

DATE IN <u>4/29/11</u>	SUSPENSE	ENGINEER <u>WJ</u>	LOGGED IN <u>4/29/11</u>	TYPE <u>SWD</u>	APP NO <u>PTGW 1111957503</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



Robert Bayless
150182

STribling #7

ADMINISTRATIVE APPLICATION CHECKLIST

30-045-10108

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
[B] ☐ Offset Operators, Leaseholders or Surface Owner
[C] ☐ Application is One Which Requires Published Legal Notice
[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

e-mail Address

4005'-
33516

Fed

San Juan

8/25/11
Last Requested
Information

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage
Application qualifies for administrative approval? Yes No
- II. OPERATOR: ROBERT L BAYLESS, PRODUCER LLC (150187)
ADDRESS: 368 NM HWY 170 FARMINGTON, NM 87499
CONTACT PARTY: JOHN D THOMAS PHONE: 505-326-2659
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? Yes X No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- 4005-4085
1,000 PET
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: JOHN D THOMAS TITLE: OPERATIONS ENGINEER
SIGNATURE: John D Thomas DATE: 01/25/2011
E-MAIL ADDRESS: jthomas@rlbayless.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

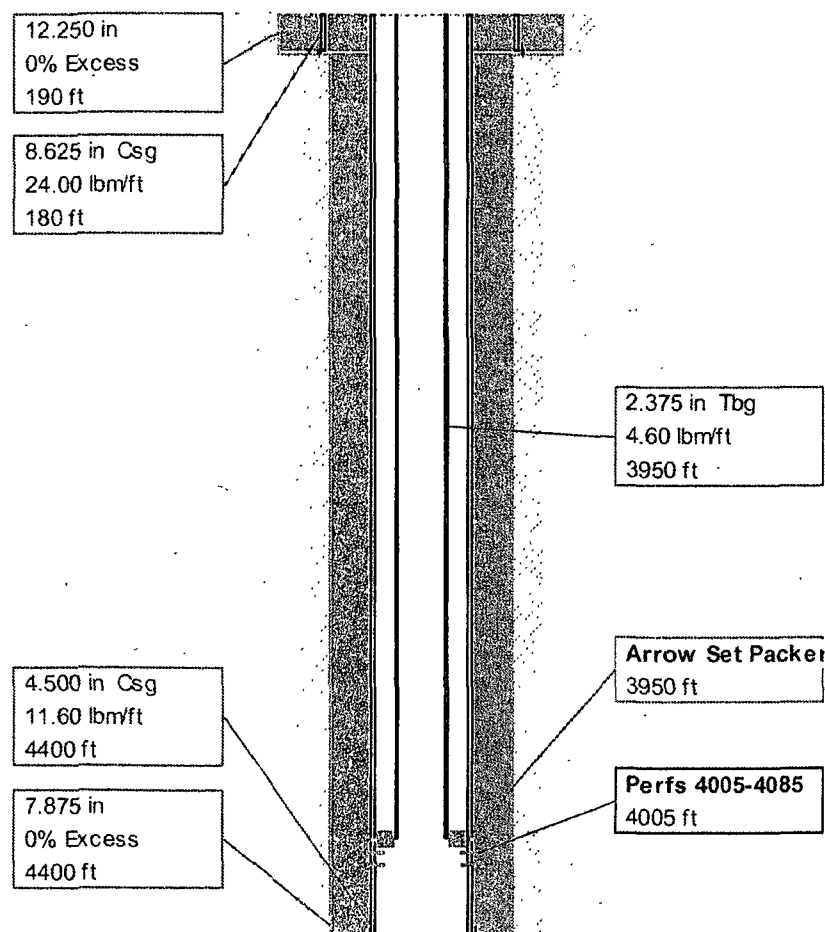
Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

INJECTION WELL DATA SHEET

OPERATOR: ROBERT L BAYLESS, PRODUCER LLC30-045-10108WELL NAME & NUMBER: STRIBLING #1 SWDWELL LOCATION: 1565 FSL & 1050 FEL
FOOTAGE LOCATIONUNIT LETTER ISECTION 31TOWNSHIP 31NRANGE 13WWELLBORE SCHEMATICWELL CONSTRUCTION DATASurface Casing

Hole Size: 12-1/4" Casing Size: 8-5/8"
 Cemented with: 130 sx. or ft³
 Top of Cement: Surface Method Determined: Calculated

Intermediate Casing

Hole Size: Casing Size:
 Cemented with: sx. or ft³
 Top of Cement: Method Determined:

Production Casing

Hole Size: 7-7/8" Casing Size: 4-1/2"
 Cemented with: 569 sx. or ft³
 Top of Cement: Surface Method Determined: Calculated
 Total Depth: 4400

Injection Interval

Perforated 4005 feet to 4085

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEETTubing Size: 2-3/8", 4.6 ppf Lining Material: PlasticType of Packer: Plastic Coated Arrowset Model 1-X RetrievablePacker Setting Depth: 3,950 ft

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? _____ Yes X No

If no, for what purpose was the well originally drilled? DAKOTA GAS WELL

2. Name of the Injection Formation: POINT LOOKOUT

3. Name of Field or Pool (if applicable): Blanco Mesaverde Pool

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. Dakota Set cement retainer at 5500 ft pump 66 sx of Class H Cement (25% above volume. Spot 4.5 cu. Ft above Retainer.

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: The next productive oil & gas zone underlying the Point Lookout Formation is the Dakota Formation at 6,210'. Overlying the Point Lookout formation is the gas bearing Fruitland coal formation at 1650'

Robert L. Bayless, Producer LLC
Stribling SWD #1
Application For Authorization to Inject

Part III – Well Data

A.1. Robert L. Bayless, Producer LLC Stribling SWD #1; formerly Stribling #1 well
1565 FSL & 1050 FEL, Sec 31, T31N, R13W, San Juan County, New Mexico

A.2. 8 5/8" 23 #/ft surface casing set at 180 ft, cemented with 130 sx cement with 2% HA, circulated to surface. Hole size was 12 1/4". 4 1/2" 10.5 #/ft production casing set at 6420 ft, with DV tool stage collar set at 5716 ft. Hole was 7 7/8". Stage 1 was cemented with 100 sx of cement with cement top of 6013 ft. Stage 2 was cemented with 100 sx of cement with cement top of 5326'. Cement tops were determined by calculation.

A.3. 2 3/8" 4.7 #/ft yellow band tested tubing to be used setting in packer at 3950 ft. The tubing will be plastic lined.

A.4. Arrowset packer set at 3950 ft.

B.1. The injection formation will be the Point Lookout, Mesaverde Pool.

B.2. The injection formation will be perforated from 4005 ft. to 4080 ft.

B.3. The subject well was drilled and completed in 1962 as a Dakota Formation Producer. Bayless plans to P&A the Dakota formation, replace and cement 4 1/2" 10.5# casing to surface and complete the it as a water disposal well.

B.4. The subject well has Dakota perforations from 6259 ft to 6300 ft and from 6216 ft to 6227 ft. These perforations will be cemented off as part of the plugging operations. A cement retainer will be set at 5300 ft and casing will be filled with 66 sx (78 ft3) Cement. 50 feet of cement will be spotted on top of the retainer. 4 1/2" Casing will be chemically cut at 4500 ft and pulled due to holes from 6013 to 1000 ft. A 50 ft open hole balanced plug will be placed at 4450 ft. 4 1/2 " 10.5# J-55 casing will be ran to 4500 ft and cement to surface with 430 sxs of Halliburton Lite Cement (yield of 1.84 ft3/sx) and 139 sx of 50:50 pozmix cement (1.42 ft3/sx).

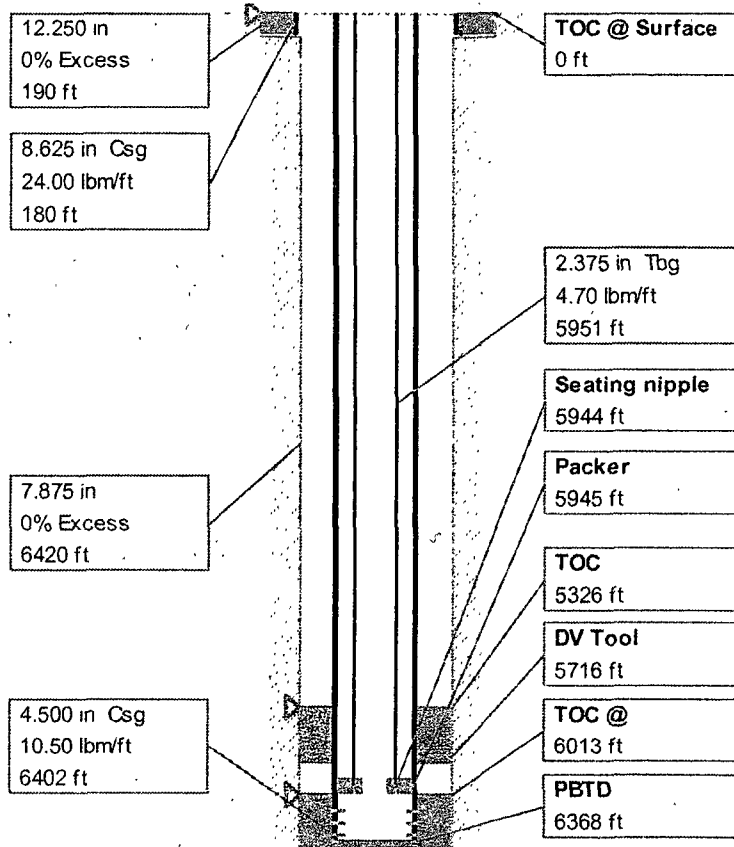
Robert L. Bayless, Producer LLC
Stribling SWD #1
Application For Authorization to Inject

Stribling 1
Robert L. Bayless, Producer LLC

Wellbore – As-Is

(not to Scale)

CURRENT



13' KB

Formation Tops

Ojo Alamo	Surface
Fruitland	1605'
Lewis	1750'
Menefee	3208'
Point Lookout	4005'
Gallup	5332'
Greenhorn	6100'
Graneros	6150'
Dakota	6210'

