

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

OCT 06 2011

FORM APPROVED
OMB No 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON Wells

Do not use this form for proposals to drill or to re-enter and manage an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator **Robert L. Bayless, Producer LLC**3a. Address
P.O. BOX 168 Farmington, NM 874993b. Phone No. (include area code)
505-326-2659

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**510 FSL & 660 FEL
SE/SE, Sec 8, T26N, R18W 6th pm**

5. Lease Serial No.

14-20-603-5033

If Indian, Allottee or Tribe Name

Navajo

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Navajo Tribal P # 3

9. API Well No.

30-045-20020

10. Field and Pool, or Exploratory Area

Tocito Dome

11. County or Parish, State

San Juan co, NM

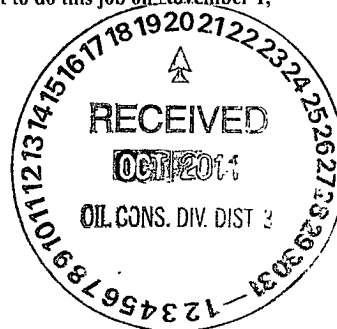
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|--|--|---|
| <input checked="" 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 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 |
| | <input type="checkbox"/> Change Plans | <input checked="" type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <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 starting 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.)

Robert L. Bayless plans to plug and abandonment the subject well using the attached procedure. Bayless intent to do this job on November 1, 2011 or as soon as a rig becomes available. A subsequent report will be submitted to the BLM.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**Habib Guerrero**Title **Operations Engineer**

Signature

Date

10/06/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Original Signed: **Stephen Mason**

Approved by

Title

Date

OCT 17 2011

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 operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

NMOC

PLUG AND ABANDONMENT PROCEDURE

September 2, 2011

Navajo Tribal P #3

Tocito Dome Penn. "D"
510 FSL and 660' FEL, Section 8, T-26-N, R-18-W
San Juan County, NM / API 30-045-20020
Lat: N _____ / Long: W _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Install and test location rig anchors. Prepare a blow pit. Comply with all State, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
2. Rods: Yes X, No _____, Unknown _____.
Tubing: Yes X, No _____, Unknown _____, Size 2.875", Length 6039'.
Packer: Yes _____, No X, Unknown _____, Type _____.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.
3. **Plug #1 (Penn. "D" interval and Ismay top, 6244' - ⁵⁵⁷⁴5640')**: TIH and set 4.5" cement retainer at 6244'. Load casing with water and circulate well clean. Pressure test 4.5" casing to 800 PSI. *If casing does not test, then spot or tag subsequent plugs as appropriate.* Mix ~~50~~ sxs Class B cement and spot a plug to isolate the Penn. "D" interval and Ismay top. PUH.
4. **Plug #2 (Hermosa and Cutler top, 5000' - 4240')**: Mix 62 sxs cement and spot a balanced plug inside the casing to cover through the Cutler top. PUH.
5. **Plug #3 (DeChelly top, 3746' - 3646')**: Mix 12 sxs cement and spot a balanced plug inside the casing to cover through the DeChelly top. PUH.
6. **Plug #4 (Entrada, Todilto and 8.625" casing shoe tops, 2096' - 1450')**: Mix 53 sxs cement and spot a balanced plug inside the casing to cover through the casing shoe. PUH.
7. **Plug #5 (Dakota top, ^{835' - 735'}795' - 695')**: Mix 12 sxs cement and spot a balanced plug inside the casing to cover the Dakota. TOH and LD tubing.
8. **Plug #6 (13.625" Surface casing, 150' - Surface)**: Perforate 3 squeeze holes at 150'. Establish circulation out bradenhead with water and circulate the 4.5" x 8.625" annulus clean. Mix approximately 50 sxs Class B cement and pump down the 4.5" casing to circulate good cement out bradenhead. Shut in well and WOC.
9. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Chiale Plug →
2856-2756'

Morrison Plug →
1044'-944'

Navajo Tribal P #3 Proposed P&A

Tocito Dome Penn. "D"

510' FSL & 660' FEL, Section 8, T-26-N, R-18-W

San Juan County, NM / API #30-045-20020

Lat: _____ / Long: _____

Today's Date: 9/2/11

Spud: 2/18/67

Completed: 3/16/67

Elevation: 5762' GI
5774' KB

Dakota @ 745' *est

Todilito @ 2030'

Entrada @ 2046'

DeChelly @ 3696'

Cutler @ 4290'

Hermosa @ 4950' *est

Ismay @ 5690'

Penn. "D" @ 6282'

17.5" hole

11" hole

7.875" Hole

8.625" TOC @ Surface per completion report

13.625" 48#, Casing set @ 100'
Cement with 100 sxs, Circulated

Perforate @ 150'

Plug #6: 150' - Surface
Class B cement, 50 sxs

4.5" TOC @ 717' (Calc, 75%)

Plug #5: 795' - 695'
Class B cement, 12 sxs

8.625" 24#, Casing set @ 1500'
Cement with 500 sxs,
Circulated to surface

Plug #4: 2096' - 1450'
Class B cement, 53 sxs

Plug #3: 3746' - 3646'
Class B cement, 12 sxs

Plug #2: 5000' - 4240'
Class B cement, 62 sxs

Plug #1: 6244' - 5640'
Class B cement, 50 sxs

Set CR @ 6244'

Pennsylvanian "D":
6294' - 6302', 6308' - 6312'

4.5", 10.5# Casing set @ 6315'
Cement with 1550 sxs (1770 cf)

TD 6315'
PBTd 6313'

Navajo Tribal P #3

Current

Tocito Dome Penn. "D"

510' FSL & 660' FEL, Section 8, T-26-N, R-18-W

San Juan County, NM / API #30-045-20020

Lat: _____ / Long: _____

Today's Date: 9/2/11

Spud: 2/18/67

Completed: 3/16/67

Elevation: 5762' GI
5774' KB

Dakota @ 745' *est

Todilito @ 2030'

Entrada @ 2046'

DeChelly @ 3696'

Cutler @ 4290'

Hermosa @ 4950' *est

Ismay @ 5690'

Penn. "D" @ 6282'

17.5" hole

11" hole

7.875" Hole

8.625" TOC @ Surface per completion report

13.625" 48#, Casing set @ 100'
Cement with 100 sxs, Circulated

4.5" TOC @ 717' (Calc, 75%)

8.625" 24#, Casing set @ 1500'
Cement with 500 sxs,
Circulated to surface

Pennsylvanian "D".
6294' - 6302', 6308' - 6312'

4.5", 10.5# Casing set @ 6315'
Cement with 1550 sxs (1770 cf)

TD 6315'
PBTd 6313'

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 3 Navajo Tribal P

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
3. The following modifications to your plugging program are to be made:
 - a) Bring the top of the Penn. D and Ismay plug to 5574'.
 - b) Place the Chinle plug from 2856' – 2756'.
 - c) Place the Morrison plug from 1044' – 944'.
 - d) Place the Dakota plug from 835' – 735'.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.