State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey, Division Director Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: July 14th, 2014

Well information:

API WELL#	Well Name	Well #	Operator Name	Туре	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-20583-	NAVAJO	011	ROBERT L BAYLESS	G	Α	San	N	D	17	26	N	18	w
00-00	TRIBAL N		PRODUCER LLC			Juan							

Application Type: P&A Drilling/Casing Change Location Change
Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84)
Other: Change of dedicated acreage
Conditions of Approval:
Notify NMOCD 24hrs prior to beginning operations
REJECTED SUNDRY – sundry proposed to change this well from a producing gas well to a producing oil well. Per R-5353, a gas well has a GOR of >20,000. The GOR reported on this well is 26,100. Therefore the well should remain a gas well.
Well Hypa.
9-29-14 Data
NMOCD Approved by Signature Date

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

	SUNDRY NOTICES	AND REPORTS	ON WELLS
0	not use this form for	proposals to drill	or to re-enter an

5.	Lease Serial No.	
	14206035035	

Do not use this form for pro abandoned well. Use form 3	6. If Indian, Allottee or Tribe Name SHIPROCK	
SUBMIT IN TRIPLICATE - Of	7. If Unit or CA/Agreement, Name and/or No.	
Type of Well ☐ Oil Well ☐ Other		8. Well Name and No. NAVAJO N-1
2. Name of Operator ROBERT L BAYLESS PRODUCER LLEMAI	Contact: HELEN TRUJILLO i: htrujillo@rlbayless.com	9. API Well No. 30-045-05809-00-S1
a. Address P.O. BOX 168 FARMINGTON, NM 87499	3b. Phone No. (include area code) Ph: 505-326-2659	10. Field and Pool, or Exploratory TOCITO DOME
Location of Well (Footage, Sec., T., R., M., or Surve	11. County or Parish, and State	
Sec 17 T26N R18W SWSW 0790FSL 0790F 36.483290 N Lat, 108.787670 W Lon	SAN JUAN COUNTY, NM	

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

TYPE OF SUBMISSION		ТҮРЕ С	F ACTION	
☑ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice	☐ Acidize ☐ Alter Casing ☐ Casing Repair ☐ Change Plans ☐ Convert to Injection	☐ Deepen ☐ Fracture Treat ☐ New Construction ☐ Plug and Abandon ☐ Plug Back	☐ Production (Start/Resume) ☐ Reclamation ☐ Recomplete ☐ Temporarily Abandon ☐ Water Disposal	☐ Water Shut-Off ☐ Well Integrity ☑ Other

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 recomplete 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 recompletion 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, Producer LLC analyzed Gas-Oil-Ratio and would like to change the status of the N1 well from PGW to POW effective immediately.

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Please see attached analysis.

OIL CONS. DIV DIST. 3

JUL 16 2014

14. Lhereby certify that th	e-foregoing is true and correct. Electronic Submission #252905 verifie For ROBERT L BAYLESS PRODU Committed to AFMSS for processing by J	CEŔ LL	C, sent to the Farmington	· · · · · ·	
Name (Printed/Typed)	BRANDON SHAW	Title	OPERATIONS ENGINEER		•
Signature	(Electronic Submission)	Date	07/14/2014		***************************************
•	THIS SPACE FOR FEDERA	L OR	STATE OFFICE USE		
Approved By ACC	CEPTED		IM LOVATO PETROLEUM ENGINEER		Date 07/14/2014
Conditions of approval, if an certify that the applicant hol	ny, are attached. Approval of this notice does not warrant or ds legal or equitable title to those rights in the subject lease licant to conduct operations thereon.	Office	Farmington		

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

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

Analysis of Current Navajo Gas Wells

July 14, 2014

WELL		BOPD	MCFD	*GOR (MCF/BBL)	BWPD	OIL	MCF	WATER
Nav Tribal N	1	2.7	69.7	26.1	27.3	10%	33%	8%
Nav Tribal N	11	1.8	32.5	17.6	49.1	7%	15%	15%

^{*}GOR < 100 MCF/BBL classifies well as an "oil" well

I recommend these wells classifications be changed from PGW to POW.

Brandon Shaw

Operations Engineer Robert L. Bayless, Producer LLC

Cell: (469) 235-2357 Office: (505) 326-2659 bshaw@rlbayless.com

lb Date: 7/14/2014 Time: 1:44 PM

Lease Name: NAVAJO TRIBAL N (11)

Operator: BAYLESS ROBERT L PRODUCER LLC

Field Name: TOCITO DOME

County, ST: SAN JUAN, NM Location: N26 W18 17 NE NW NW