Tubing Configuration

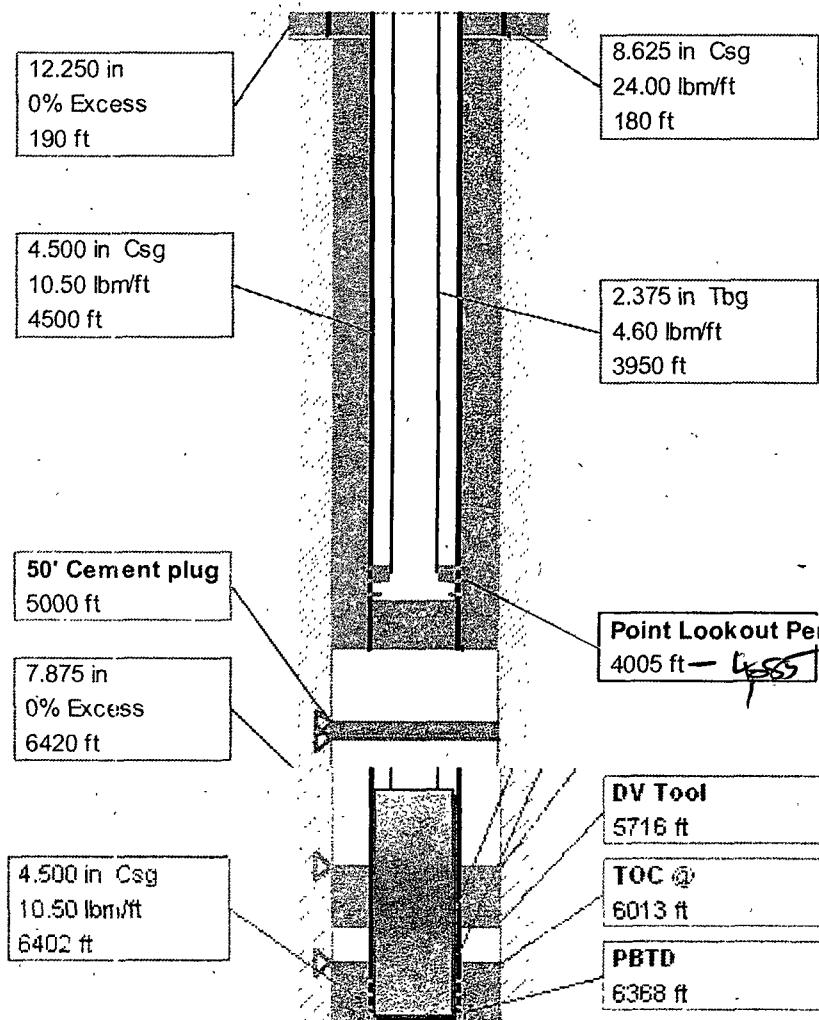
KB	13'
1 – 2-3/8" 4.7# J-55 EUE	32.9'
2 – 10'x2-3/8" subs	20.25'
188 – 2-3/8" 4.7# J-55 EUE	5879.5'
1 – 2-3/8" seating nipple	1.1'
4-1/2" Baker Model R-3 Packer	6.3'
TOTAL	5953'

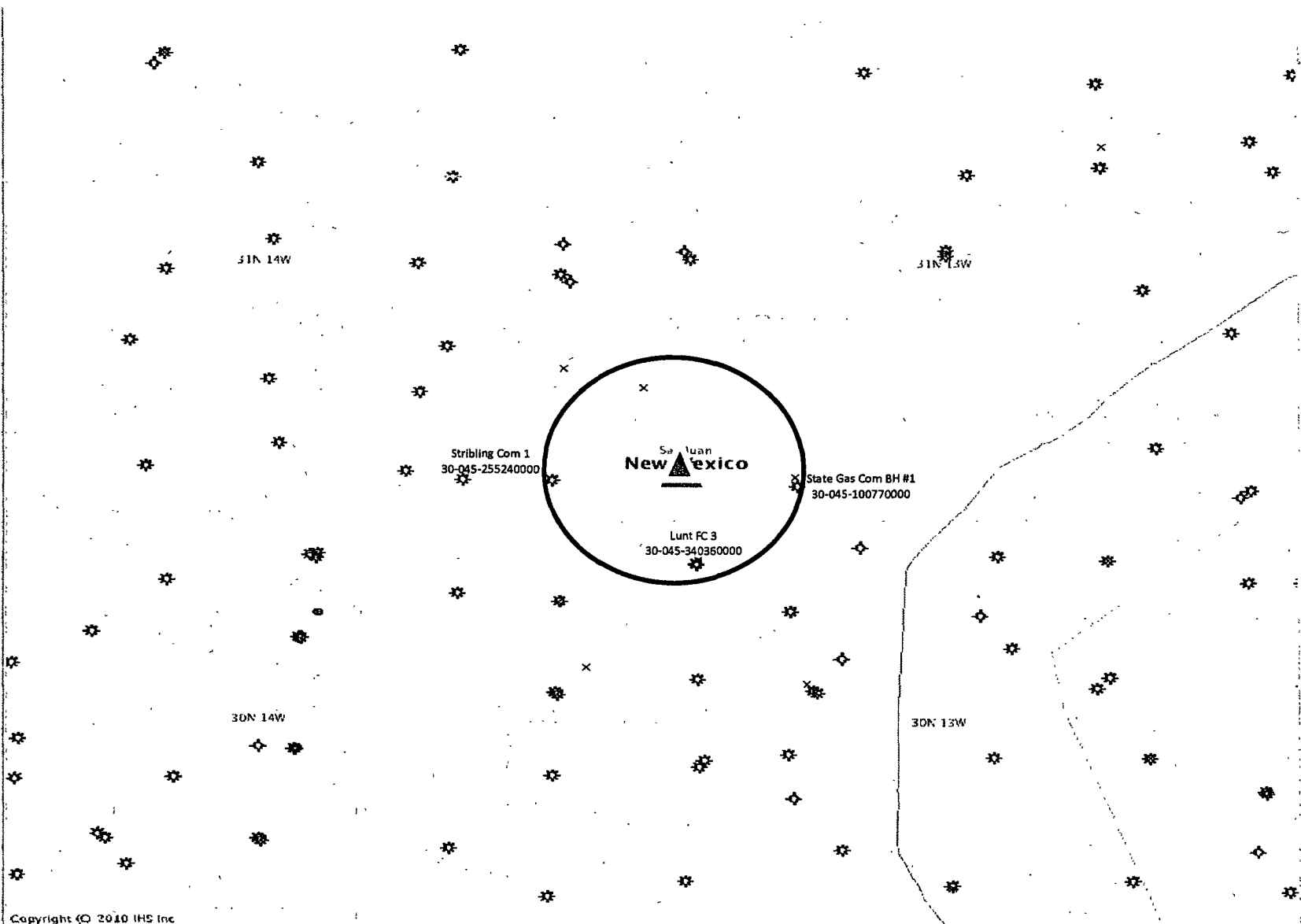
Robert L. Bayless, Producer LLC
Stribling SWD #1
Application For Authorization to Inject

