8-5/8" 24.0 #/ft J-55 used casing, cementing with 106 ft<sup>3</sup> Class B cement, circulated to surface. Will drill 7-7/8" hole to 2375' and run 2375' of 4-1/2" 10.5 #/ft J-55 new casing and cement as per attached longstring cementing guidelines. Circulating medium while drilling will be clear water, natural mud and waterloss control additives. No abnormal pressures or temperatures are anticipated. Will run Induction and Density Logs. Blowout preventer and safety equipment schematics are attached. The gas from this formation is not dedicated to a gas contract.

ESTIMATED TIPS: Ojo Alamo - 1100'  
Kirtland - 1260'  
Fruitland - 1960'  
Pictured Cliffs - 2290'  
Total Depth - 2375'

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OIL CON. DIV.  
DIST. 3

IN A PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and present productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED: Kevin H. McCord TITLE: Petroleum Engineer DATE: 6-1-90  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY: \_\_\_\_\_ TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-80

OIL CONSERVATION DIVISION

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

|   |  |                         |                                     |                                |  |
|---|--|-------------------------|-------------------------------------|--------------------------------|--|
| Operator<br><b>BAYLESS MINERALS, INC.</b>   |  |                         | Lease<br><b>SANTA ROSA 9</b>        |                                | Well No.<br><b>8-1</b>                 |
| Unit Letter<br><b>G</b>   | Section<br><b>9</b>                          | Township<br><b>29 N</b> | Range<br><b>9 W</b>                 | County<br><b>NMPM San Juan</b> |  |
| Actual Footage Location of Well:<br><b>1700</b> feet from the <b>North</b> line and <b>2310</b> feet from the <b>East</b> line  |  |                         |                                     |                                |  |
| Ground level Elev.<br><b>5750</b>   | Producing Formation<br><b>Fruitland Coal</b> |                         | Pool<br><b>Basin Fruitland Coal</b> |                                | Dedicated Acreage:<br><b>320</b> Acres |
| <p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?<br/><input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p> |  |                         |                                     |                                |  |

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

S 89° 59' W

WE 89° 59' E 81.08 ch.

1700'

2310'

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OIL CON. DIV. 1  
DIST. 3

S 89° 59' W

79.65 ch.

OPERATOR CERTIFICATION

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

Signature

*Kevin H. McCord*

Printed Name

Kevin H. McCord

Position

Petroleum Engineer

Company

Bayless Minerals, Inc.

Date

6-1-90

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

5-10-90

Date Surveyed

William F. Mahnke II

Signature & Seal of Professional Surveyor



