

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.*

RECEIVED

JUL -7 AM 11

SUBMIT IN TRIPLICATE - Other instructions on reverse side

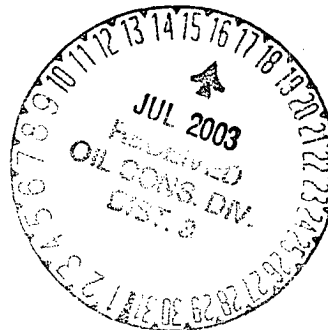
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. Oxnard WN Fed #10G
2. Name of Operator Robert L. Bayless, Producer LLC		9. API Well No. 30-045-31643
3a. Address PO Box 168, Farmington, NM 87499	3b. Phone No. (include area code) (505) 326-2659	10. Field and Pool, or Exploratory Area Basin Fruitland Coal
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 970' FNL & 1100' FEL, Sec. 15, T27N, R8W		11. County or Parish, State San Juan, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" type="checkbox"/> Other <u>Spud, Surface Casing & Run Cement</u>
	<input type="checkbox"/> Change Plans	<input 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 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.)

See attached Morning Report.



14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Price M. Bayless	Title Engineering Manager
Signature	Date July 1, 2003
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved by	Title JUL 11 2003
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 operation thereon.	Office FARMINGTON FIELD OFFICE
Title 18 U.C.S. Section 1001 and Title 43 U.C.S. Section 1212, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	

NMOCD

Robert L. Bayless, Producer LLC

Oxnard WN Federal #10G
970 FNL & 1100 FEL
Section 15 – T17N – R8W
San Juan County, New Mexico

Morning Report – Drilling

6/20/03

Build location and dig pit. Line and fence pit. Move L&B Speedrill onto location and rig up. Haul water to location. Spud well at 4:00 pm, 6/10/03. Drill 8 3/4" hole to 90 feet. Circulate hole clean and shut down overnight.

6/21/03

Continue drilling to 140 feet and circulate hole clean. Drop survey tool and trip out of hole. Deviation 1/4° at 140 ft. Rig up and run 3 joints (133.42 ft) 7" 20 #/ft new J-55 ST&C casing, land at 139 ft. Rig up AES and cement surface casing with 70 sx (83 cf) Class B cement with 3% CaCl and 1/4 #/sx celloflake. Good returns throughout job with 4.2 bbls circulated to pit. Plug down at 10:00 am. WOC 4 hours. Break off landing joint and make up wellhead. Nipple up BOP and pressure test, held OK. Trip in hole and tag cement. Shut down overnight.

6/22/03

Drill cement and drill into new formation. Drill 6 1/4" hole to 950 ft. Circulate hole clean and run survey. Deviation 1/4° at 950 ft. Shut down overnight.

6/23/03

Shut down for weekend.

6/24/03

Continue drilling and drill ahead to 1400 feet. Circulate hole clean. Run survey, deviation 1/2° at 1400 feet. Trip out of hole for Bit #3. Shut down overnight.

6/25/03

Resume drilling and drill to 1900 feet. Circulate hole clean and run survey, deviation 3/4° at 1900 feet. Shut down overnight.

6/26/03

Resume drilling to 2255 ft. Condition hole and short trip for logs. Run survey, deviation 1° at 2255 feet. Pull 12 stands and shut down overnight.

6/27/03

Trip out of hole for logs and log well with Schlumberger. Rig up San Juan Casing. Run 53 joints (2231.33 ft) new 4 1/2" 10.5# J-55 ST &C casing. Run centralizers at 2215', 2151', 2067', 1983', and turbocentralizers at 1477', 1267', 972', and 762'. Run casing as follows:

KB to landing point	4.00 feet	0 – 4 feet
52 joints casing	2189.26 feet	4 – 2193 feet
Insert float	0.00 feet	2193 – 2193 feet
Shoe joint	42.07 feet	2193 – 2235 feet
Guide shoe	0.70 feet	2235 – 2236 feet
	2236.03 feet	

Land casing at 2322 feet with centralizers at 2215, 2151, 2067, 1983, and turbo centralizers at 1477, 1267, 972, and 762 feet. Circulate hole clean. Rig up BJ Services and cement production casing as follows:

Flush	20 bbls phenol-seal - XLFC
Flush	5 bbls gelled water
Cement	325 sx (692 cf) Premium Lite High Strength w/ 1/4 #/sx Pheno seal
Flush	35.0 bbls fresh water

Good returns throughout job. Circulate 3 bbl good cement to pit. Bump plug to 1150 psi at 6:00 pm, 6/26/03. Release drilling rig and wait on completion.