Stribling SWD #1
Robert L. Bayless, Producer LLC
Wellbore - After Workover

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AFTER





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1 Mile

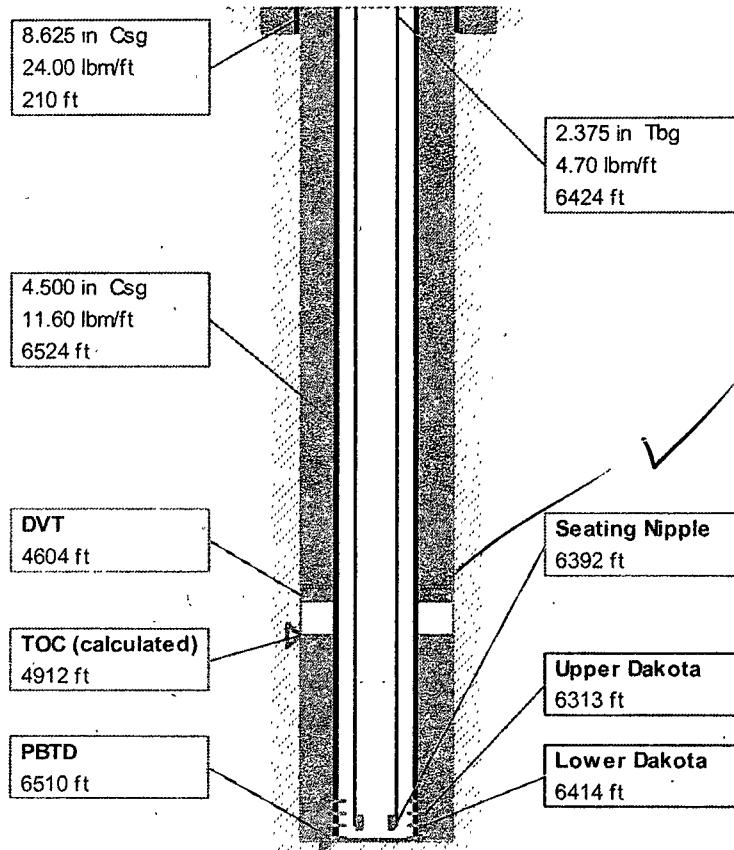
Count	Lease Name	Well Number	Operator Name	T	R	S	QQ	County Name	State	Field	Production Zone Name	TD	Status
WELLS TO REVIEW WITHIN 1/2 MILE RADIUS OF PROPOSED SWD LOCATION													
1	STRIBLING COM	1	ROBERT L BAYLESS, PRODUCER LLC	31N	13W		21 NW SW SW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6313	ACTIVE
2	STATE GAS COM BH	1	MCELVAIN T H O&G PRP	31N	13W		32 SW SW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6142	ACTIVE
WELLS WITHIN 2 MILES OF PROPOSED SWD LOCATION													
3	PINON MESA A	100	BURLINGTON RESOURCES O&G CO LP	31N	14W		36 NW SE SE	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1498	INACTIVE
4	PINON MESA A	1	BURLINGTON RESOURCES O&G CO LP	31N	14W		36 NE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6198	INACTIVE
5	PINON MESA A	1E	BURLINGTON RESOURCES O&G CO LP	31N	14W		36 NE SW SE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6297	ACTIVE
6	PINON MESA A	2	BURLINGTON RESOURCES O&G CO LP	31N	14W		36 SE NW SW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6142	ACTIVE
7	PINON MESA A	2E	BURLINGTON RESOURCES O&G CO LP	31N	14W		36 NE SW NW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6105	ACTIVE
8	PINON MESA B	2E	BURLINGTON RESOURCES O&G CO LP	31N	14W		25 NE SW SE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6158	ACTIVE
9	PINON MESA B	1	BURLINGTON RESOURCES O&G CO LP	31N	14W		25 SE NW SW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6106	INACTIVE
10	FEDERAL	1	ANDERSON OIL LIMITED LLP	31N	13W		29 NW SE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6184	ACTIVE
11	FEDERAL	2	ANDERSON OIL LIMITED LLP	31N	13W		30 SW NE SE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6210	ACTIVE
12	FEDERAL	3	ANDERSON OIL LIMITED LLP	31N	13W		30 NE SW SW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6252	ACTIVE
13	MCCORD	11E	BURLINGTON RESOURCES O&G CO LP	30N	13W		9 SW NE NW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6061	ACTIVE
14	PINON MESA A	1F	BURLINGTON RESOURCES O&G CO LP	30N	14W		36 SE SW NE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6202	ACTIVE
15	PINON MESA A	3	BURLINGTON RESOURCES O&G CO LP	30N	14W		35 SE NW NE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	5960	ACTIVE
16	PINON MESA A	4	BURLINGTON RESOURCES O&G CO LP	30N	14W		35 NW SE SE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	5998	ACTIVE
17	PINON MESA B	1E	BURLINGTON RESOURCES O&G CO LP	31N	14W		25 NE SW NW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6059	ACTIVE
18	PINON MESA B	2	BURLINGTON RESOURCES O&G CO LP	31N	14W		25 NW SE NE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6254	ACTIVE
19	PINON MESA B	3	BURLINGTON RESOURCES O&G CO LP	31N	14W		26 NW SE SE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	5982	ACTIVE
20	PINON MESA C	2	BURLINGTON RESOURCES O&G CO LP	31N	14W		24 SW NE SE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6286	ACTIVE
21	ROURKE	100	BURLINGTON RESOURCES O&G CO LP	30N	13W		4 NE SW SW	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1358	ACTIVE
22	MCCORD	7R	CLICK ROBERT R	30N	13W		4 NE SW NE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6218	INACTIVE
23	PAUL HALL	1	DUGAN PRODUCTION CORPORATION	31N	13W		20 SE SW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6304	ACTIVE
24	RAINBOW SEEKER	1	DUGAN PRODUCTION CORPORATION	31N	13W		29 NE SW NE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6336	ACTIVE
25	DICK HUNT FEDERAL	1	FOUR STAR O&G COMPANY	30N	14W		12 NE SE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6199	INACTIVE
26	DICK HUNT FEDERAL	2	FOUR STAR O&G COMPANY	30N	14W		1 SW SE NE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6184	INACTIVE
27	HARRIS	1	FULLER PRODUCTION INC	31N	13W		28 SE SW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6246	ACTIVE
28	KNIGHT	1	FULLER PRODUCTION INC	30N	13W		5 SW NE NE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6084	INACTIVE
29	PARKER	1	FULLER PRODUCTION INC	31N	13W		33 NE SW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6097	ACTIVE
30	LUNT	63	M&G DRILLING CO INC	30N	13W		7 NE NE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6066	ACTIVE
31	FARMSWORTH GAS COM B	1	MCELVAIN T H O&G PRP	30N	13W		8 SW SE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	5961	ACTIVE
32	FARMSWORTH GAS COM B	1E	MCELVAIN T H O&G PRP	30N	13W		8 SW NE NE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	5942	ACTIVE
33	LITTLE FEDERAL	2	MERIDIAN OIL INC	30N	14W		1 SW NE NW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6308	INACTIVE
34	LITTLE FEDERAL	3	MERIDIAN OIL INC	30N	14W		12 SW NE NW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6274	INACTIVE
35	KAUFMAN	1E	NOBLE ENERGY LLC	31N	13W		33 NE SW SE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6231	ACTIVE
36	QUIETMAN FEDERAL 28	5	NOBLE ENERGY LLC	31N	13W		28 NE SW NW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA/FRUITLAND COAL	6484	ACTIVE
37	ROURKE	1	NOBLE ENERGY LLC	30N	13W		4 SW SW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6086	ACTIVE
38	ROURKE	1E	NOBLE ENERGY LLC	30N	13W		4 SE NW NW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6080	ACTIVE
39	VALANCE 33	2	NOBLE ENERGY LLC	31N	13W		33 E2 NW NE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA/FRUITLAND COAL	6210	ACTIVE
40	KNIGHT	1E	P-R-O MANAGEMENT INC	30N	13W		5 SW NE SE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	5794	ACTIVE
41	LUNT	61	R&G DRILLING COMPANY INC	30N	13W		6 NE NE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6104	INACTIVE
42	LUNT	64	R&G DRILLING COMPANY INC	30N	13W		5 SW SW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6014	INACTIVE
43	LUNT	65	R&G DRILLING COMPANY INC	30N	13W		8 NE SW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	5968	INACTIVE
44	LUNT	67	R&G DRILLING COMPANY INC	30N	13W		6 SW SW	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6095	INACTIVE
45	LUNT	62	RUSSELL WILLIAM C	30N	13W		18 NE NE	SAN JUAN	NEW MEXICO	BASIN	DAKOTA	6036	INACTIVE
46	BUTTE	3	XTO ENERGY INC	30N	13W		18 SW NE NE	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1281	ACTIVE
47	LUNT	1	XTO ENERGY INC	30N	13W		5 SE SW NW	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1301	ACTIVE
48	LUNT	2	XTO ENERGY INC	30N	13W		5 NE SW SW	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1238	ACTIVE
49	LUNT	3	XTO ENERGY INC	30N	13W		6 SW NE NE	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1327	ACTIVE
50	LUNT	4	XTO ENERGY INC	30N	13W		6 SE SW NW	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1395	ACTIVE
51	LUNT	5	XTO ENERGY INC	30N	13W		6 NE	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1338	ACTIVE
52	LUNT	6	XTO ENERGY INC	30N	13W		6 NW SE SE	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1271	ACTIVE
53	LUNT	7	XTO ENERGY INC	30N	13W		7 SW NE NE	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1332	ACTIVE
54	LUNT	8	XTO ENERGY INC	30N	13W		7	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1330	ACTIVE
55	LUNT	9	XTO ENERGY INC	30N	13W		7					1497	ACTIVE

Stallman

56	LUNT	10	XTO ENERGY INC	30N	13W	7 NW SE SE	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1399	ACTIVE
57	LUNT	11	XTO ENERGY INC	30N	13W	8 SE NW NW	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1271	ACTIVE
58	LUNT	12	XTO ENERGY INC	30N	13W	8 SW NE SW	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1234	ACTIVE
59	WF FEDERAL 1	2	XTO ENERGY INC	30N	14W	1 SW NE NW	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1453	ACTIVE
60	WF FEDERAL 12	1	XTO ENERGY INC	30N	14W	12 SW NE NW	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1556	ACTIVE
61	WF FEDERAL 2	1	XTO ENERGY INC	30N	14W	2 NE SE NE	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1610	ACTIVE
62	LITTLE FEDERAL	1	EL PASO EXPLORATION CO	30N	14W	1 SW NE SW	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1171	INACTIVE
63	LITTLE FEDERAL	4	EL PASO EXPLORATION CO	30N	14W	1 SW NE NW	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL	1364	INACTIVE
66	FEDERAL	4	ANDERSON OIL LIMITED LLP	31N	13W	29 SE NW SE	SAN JUAN	NEW MEXICO	BASIN	FRUITLAND COAL/PC	1473	ACTIVE
67	SALTY DOG SWD	4	XTO ENERGY INC	30N	14W	1 NW NE SW	SAN JUAN	NEW MEXICO	BASIN	MESAVERDE	3118	ACTIVE

SHallow

Stribling Com 1
 Robert L. Bayless, Producer LLC
 30-045-25524
 CHR
 Created on 2/4/2008 10:58:08 AM



4-1/2" Casing Tally

KB	13.'
160 - 4-1/2" 11.6# J-55 EUE	4591.04'
DV Tool	2.17'
45 - 4-1/2" 11.6# J-55 EUE	1873.97'
Float collar	1.25'
1- 4-1/2" 11.6# J-55 EUE	41.65'
Guide shoe	.92'
Total	6524.'

2-3/8" Tubing Tally

KB	13.'
204 - 2-3/8" 4.7# J-55 EUE	6378.83'
Seating nipple	1.1'
1 - 2-3/8" 4.7# J-55 EUE	30.95'
Total	6423.88'

Perforation Information

Upper Dakota: 6313'-30', 34'-45', 63',-71', 75'-84', 95'-6401'
 Lower Dakota: 6414'-43', 55'-68'

Scout Ticket



Wed Aug 25, 2010

30045255240000

General Information

1 STRIBLING COM

Data Source:	PI	IC:	300457022282
API:	30045255240000	County:	SAN JUAN
State:	NEW MEXICO	Operator:	BAYLESS ROBERT L LLC
Field:	BASIN	Final Well Class:	DEVELOPMENT WELL-GAS (DG)
Initial Class:	DEVELOPMENT WELL (D)	Target Objective:	GAS
Status:	GAS	Hole Direction:	VERTICAL
Permit:	on Feb 26, 1983	Abandonment Date:	
First Report Date:	Oct 20, 1982	Projected Formation:	DAKOTA
Projected TD:	6,495 FT	Formation at TD:	DAKOTA
Geologic Province:	SAN JUAN BASIN		

IP Summary:

Oil: Gas: 1,990 MCFD Water: Top Form: DAKOTA

Location

Section, Twp., Range:	31 31N 13W	Data Source:	PI
Spot Code:	NW SW SW		
Footage NS EW Origin:	1100 FSL 650 FWL CONGRESS SECTION		
Principal Meridian:	NEW MEXICO		
Lat/Long:	+36.8523330 -108.2483526	Lat/Long Source:	IH Datum: NAD27

Dates and Depths

Data Source:	PI	Spud Date Code:	
Spud:	Mar 08, 1983	TD Date:	
TD:	6,525 FT	PlugBack Depth:	6,510 FT
TVD:		Formation Name TD:	DAKOTA
Formation Code TD:	602DKOT	KB. Elevation:	5,836 FT
Ref. Elevation:	5,836 FT KB	LTD:	6,536 FT
Ground Elevation:	5,823 FT GR		
Contractor:	BAYLESS R L DRILLING	Final Drilling:	
Completed:	May 06, 1983	Rig #:	1
Rig Release Date:			
TOOL:	ROTARY		

Initial Potential Tests

IP: 001	Data Source: PI	Top Formation Code:	602DKOT
Top Formation Name:	DAKOTA	Base Formation Code:	602DKOT
Base Formation Name:	DAKOTA	Condensate:	
Oil:			

Scout Ticket

Wed Aug 25, 2010

Gas: 1,990 MCFD
Interval: 6,313 - 6,468 GROSS
Duration of Test: Hours
Oil Gravity:
Cond Gravity:

Water:
Method: FLOWING
Choke: 48/64
GOR:
Cond Ratio:

SPOT 100 GALS/7 1/2% HCL/ ACIDIZED 6313-6401 W/77 BALL SEALERS, SIP 18
MIN/800 ACIDIZED 6414-6468 W/63 BALL SEALERS, ATP 2300, ISIP 1900, SIP 15

Remarks on IP Test Data Source: PI MIN/1300

IP: 1 Data Source: DEI

Top Formation Name:

Top Formation Code:

Base Formation Name:

Base Formation Code:

Oil:

Condensate:

Gas:

Water:

Interval:

Method:

Duration of Test: Hours

Choke:

Oil Gravity:

GOR:

Cond Gravity:

Cond Ratio:

Remarks on IP Test Data Source: PI F 1990 MCFGPD on 3/4 ck SICP 512

Pressures

Data					
Test	Source	FTP	FCP	SITP	SICP
001	PI	153 PSIG	512 PSIG	1,952 PSIG	1,975 PSIG

CAOF

Data					
Test	Source	Calc	4 Point	Flow	Shut-in
001	PI	2101			

Perforations

Data						Shots/	Prod	Top Form	Top Form
Test	Source	Interval	Count	Type	Status	Ft	Method	Code	Name
001	PI	6313 - 6330				1 FT	PERF	602DKOT	DAKOTA
001	PI	6334 - 6345				1 FT	PERF	602DKOT	DAKOTA
001	PI	6363 - 6371				1 FT	PERF	602DKOT	DAKOTA
001	PI	6375 - 6384				1 FT	PERF	602DKOT	DAKOTA
001	PI	6395 - 6401				1 FT	PERF	602DKOT	DAKOTA
001	PI	6414 - 6443				1 FT	PERF	602DKOT	DAKOTA
001	PI	6455 - 6468				1 FT	PERF	602DKOT	DAKOTA

Treatments

Treatment: 001

Interval: 6,313 - 6,401

Fluid: 1,000 GAL

ACID

Type: A

Additive:

Scout Ticket

Wed Aug 25, 2010

Prop Agent:		Amount:	
Form Break Down Pressure:			
Average Injection Rate:		Instant Shut-in Pressure:	1350 PSIG
Stages:	Remarks:		15% HCL
Treatment: 001			
Interval:	6,313 - 6,401		
Fluid:	80,000 GAL	FRAC	Type: W
Additive:			
Prop Agent:	SAND	Amount:	135,000 LB
Form Break Down Pressure:			
Average Injection Rate:	30 BPM	Instant Shut-in Pressure:	1350 PSIG
Stages:	Remarks:		20/40 SD
Treatment: 001			
Interval:	6,414 - 6,468		
Fluid:	750 GAL	ACID	Type: A
Additive:			
Prop Agent:		Amount:	
Form Break Down Pressure:			
Average Injection Rate:		Instant Shut-in Pressure:	1350 PSIG
Stages:	Remarks:		15% HCL
Treatment: 001			
Interval:	6,414 - 6,468		
Fluid:	31,470 GAL	FRAC	Type: W
Additive:			
Prop Agent:	SAND	Amount:	48,400 LB
Form Break Down Pressure:			
Average Injection Rate:	30 BPM	Instant Shut-in Pressure:	1350 PSIG
Stages:	Remarks:		20/40 SD

Drill Stem Tests

DST: 1	Data Source: DEI
Show:	Formation:
Interval: -	BHT:
Choke: Top:	Bottom:
Dst Test Remark None	

Cores

CORE ID: 002

Formation:	Data Source: DEI
Interval: -	Rec:
Core Type:	Show Type:

Scout Ticket

Wed Aug 25, 2010

Casing, Liner, Tubing

Data		Base	
Casing	Source Size	Depth	Cement
CASING	PI 8 5/8 IN	210 FT	125 SACK
CASING	PI 4 1/2 IN	6,524 FT	2,550 SACK
Data		Base	
Tubing	Source Size	Depth	
TUBING	PI 2 3/8 IN	6,338 FT	

Formations

Form	Data	Top	Top	Base	Base	Age
Code	Source	Form Name	Depth	TVD	Depth	Lithology
604PCCF	PI	PICTURED CLIFFS	1,678			LOG 604
604CLFH	PI	CLIFF HOUSE	3,268			LOG 604
604MENF	PI	MENEFEE	3,442			LOG 604
604PNLK	PI	POINT LOOKOUT	4,096			LOG 604
603GLLP	PI	GALLUP /SS/	5,440			LOG 603
603GRNR	PI	GREENHORN	6,200			LOG 603
602DKOT	PI	DAKOTA	6,313			LOG 602

Logs

Data							
Log	Source	Type	Top Depth	Base Depth	Logging Co.	BHT	since circ.
1	PI	IL	206	6,524			
2	PI	DN					
3	PI	POR					
4	PI	GR					
5	PI	AV					
6	PI	CP					
7	PI	CCL					

Dwights Energydata Narrative

Accumulated through 1997

Data

Source	Type	Nbr	Remark
DEI	IP	1	F 1990 MCFGPD on 3/4 ck SICP 512

Data

Source	Type	Nbr	Remark
DEI	Perf	1	6414-6443 -- Perf 6455-6468 w/42 holes - acid w/750 gals 15% HCL -
DEI	Perf	1	frac w/31,470 gals 30# Xlinked gel in 1% KCL wtr & 48,400# 20/40 sd
DEI	Perf	1	-- Perf 6313-6330, 6334-6345, 6363-6371, 6375-6384, 6395-6401 w/1 SPF -
DEI	Perf	1	frac w/80,000 gals 30# xlinked gel w/1% KCL wtr & 2% diesel 135,000#

Scout Ticket

Wed Aug 25, 2010

Data

Source	Type	Nbr	Remark
--------	------	-----	--------

DEI	Perf	1	20/40 sd
-----	------	---	----------

Data

Source	Type	Nbr	Remark
--------	------	-----	--------

DEI	DST	1	None
-----	-----	---	------

Data

Source	Type	Nbr	Remark
--------	------	-----	--------

DEI	Cores	002	None
-----	-------	-----	------

Data Dwights

Source	Number
--------	--------

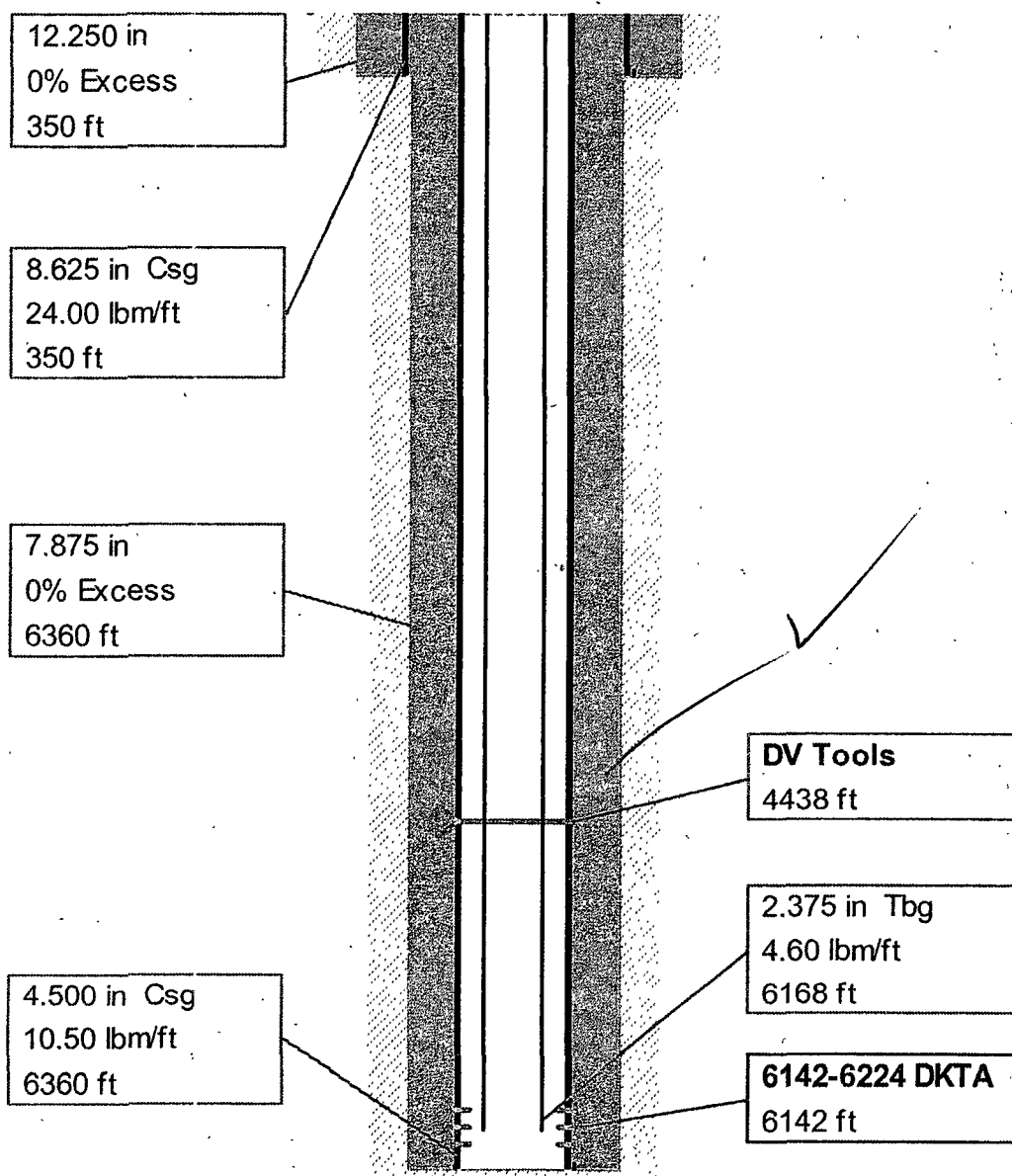
PI	300457022282
----	--------------

State BH Gas Unit 1
McElvain O_G

WBD

Created on 8/25/2010 10:39:20 AM

-JT



-TOC-Surface for both Strings

Scout Ticket



The Source

Wed Aug 25, 2010

30045100770000

General Information

1 STATE BH GAS UNIT

Data Source:	PI	IC:	
API:	30045100770000	County:	SAN JUAN
State:	NEW MEXICO	Operator:	PAN AMERICAN PETROLE
Field:	BASIN	Final Well Class:	DEVELOPMENT WELL-GAS (DG)
Initial Class:	DEVELOPMENT WELL (D)	Target Objective:	
Status:	GAS	Hole Direction:	VERTICAL
Permit:	on Aug 07, 1965	Abandonment Date:	
First Report Date:	Sep 15, 1972	Projected Formation:	DAKOTA
Projected TD:	6,300 FT	Formation at TD:	DAKOTA
Geologic Province:	SAN JUAN BASIN		
IP Summary:			

