

DATE IN 10/18/06	SUSPENSE 11/7/06	ENGINEER D. Catanach	LOGGED IN 10/18/06	TYPE NSL	APP NO. PTDSO/29152371
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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



**ADMINISTRATIVE APPLICATION CHECKLIST**

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	

**Robert L. Bayless, Producer LLC**  
**Oil & Gas Producer**

P. O. Box 168 2006 OCT 18 AM 11 07  
Farmington, New Mexico 87499

FAX NO.  
(505) 326-6911

OFFICE NO.  
(505) 326-2659

October 10, 2006

Mr. Mark Fesmire  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

RE: Application of Robert L. Bayless, Producer LLC for an Unorthodox Basin Dakota-Blanco Mesaverde Well Location  
Boeing No. 1  
790' FNL & 504' FWL  
NW/4 NW/4, Sec. 2, T26N, R8W, San Juan County, New Mexico

Dear Mr. Fesmire,

Robert L. Bayless, Producer LLC (Bayless) requests administrative approval of an Unorthodox Basin Dakota – Blanco Mesaverde well location for its proposed Boeing No. 1. The reason for the request is topography.

A map showing the Boeing No. 1 location and pertinent offset well information is attached. The well is to be drilled on a north-half, lay-down 320 acre spacing unit. Bayless and Conoco-Phillips are potential partners in the subject well. The well as staked crowds Conoco-Phillips to the west. It does not crowd other offset operators.

A second map showing topography is attached. Rough terrain is the cause of this application. The well is now staked 136' west of what would be a standard location. It is located on a narrow north-south trending ridge. Moving the location east to a standard location places the well in extremely rough country that would involve extensive dirt work to build a location.

A copy of this application is being sent by certified mail to Conoco-Phillips as well as other offset operators, and Bayless hereby requests that they waive opposition to this application.

Bayless requests that you seriously consider this request for administrative approval of an unorthodox Basin Dakota – Blanco Mesaverde well location for the Boeing No. 1. Please call me if you wish to discuss this matter.

Sincerely,



Tom McCarthy  
Petroleum Engineer

Attachments

**Robert L. Bayless, Producer LLC**  
**Unorthodox Basin Dakota – Blanco Mesaverde Location**  
**Boeing No. 1**  
**Offset Lease Holders List**

Conoco Phillips  
PO Box 4289  
Farmington, NM 87499-4289

M & G Drilling Company  
919 Monterey Avenue  
Stockton, CA 95204

34

Conoco-Phillips

35

M & G Drilling

36

Conoco-Phillips

3

Boeing No. 1

Conoco-Phillips

1

10

11

**Unorthodox Location Application  
Boeing No. 1**

Basin Dakota – Blanco Mesaverde

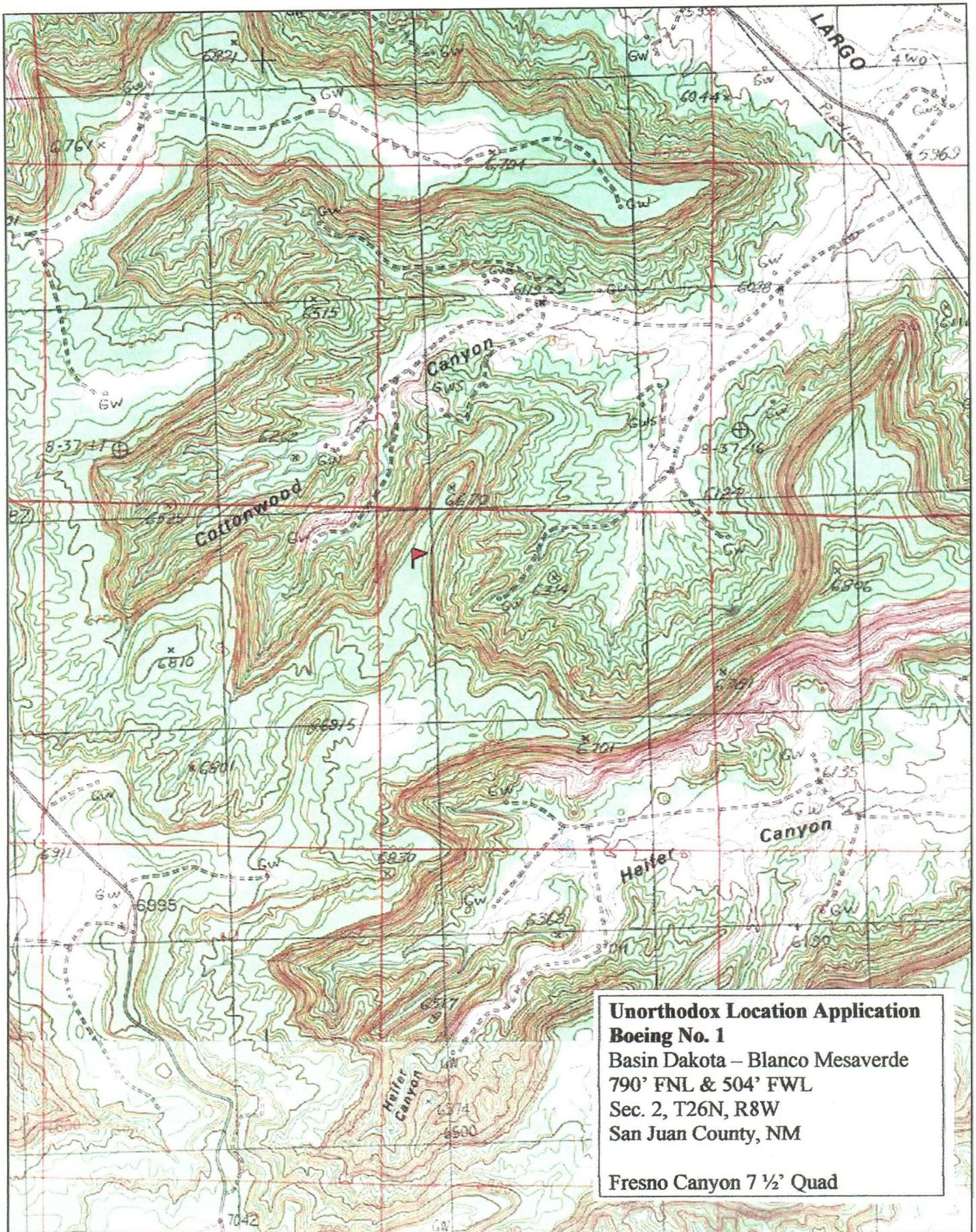
North Half Spacing Unit

790' FNL & 504' FWL

Sec. 2, T26N, R8W

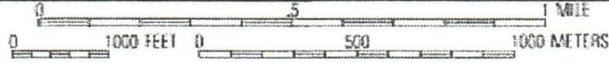
San Juan County, NM

Fresno Canyon 7 1/2' Quad



**Unorthodox Location Application**  
**Boeing No. 1**  
 Basin Dakota – Blanco Mesaverde  
 790' FNL & 504' FWL  
 Sec. 2, T26N, R8W  
 San Juan County, NM  
 Fresno Canyon 7 1/2' Quad

TN/MN  
 11°



**Robert L. Bayless, Producer LLC**  
**Oil & Gas Producer**

P. O. Box 168  
Farmington, New Mexico 87499

FAX NO.  
(505) 326-6911

OFFICE NO.  
(505) 326-2659

October 11, 2006

**CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

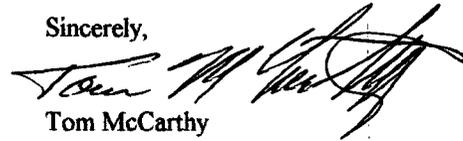
**Offset Operators (List Attached)**

**RE: Application of Robert L. Bayless, Producer LLC for an Unorthodox Basin Dakota-Blanco Mesaverde Well Location**  
**Boeing No. 1**  
**790' FNL & 504' FWL**  
**NW/4 NW/4, Sec. 2, T26N, R8W, San Juan County, New Mexico**

Robert L. Bayless, Producer LLC requests that you waive objection to its application for administrative approval of the above-referenced unorthodox Basin Dakota-Blanco Mesaverde well location. A copy of the application is enclosed.

If you have an objection to this application, you must notify the New Mexico Oil Conservation Commission at 1220 South St. Francis Drive, Santa Fe, NM 87505 within 20 days of receiving this notice. If you wish to waive objection to this application, please sign and return one copy of this letter to the New Mexico Oil Conservation Division.

Sincerely,



Tom McCarthy  
Petroleum Engineer

I/We waive objection in the above matter.

Company

Name

Signature

Date

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PS Form 3800, June 2002 See Reverse for Instructions