Oil: Gas: 2,983 MCFD Water: Top Form: DAKOTA

Location

Section, Twp., Range:	32 31N 13W	Data Source:	PI
Spot Code:	SW SW		
Footage NS EW Origin:	900 FSL 870 FWL CONGRESS SECTION		
Principal Meridian:	NEW MEXICO		
Lat/Long:	+36.8518232 -108.2336717	Lat/Long Source:	IH Datum: NAD27

Dates and Depths

Data Source:	PI	Spud Date Code:	
Spud:	Aug 17, 1965	TD Date:	
TD:	6,360 FT	PlugBack Depth:	6,325 FT
TVD:		Formation Name TD:	DAKOTA
Formation Code TD:	602DKOT	KB. Elevation:	5,639 FT
Ref. Elevation:	5,639 FT KB	LTD:	
Ground Elevation:	5,625 FT GR		
Contractor:	JCM LLC		
Completed:	Sep 21, 1965	Final Drilling:	
Rig Release Date:		Rig #:	
TOOL:	ROTARY		

Initial Potential Tests

IP: 001	Data Source: PI	Top Formation Code:	602DKOT
Top Formation Name:	DAKOTA	Base Formation Code:	602DKOT
Base Formation Name:	DAKOTA	Condensate:	
Oil:			

Scout Ticket

Wed Aug 25, 2010

Gas:	2,983 MCFD	Water:	
Interval:	6,142 - 6,224 GROSS	Method:	FLOWING
Duration of Test:	3 Hours	Choke:	48/64
Oil Gravity:		GOR:	
Cond Gravity:		Cond Ratio:	

IP: 1 Data Source: DEI

Top Formation Name:		Top Formation Code:	
Base Formation Name:		Base Formation Code:	
Oil:		Condensate:	
Gas:		Water:	
Interval:		Method:	
Duration of Test:	Hours	Choke:	
Oil Gravity:		GOR:	
Cond Gravity:		Cond Ratio:	

Remarks on IP Test Data Source: PI F 2983 MCFGPD on 3/4 ck, CP 714 TP 241

Pressures

Test	Data Source	FTP	FCP	SITP	SICP
001	PI	241 PSIG	714 PSIG	1,716 PSIG	1,737 PSIG

CAOF

Test	Data Source	Calc	4 Point	Flow	Shut-in
001	PI	3423			

Perforations

Test	Data Source	Interval	Count	Type	Status	Shots/ Ft	Prod Method	Top Form Code	Top Form Name
001	PI	6142 - 6158				2 FT	PERF	602DKOT	DAKOTA
001	PI	6169 - 6174				2 FT	PERF	602DKOT	DAKOTA
001	PI	6202 - 6212				2 FT	PERF	602DKOT	DAKOTA
001	PI	6218 - 6224				2 FT	PERF	602DKOT	DAKOTA

Treatments

Treatment: 001

Interval:	6,142 - 6,224		
Fluid:	FRAC	Type:	W
Additive:			
Prop Agent:	SAND	Amount:	
Form Break Down Pressure:			
Average Injection Rate:		Instant Shut-in Pressure:	
Stages:		Remarks:	

Scout Ticket

Wed Aug 25, 2010

Production Tests

PT: 001

Data Source:	PI	Top Formation Code:	602DKOT
Top Formation Name:	DAKOTA	Base Formation Code:	602DKOT
Base Formation Name:	DAKOTA	Condensate:	
Oil:		Water:	
Gas:	2,800 MCFD	Method:	FLOWING
Interval:	6,142 - 6,224 GROSS	Choke:	
Duration of Test:	Hours	GOR:	
Oil Gravity:		Cond Ratio:	
Cond Gravity:		Main Fluid Code:	
Prod Method:	PERF		

Perforations

Test	Data Source	Interval	Count	Type	Status	Shots/ Ft	Prod Method	Top Form Code	Top Form Name
001	PI	6142 - 6158				2 FT	PERF	602DKOT	DAKOTA
001	PI	6169 - 6174				2 FT	PERF	602DKOT	DAKOTA
001	PI	6202 - 6212				2 FT	PERF	602DKOT	DAKOTA
001	PI	6218 - 6224				2 FT	PERF	602DKOT	DAKOTA

Treatments

Treatment: 001

Interval:	6,142 - 6,224		
Fluid:	54,600 GAL	FRAC	Type: W
Additive:	U		
Prop Agent:	SAND	Amount:	60,000 LB
Form. Break Down Pressure:	1,300 PSIG		
Average Injection Rate:		Instant Shut-in Pressure:	
Stages:	Remarks:		0.8%

Treatment: 001

Interval:	-		
Fluid:		TRET	Type: UNKNOWN
Additive:	U		
Prop Agent:		Amount:	
Form. Break Down Pressure:			
Average Injection Rate:		Instant Shut-in Pressure:	
Stages:	Remarks:		135 LBS

Treatment: 001

Interval:	-		
Fluid:		TRET	Type: UNKNOWN
Additive:			
Prop Agent:		Amount:	

Scout Ticket

Wed Aug 25, 2010

Form. Break Down Pressure:

Average Injection Rate: 57 BPM

Instant Shut-in Pressure:

Stages:

Remarks:

AVG TP 2600

Treatment: 001

Interval:

Fluid:

TRET

Type:

UNKNOWN

Additive:

Prop Agent:

Amount:

Form. Break Down Pressure:

Average Injection Rate:

Instant Shut-in Pressure:

Stages:

Remarks:

40 BALL SEALERS

Cores

CORE ID: 002

Formation:

Data Source: DEI

Interval:

Rec:

Core Type:

Show Type:

Casing, Liner, Tubing

	Data		Base		
Casing	Source	Size	Depth	Cement	
CASING	PI	8 5/8 IN	380 FT		
CASING	PI	4 1/2 IN	6,360 FT	1,500 SACK	

Drilling Journal

Formations

Form	Data		Top	Top	Base	Base		Age
Code	Source	Form Name	Depth	TVD	Depth	TVD	Source Lithology	Code
604PCCF	PI	PICTURED CLIFFS	1,550				LOG	604
604LWIS	PI	LEWIS	1,715				LOG	604
604MVRD	PI	MESAVERDE	3,290				LOG	604
603MNCS	PI	MANCOS	4,300				LOG	603
603GLLP	PI	GALLUP /SS/	5,260				LOG	603
603GRNR	PI	GREENHORN	6,020				LOG	603
603GRRS	PI	GRANEROS	6,085				LOG	603
603GRRS	PI	GRANEROS	6,133				LOG	603
602DKOT	PI	DAKOTA	6,201				LOG	602

Logs

	Data							
Log	Source	Type	Top Depth	Base Depth	Logging Co.	BHT	since circ.	
1	PI	IL						

Scout Ticket

Wed Aug 25, 2010

Data						
Log	Source	Type	Top Depth	Base Depth	Logging Co.	BHT since circ.
2	PI	AV				

Dwights Energydata Narrative

Accumulated through 1997

Data			
Source	Type	Nbr	Remark
DEI	IP	1	F 2983 MCFGPD on 3/4 ck, CP 714 TP 241
Data			
Source	Type	Nbr	Remark
DEI	Perf	1	6142-6212 w/2 SPF - treat w/500 gal 15% acid 8% KCL 135# J-100 60000#
DEI	Perf	1	20-40 sd in 54600 gal W
Data			
Source	Type	Nbr	Remark
DEI	Cores	002	None

Robert L. Bayless, Producer LLC
STRIBLING SWD #1
Application for Authorization to Inject

Part VII – Proposed Operations Data

1. The proposed average injection rate is 300 BWPD. The proposed maximum daily injection rate 500 BWPD. These rates may be adjusted based on well tests.
2. The injection system will be closed.
3. The proposed injection pressure will be 600 psi. The proposed maximum injection pressure will be 1000 psi. These pressures may be adjusted based on well tests.
4. The source of water will be various Fruitland Coal wells to be drilled on this and adjacent properties by the operator. A typical water analysis for the Fruitland Coal Formation is attached. Fruitland Coal waters are disposed of into other Mesa Verde disposal wells in the area with no apparent compatibility problems. Compatibility of the water to be injected will be tested upon completion of the well.
5. Bayless does not have a water analysis for the injection zone at this time. If possible, during completion of the Stribling SWD #1, a representative Point Lookout water sample will be collected and analyzed.

VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

Report for the Stribling #1

The current Stribling #1 gas well will be recompleted as a water disposal well that will utilize the Point Lookout Sandstone of the Cretaceous Mesaverde Formation. The Mesaverde Formation is composed of three members (young to old): the Cliff House Sandstone, the Menefee Formation and the Point Lookout Sandstone. The Point Lookout Sandstone is the lowest member and is composed of marine sands and shales deposited in coastal shoreline environment during the final retreat of the Cretaceous Seaway in the San Juan Basin. Locally, there is one major package of porous and permeable sand within the Point Lookout Sandstone, which will be utilized for water disposal.

Well logs from a nearby well, Stribling Com #1, were utilized to detail formation tops in the Stribling #1. The injection interval in the Point Lookout Sandstone is estimated to be about 75 feet thick and approximately 4,100 – 4,175 feet below the ground level. The interval consist of locally extensive sand beds, as observed in Stribling Com #1. The porosity of these sands averages 16% and ranges from 4% to 20%. Overlying the Point Lookout Sandstone are the Menefee Formation and Cliff House Sandstone which will not be utilized as an injection zones. Overlying the Mesaverde Formation is the Lewis Shale, which is about 1,000 feet thick and composed of interbedded marine shale. Underlying the Mesaverde Formation is the Mancos Shale which is about 1,700 feet thick is characterized by black shale and silty shale. Both the Mancos Shale and Lewis Shale have low permeabilities that will confine the Point Lookout injection zone.

Locally the Mesaverde Formation is not producing oil and gas. In this area, it is utilized by other oil and gas operators for water disposal. It is underlain by the non-productive Mancos Shale, which in turn, is underlain by the oil and gas-bearing Dakota Formation. The Mesaverde Formation is overlain by the non-productive Lewis Shale. Overlying the Lewis Shale is the Coal Bed Methane bearing Pictured Cliffs Sandstone and Fruitland Formation.

The surface geology at the Stribling #1 well is made up of the Tertiary/Cretaceous Animas Formation which consists of fluvial purple and green shale and yellow and light-gray sandstone and conglomerate. Regional thickness of the formation is up to 690 feet. The Animas Formation serves as the aquifer for some of the deeper water wells in the area, although most nearby wells get their water from the La Plata River alluvium which has a thickness of up to 55 feet. Records from the New Mexico State Engineer's Office show 35 water wells within a two-mile radius of the Stribling #1 Well. These wells range from 18 to 190 feet deep, with an average total depth of 60 feet. The depth to groundwater ranges from 6 to 70 feet, with an average depth to groundwater of 27 feet. The base of the Animas Formation at the Stribling #1 location is approximately 600 feet below the ground surface,

approximately 3,500 feet above the proposed injection zone in the Mesaverde Group. There are no aquifers that provide drinking water locally below the proposed injection zone.

The Point Lookout Sandstone of the Mesaverde Formation is being utilized by multiple operators in the Farmington area for water disposal (e.g. Salty Dog SWD4), due to its high porosity, high permeability and poor water quality aquifer. Water injected into the Point Lookout Sandstone will remain within the formation without disturbing the much deeper oil and gas-bearing Dakota Sandstone, and the much shallower CBM-bearing Pictured Cliffs Sandstone and Fruitland Formation, and the freshwater-bearing Animas Formation and La Plata River alluvial aquifer.

Robert L. Bayless, Producer LLC
STRIBLING SWD #1
Application for Authorization to Inject

Part IX – Proposed Stimulation Program

The Point Lookout injection interval will most likely be treated with 1000 gallons of 15% HCL. Although not anticipated, a minimum fracture treatment of 60,000 gals fluid and 60,000 lbs of 20/40 sand may be required to improve injection.

Part X – Logging and Test Data

All open-hole electric logs have been submitted to the OCD for the Stribling #1. A cased-hole cement bond log will be submitted when available. Results of the step rate injection test for the Point Lookout interval will be provided when available.

XI – Chemical Analysis of Nearby Fresh Water Wells

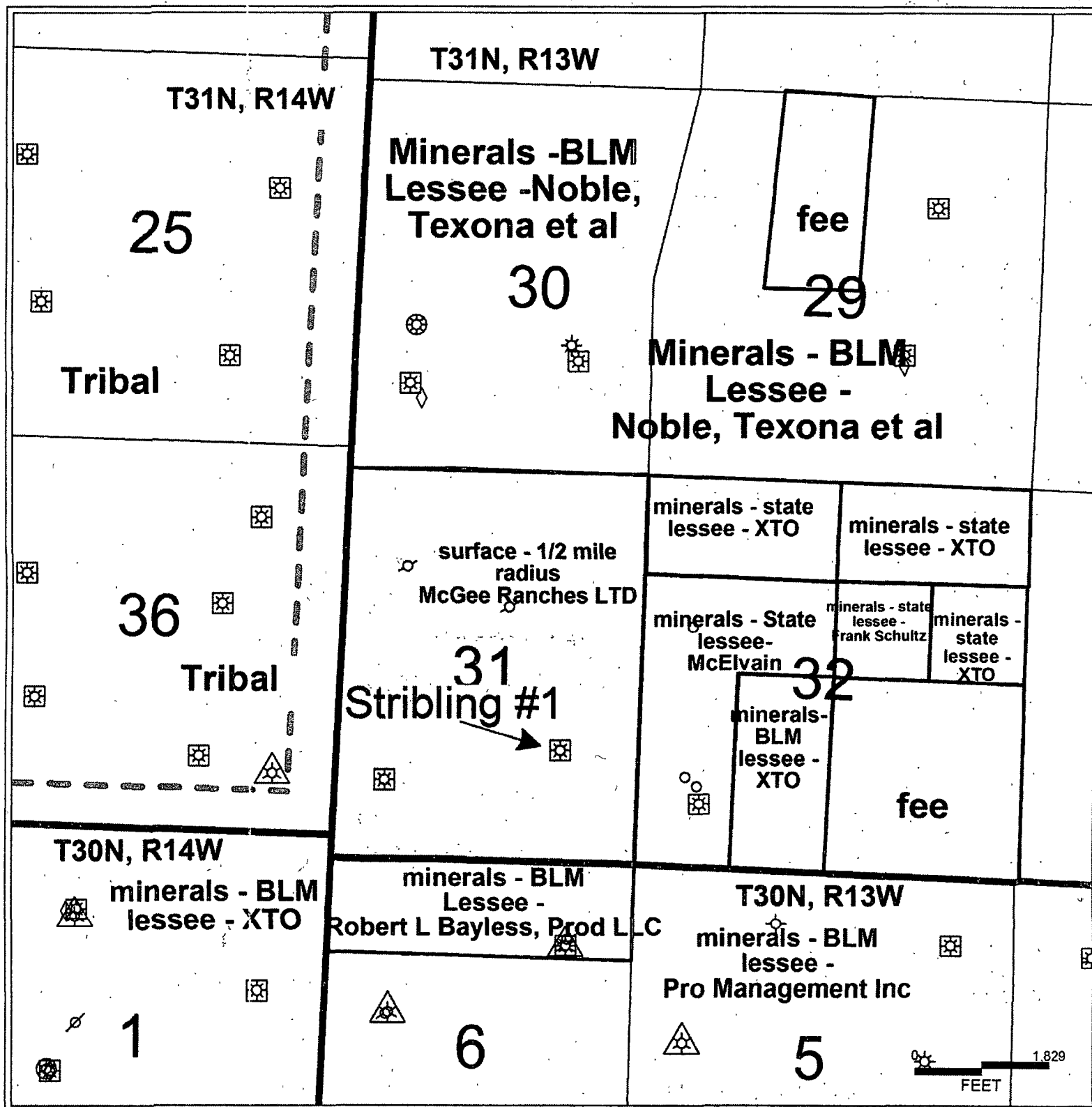
A records search of the NM Office of the State Engineer iWaters database was conducted on a 9-section area centered on the Stribling #1 well location, 31N 13W section 31. In Section 5 30N 13W, 1 water well was located. The depth to water of this well is 8 feet. There are no other reported water wells in the area. The base of the Kirtland formation is approximately 1650 feet, about 2355 feet above the uppermost proposed injection zone in the Mesaverde. *Robert L Bayless, Producer LLC will attempt to obtain water samples from this water well.*

XII – Affirmative Statement

Robert L Bayless, Producer LLC has examined available geological and engineering data in the area of the Stribling #1 SWD injection well and has found no evidence of open faults or any other hydraulic conduit from the injection zone to any underground source of drinking water.

XIII – Proof of Notice

Attached are copies of certified letters and their return receipt cards which were sent to surface owners or leasehold owners within a one-half mile radius of the proposed Stribling #1 SWD well. Also attached is an Affidavit of Publication from the Farmington Daily Times newspaper stating that a legal notice was published advising the public of Robert L Bayless, Producer LLC intent to dispose of produced water in the Stribling #1 SWD Well.



January 31, 2011

Ruth B. McGee
767 Highway 170
Farmington, NM 87401

RE: Application for Authority to Inject
Stribling #1,
T31N, R13W Section 31: NESE
Point Lookout Formation
San Juan County, New Mexico

Dear Mrs. McGee:

You have been identified as either a leasehold owner or a surface owner within one-half mile of the above referenced location in San Juan County, New Mexico. Robert L. Bayless, Producer LLC (Bayless) operates the captioned well and intends to convert it for the purpose of produced water disposal from existing and future Bayless wells within close proximity to the Stribling #1. A copy of Bayless' application to the New Mexico Oil Conservation Division is attached for your reference.

If you have any questions regarding this notice and application, please contact our Engineer, John Thomas at 505-326-2659. Objections or requests for hearing must be filed within 15 days with the New Mexico Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505.

Sincerely,

C Jay Muñoz
Land Manager

Enclosures (1): Application for Authorization to inject

January 31, 2011

XTO Energy Inc
Land Department
810 Houston St – Ste 2000
Fort Worth TX 76102

RE: Application for Authority to Inject
Stribling #1,
T31N, R13W Section 31: NESE
Point Lookout Formation
San Juan County, New Mexico

To whom it may concern:

You have been identified as either a leasehold owner or a surface owner within one-half mile of the above referenced location in San Juan County, New Mexico. Robert L. Bayless, Producer LLC (Bayless) operates the captioned well and intends to convert it for the purpose of produced water disposal from existing and future Bayless wells within close proximity to the Stribling #1. A copy of Bayless' application to the New Mexico Oil Conservation Division is attached for your reference.

If you have any questions regarding this notice and application, please contact our Engineer, John Thomas at 505-326-2659. Objections or requests for hearing must be filed within 15 days with the New Mexico Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505.

Sincerely,

C Jay Muñoz
Land Manager

Enclosures (1): Application for Authorization to inject

January 31, 2011

McElvain Oil & Gas
Land Department
1050 17th St – Ste 2500
Denver CO 80265

RE: Application for Authority to Inject
Stribling #1,
T31N, R13W Section 31: NESE
Point Lookout Formation
San Juan County, New Mexico

To whom it may concern:

You have been identified as either a leasehold owner or a surface owner within one-half mile of the above referenced location in San Juan County, New Mexico. Robert L. Bayless, Producer LLC (Bayless) operates the captioned well and intends to convert it for the purpose of produced water disposal from existing and future Bayless wells within close proximity to the Stribling #1. A copy of Bayless' application to the New Mexico Oil Conservation Division is attached for your reference.

If you have any questions regarding this notice and application, please contact our Engineer, John Thomas at 505-326-2659. Objections or requests for hearing must be filed within 15 days with the New Mexico Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505.

Sincerely,

C Jay Muñoz
Land Manager

Enclosures (1): Application for Authorization to inject

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>	
<p>1. Article Addressed to:</p> <p>McElvain Oil & Gas Land Department 1050 17th St - Ste 1800 Denver CO 80265</p>		<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
<p>2. Article Number (Transfer from service label)</p> <p>7010 1870 0000 4541 4279</p>		<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

U.S. Postal ServiceTM
CERTIFIED MAIL[®] RECEIPT
(Domestic Mail Only. No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage		Certified Fee		Return Receipt Fee		Restricted Delivery Fee		Total Postage & Fees	
\$		\$						\$	

Postmark Here

Sent to: McElvain Oil & Gas
Street, Apt. No. or PO Box No.: 1050 17th St Ste 1800
City, State, ZIP+4: Denver CO 80265

PS Form 3800, August 2003
See Reverse for Instructions

7010 1870 0000 4541 4279

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ruth B. McGee
767 Highway 170
Farmington NM 87401

2. Article Number
(Transfer from service label)

7010 1870 0000 4541 4262

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M

COMPLETE THIS SECTION ON DELIVERY

- A. Signature
X Ruth B McGee ☐ Agent ☐ Address
- B. Received by (Printed Name)
Ruth B McGee
- C. Date of Delivery
2-4-11
- D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**

(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark
Here

Sent To
Ruth B McGEE
Street, Apt. No.,
or PO Box No. 767 Highway 170
City, State, ZIP+4 Farmington NM 87401

PS Form 3800, August 2006

See Reverse for Instructions

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**

(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark
Here

Sent To
XTO Energy - Land Dept
Street, Apt. No.,
or PO Box No. 810 Houston St Ste 2000
City, State, ZIP+4 Ft Worth TX 76102

PS Form 3800, August 2006

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

XTO Energy Inc
Land Department
810 Houston St - Ste 2000
Fort Worth TX 76102

2. Article Number
(Transfer from service label)

7010 1870 0000 4541 4255

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-15

COMPLETE THIS SECTION ON DELIVERY

- A. Signature
X **FEB 07 2011** ☐ Agent ☐ Address
- B. Received by (Printed Name)
- C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

**LEGAL NOTICE
INTENT TO DISPOSE OF PRODUCE
WATER IN THE SUBSURFACE**

Robert L. Bayless, Producer LLC is requesting approval to reenter the New Mexico Stribling #1 and complete it as water disposal well. The well will be renamed the Stribling #1 SWD. The well is located T565' FSL and T050' FEL (NE /SE), Section 31, T31N, R13W, San Juan County, New Mexico. The proposed injection zone is the Mesaverde group in the Point Lookout formation at 4005' to 4085'. The proposed average injection rate is 300 BWPD and the proposed maximum injection rate is 500 BWPD. The proposed maximum anticipated injection pressure is 1000 psi. Any questions regarding this notice should be addressed to John Thomas with Robert L. Bayless, Producer LLC at PO Box 168, Farmington NM 87499, or can be discussed by calling (505) 326-2659 during business hours. Interested parties must file objections or request a hearing with the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, NM 87505 within 15 days.

Legal No. 65714 Published in the Daily Times on January 28, 2011

WGS84 108.21667° W



Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Thursday, June 02, 2011 10:11 AM
To: 'jthomas@rlbayless.com'
Cc: Ezeanyim, Richard, EMNRD; Perrin, Charlie, EMNRD
Subject: Disposal application from Robert L Bayless, Producer, LLC: Stribling #1 30-045-10108 Point Lookout
Attachments: AORStriblingSWD1.xlsx

Hello John:

Just reviewed your application and it looks good – but would request:

- a. Wellbore diagram of the Lunt #61 30-045-09998 plugged well in or near the Area of Review.
- b. What Sw do you estimate for the proposed disposal interval?
- c. What TDS salinity do you estimate for the proposed disposal interval?
- d. Your ownership map shows ProManagement Inc as an owner to the Southeast – please send proof these folks were notified.
- e. We ask applications to notify the owners of the proposed disposal interval – in this case the Point Lookout. The Dakota was developed prior to the Fruitland and both seem to dominate in this area – is there any depth division of ownership between these two within the ½ mile AOR? If so, does this occur above the Mesaverde or below?
- f. Comment; we will start this maximum injection pressure at 800 psi. When you get the Step Rate Test data, send to Terry Warnell of this office for evaluation and with a cover letter and wellbore diagram.

To: Jones, William V., EMNRD

Cc: Ezeanyim, Richard, EMNRD; Perrin, Charlie, EMNRD

Subject: RE: Disposal application from Robert L Bayless, Producer, LLC: Stribling #1 30-045-10108 Point Lookout

Please see answers to the questions below. Let us know if you have any addition concerns. Thank you.

- a. Wellbore diagram of the Lunt #61 30-045-09998 plugged well in or near the Area of Review.
See Attached WBD for Lunt #061
- b. What Sw do you estimate for the proposed disposal interval?
See Attached MesaVerde Water Analysis from an Offset. Attempt will be made to acquire formation water during operations for analysis.
- c. What TDS salinity do you estimate for the proposed disposal interval?
See Attached MesaVerde Water Analysis from ant Offset. Attempt will be made to acquire formation water during operations for analysis.
- d. Your ownership map shows ProManagement Inc as an owner to the Southeast – please send proof these folks were notified.
Attached is corrected map from our land department. We apologize for mistake on previous map. Appropriate owners have all been notified. ProManagement is owner of east ½ of section 5 only (outside of ½ mile area)
- e. We ask applications to notify the owners of the proposed disposal interval – in this case the Point Lookout. The Dakota was developed prior to the Fruitland and both seem to dominate in this area – is there any depth division of ownership between these two within the ½ mile AOR? If so, does this occur above the Mesaverde or below? There is no depth division of ownership in the ½ mile AOR
- f. Comment; we will start this maximum injection pressure at 800 psi. When you get the Step Rate Test data, send to Terry Warnell of this office for evaluation and with a cover letter and wellbore diagram.

Again, Please let us know if you have any additional questions. Thank you.

JT

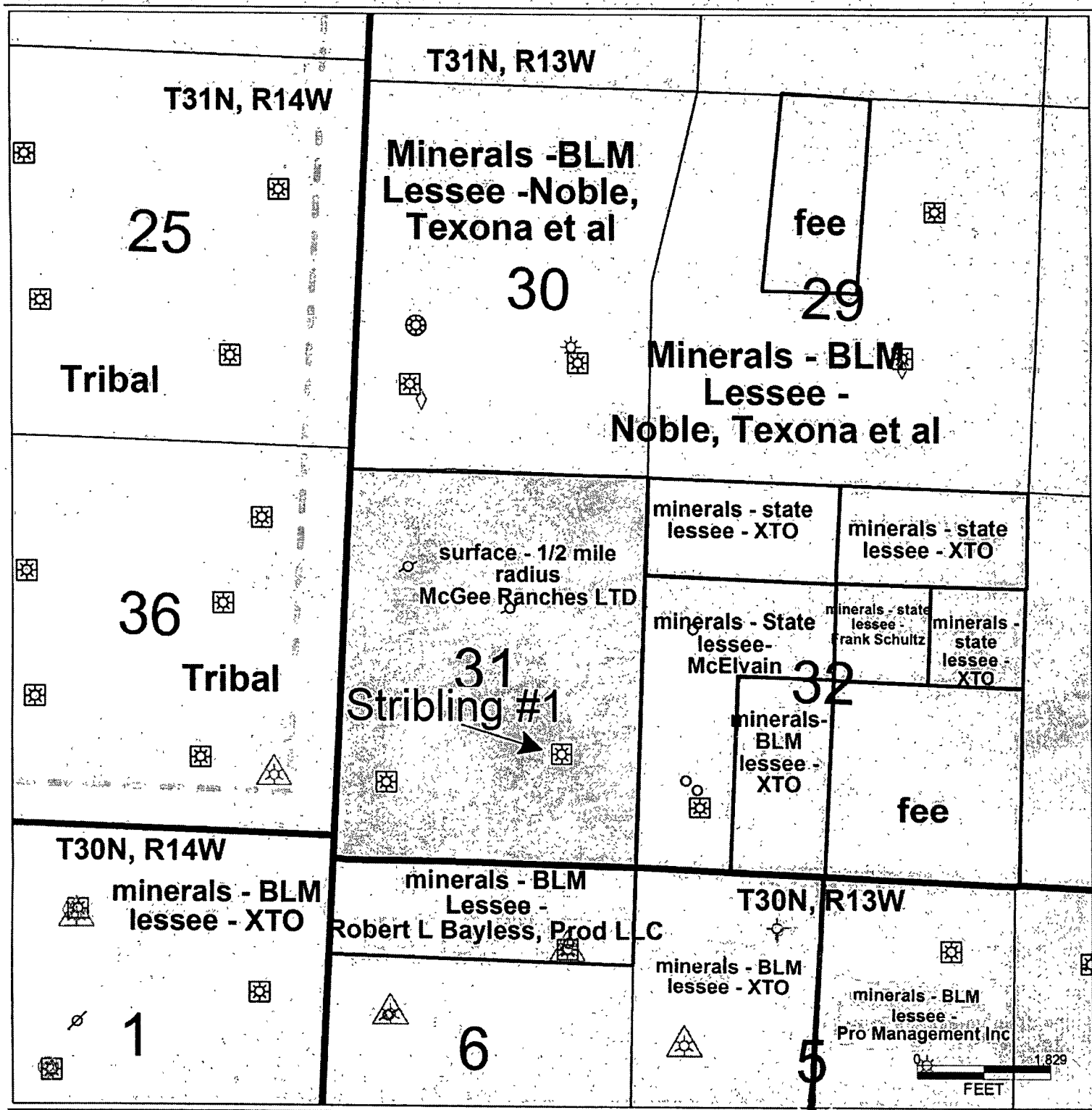
John D Thomas - Operations Engineer

Robert L Bayless, Producer LLC

Office: 505-326-2659

Cell: 505-320-5234

jthomas@rlbayless.com



LUNT 061

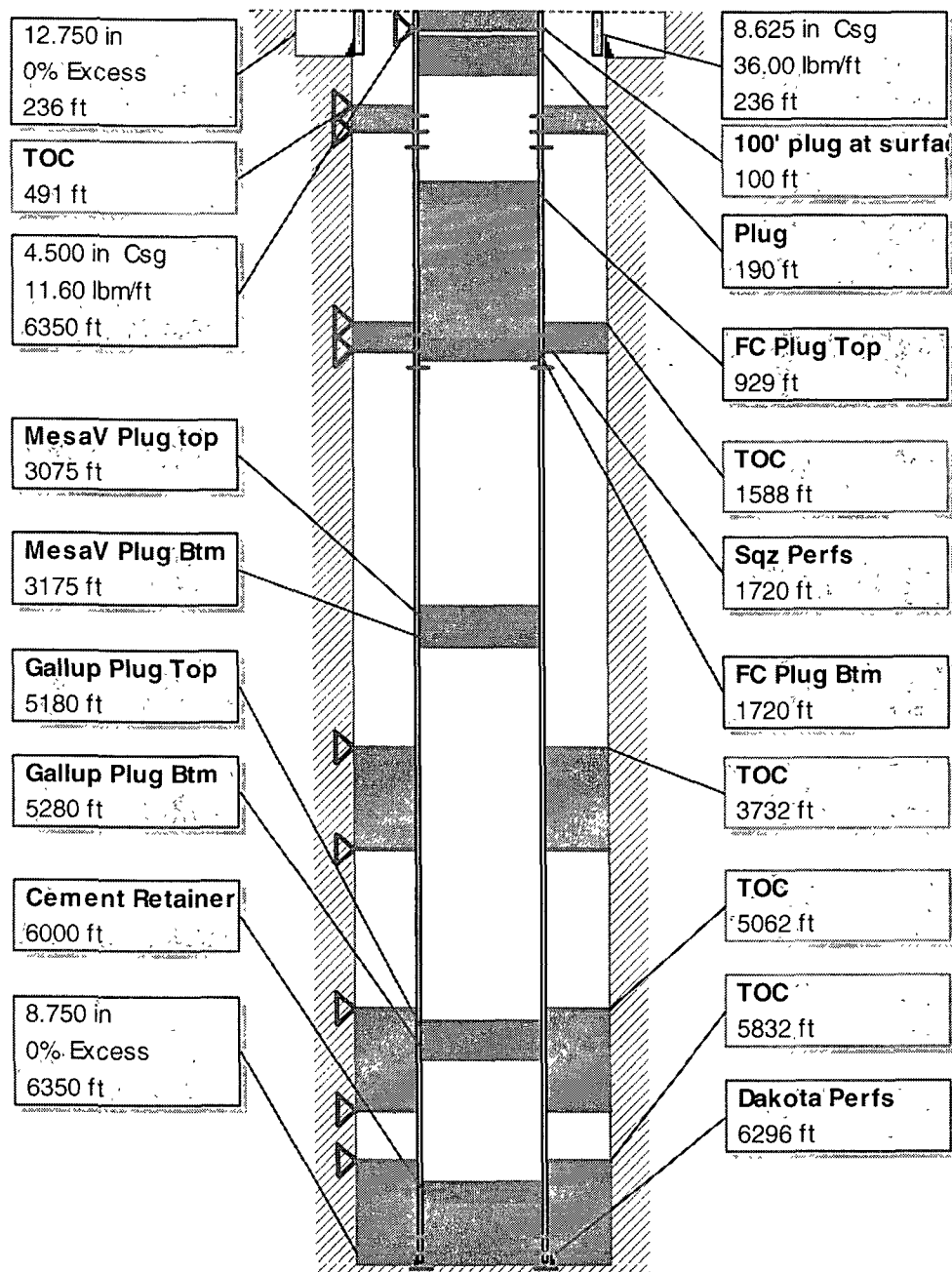
6-30N-13W

30-045-09998

PA WBD

Created on 6/22/2011 10:11:49 AM

John Thomas





CATION / ANION ANALYSIS

Client: McElvain Oil & Gas
 Sample ID: Miller B1E
 Laboratory Number: 48537
 Chain of Custody: 5324
 Sample Matrix: Aqueous
 Preservative:
 Condition: Intact

Project #: 06039-0020
 Date Reported: 12-22-08
 Date Sampled: 12-18-08
 Date Received: 12-18-08
 Date Extracted: N/A
 Date Analyzed: 12-18/12-19-08

Parameter	Analytical Result	Units		
pH	7.39	s.u.		
Conductivity @ 25° C	42,400	umhos/cm		
Total Dissolved Solids @ 180C	23,900	mg/L		
Total Dissolved Solids (Calc)	23,615	mg/L		
SAR	263.8	ratio		
Total Alkalinity as CaCO3	636	mg/L		
Total Hardness as CaCO3	225	mg/L		
Bicarbonate as CaCO3	363	mg/L	5.95	meq/L
Carbonate as CaCO3	<0.1	mg/L	0.00	meq/L
Hydroxide as CaCO3	<0.1	mg/L	0.00	meq/L
Nitrate Nitrogen	<0.01	mg/L	0.00	meq/L
Nitrite Nitrogen	<0.01	mg/L	0.00	meq/L
Chloride	14,000	mg/L	394.94	meq/L
Fluoride	0.525	mg/L	0.03	meq/L
Phosphate	0.325	mg/L	0.01	meq/L
Sulfate	10.1	mg/L	0.21	meq/L
Iron	0.006	mg/L	0.00	meq/L
Calcium	40.3	mg/L	2.01	meq/L
Magnesium	30.3	mg/L	2.49	meq/L
Potassium	47.7	mg/L	1.22	meq/L
Sodium	9,100	mg/L	395.85	meq/L
Cations			401.57	meq/L
Anions			401.14	meq/L
Cation/Anion Difference			0.11%	

*MVRD
 Sample From CASING LEAK*

Reference: U.S.E.P.A., 600/4-79-020, "Methods for Chemical Analysis of Water and Wastes", 1983.
 Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: Miller B1E.

U. J. B...
 Analyst

Christine M. Waeter
 Review

Jones, William V., EMNRD

From: John Thomas [jthomas@rlbayless.com]
Sent: Friday, August 26, 2011 10:51 AM
To: Jones, William V., EMNRD
Cc: Premo, Elizabeth, EMNRD
Subject: RE: Disposal application from Robert L Bayless, Producer, LLC: Stribling #1 30-045-10108 Point Lookout
Attachments: Sw Calculations for Stribling #1.pdf

Will,

Please see the attached is the average water saturation calculations for the proposed injection zone in the Stribling #1 30-045-10108 88% insitu water saturation. The calculations use Rw data from literature and logs from the Stribling #1. Another calculation will be performed if water can be obtained during well completion operations. Please let me know what additional information is needed. Thanks.

JT

John D Thomas - Operations Engineer
Robert L Bayless, Producer LLC
Office: 505-326-2659
Cell: 505-320-5234
jthomas@rlbayless.com

From: Jones, William V., EMNRD [<mailto:William.V.Jones@state.nm.us>]
Sent: Friday, July 08, 2011 9:38 AM
To: John Thomas
Cc: Premo, Elizabeth, EMNRD
Subject: RE: Disposal application from Robert L Bayless, Producer, LLC: Stribling #1 30-045-10108 Point Lookout

Hello John,

One of the steps in evaluating these applications is to ensure that hydrocarbons are not harmed or waste occur from disposal operations.

In item b. What does the log analysis for this well or any offset well show as the insitu Water Saturation, Gas Saturation, Oil Saturation over the intended Point Lookout disposal interval? This does not have to be for each foot of depth, you can pick major porosity intervals or whatever is logical. Applicants frequently employ a log analysis expert to do an analysis over the intended disposal interval and send a copy of the report in with the application for disposal.

Thanks for sending the other items requested.

Will Jones
New Mexico
Oil Conservation Division
[Images](#) [Contacts](#)

From: John Thomas [<mailto:jthomas@rlbayless.com>]
Sent: Thursday, July 07, 2011 9:13 AM

[illegible]

API	WELL_NAME	OPERATOR	FTG_NS	NS_CD	FTG_EW	EW_CD	OCD_UL	SEC	TspN	TspD	RgeN	RgeD	TOWNSHIP	RANGE	DEPTH	PROPERTY	LND	WEL	Stat	Cement Coverage
3004509998	LUNT 061	R & G DRILLING CO	1120	N	890	E	A	6	30	N	13	W	30.0N	13W	6355	30041	F	G	P	Cmt Prolly OK
3004510108	STRIBLING 001	ROBERT L BAYLESS PRODUCER LLC	1565	S	1050	E	I	31	31	N	13	W	31.0N	13W	6420	33516	F	G	A	Cmt Prolly OK
3004525524	STRIBLING COM 001	ROBERT L BAYLESS PRODUCER LLC	1100	S	650	W	N	31	31	N	13	W	31.0N	13W	6525	33517	F	G	A	Cmt Prolly OK
3004510077	STATE GAS COM BH 001	MCCLVAIN OIL AND GAS PROPERTIES INC	900	S	870	W	M	32	31	N	13	W	31.0N	13W	6360	303032	S	G	A	Cmt Prolly OK

Injection Permit Checklist (11/15/2010)

WFX PMX SWD 1299 Permit Date 8/31/11 UIC Qtr JTA/S

Wells 1 Well Name(s): STRIBLING #2

API Num: 30-0 45-10108 Spud Date: 1962 New/Old: 0 (UIC primacy March 7, 1982)

Footages 1565 FSL/1000 FEL Unit I Sec 31 Tsp 31N Rge 13W County SAN JUAN

General Location: NE of Farmington

Operator: Robert L. BATES, PRODUCER LLC Contact John D. THOMAS, ENGR.

OGRID: 150182 RULE 5.9 Compliance (Wells) 0/96 (Finan Assur) OK IS 5.9 OK? OK

Well File Reviewed Current Status: OLD DKTA well

Planned Work to Well: PLUG BACK, Pull old 4 1/2, Run New, CMT, Perf, Inf

Diagrams: Before Conversion After Conversion Elogs in Imaging File:

Well Details:		Sizes Hole.....Pipe	Setting Depths	Stage Tool	Cement Sx or Cf	Determination Method
New Existing	Surface	12 7/8 8 5/8	190/200	—	130	CIRC (Calc)
New Existing	Interm					
New Existing	LongSt	7 7/8 4 1/2	420'	5716'	590 SK	4500' CIRC (Calc)
New Existing	Liner	4 1/2	4500		590 SK	CIRC (Calc)
New Existing	OpenHole					

Depths/Formations: Depths, Ft. Formation Tops?

Formation(s) Above	4005	PLQ	✓
Injection TOP:	4005	PLQ	Max. PSI 800 OpenHole Perfs ✓
Injection BOTTOM:	4085	PLQ	Tubing Size 2 3/8 Packer Depth 4000' 3950'
Formation(s) Below	5332	Gallup	✓

Capitan Reef? (Potash? Noticed?) [WIPP? Noticed?] Salado Top/Bot Cliff House?

Fresh Water: Depths: 35' or 2' Enigma Fm. < 190' Formation Wells? Analysis? Affirmative Statement ✓

Disposal Fluid Analysis? Sources: FRC / DKTA = all prod. intake in area

Disposal Interval: Analysis? Production Potential/Testing: Get during conversion

Notice: Newspaper Date 1/28/11 Surface Owner McGee Ranches LTD Mineral Owner(s)

RULE 26.7(A) Affected Persons: XTO / McElvann / Pro Management LLC

AOR: Maps? Well List? Producing in Interval? Wellbore Diagrams? No

Active Wells 3 Repairs? 0 Which Wells?

P&A Wells 1 Repairs? 0 Which Wells?

Issues: SWAB Test Request Sent Reply: