Submit 3 Copies to Appropriate District Office

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

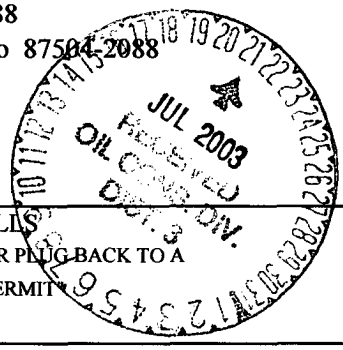
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-103
Revised 1-1-89



WELL API NO. 30-045-28993

5. Indicate Type of Lease STATE [ ] FEE [X]

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name: Moseley

1. Type of Well: OIL WELL [ ] GAS WELL [X] OTHER:

2. Name of Operator: ROBERT L. BAYLESS

8. Well No. 1

3. Address of Operator: P.O. BOX 168, FARMINGTON, NM 87499

9. Pool name or Wildcat: Flora Vista Fruitland Sand / FC

4. Well Location
Unit Letter K : 1470 Feet from the South Line and 1645 Feet from The West Line
Section 2 Township 30N Range 12W NMPM SAN JUAN County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 5788 GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[ ]			CASING TEST AND CEMENT JOB	[ ]		
OTHER:	[ ]			OTHER: RECOMPLETION & COMMINGLING			[X]

12. Describe Proposed or Completed Operations *(Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work)* SEE RULE 1103.

THE RETRIEVABLE BRIDGE PLUG BETWEEN THE FRUITLAND COAL AND THE FLORA VISTA FRUITLAND SAND WAS REMOVED ON 7/12/03. THE TWO ZONES ARE NOW COMMINGLED. THIS WAS PREVIOUSLY APPROVED BY THE OCD. SEE THE ATTACHED REPORT.

DHC 3093

I hearby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Tom McCarthy TITLE ENGINEER DATE 7/17/03

TYPE OR PRINT NAME Tom McCarthy TELEPHONE NO. (505) 326-2659

(This space for State Use)

APPROVED BY TITLE DEPUTY OIL & GAS INSPECTOR, DIST. DATE JUL 21 2003

CONDITIONS OF APPROVAL, IF ANY:

ROBERT L. BAYLESS
WORKOVER REPORT
MOSELEY NO. 1

3/17/2003: Move in 3 frac tanks and load with 2% KCl water. Heat water to 100 degrees with hot oiler. Rig up JC Well Service and blow well down. Trip out with rods and pump and lay down on float. Rig up stripping rubber. Trip out and tally tubing. Pick up Weatherford retrievable bridge plug and trip in to 1950' to set. Bridge plug would not set. Trip out tubing and found that bridge plug was lost. Trip in with retrieving head on tubing.
3/18/ 2003: Finish trip in and caught bridge plug. Trip out. Found bridge plug was for 4 ½" casing rather than 5 ½". Rig up Blue Jet and trip in with wireline set, tubing retrievable bridge plug. Set at 1950'. Trip in with dump bailer and dump 5' of sand on bridge plug. Rig up frac valve. Load hole and pressure test casing to 2000 PSI for 5 minutes with Three Rivers kill truck. Tested OK. Rig down Three Rivers. Rig up Blue Jet to perforate. Perforate the following Fruitland Sand intervals:

1884-1890' 13 holes
1897-1910' 27 holes

Rig down Blue Jet and rig up Halliburton. Establish rate down 5 ½" casing. Formation broke down at 420 PSI. Stepped rate up to 30 BPM, then shut down for ISIP, 671 PSI. Spearheaded with 750 gallons 7 ½% HCl followed by 34775 gallons 20# cross- linked Delta 140 fluid and 49633 # 20-40 sand with sand wedge.

Stage	Volume	Fluid	Conc.	Proppant
1 - Acid Ball Out	750 Gal	7.5% HCL Acid		
2 - Pad	9,016 Gal	20# Delta Frac 140		
3 - Proppant Laden Fluid	5,246 Gal	20# Delta Frac 140	1 lbm/gal	4,964# 20/40
4 - Proppant Laden Fluid	5,469 Gal	20# Delta Frac 140	2 lbm/gal	9,789# 20/40
5 - Proppant Laden Fluid	5,697 Gal	20# Delta Frac 140	3 lbm/gal	14,749# 20/40
6 - Proppant Laden Fluid	5,544 Gal	20# Delta Frac 140	4 lbm/gal	18,936# 20/40
7 - Flush	1,852 Gal	20# Water Frac G		

AIR 29.8 BPM, ATP 1,012 PSI. Initial frac gradient .68. final frac gradient .88. ISIP 852, 5 minutes 772, 10 minutes 721, 15 minutes 677 PSI. Rig down Halliburton. Shut in 3 hours for gel to break. Rig up flow back line to rig pit. Open up well at 5:30 PM. Well dead.

3/19/2003: Rig down frac valve and rig up BOP. Trip in with tubing and retrieving head. Tagged sand at 1824'. Circulate to 1886' and lost circulation. Trip out. Trip in with sand bailer. Bail sand to 1930'. Trip out.

3/20/2003: Trip in with tubing to swab. 16' sub, SN, and 62 joints, landed at 1980' KB. Swabbed all day. Initial fluid level: empty. Had 150' fluid over the SN on most runs. Had vacuum after initial runs. Recovery about 1/3 BBL fairly clean water per run. About 30 runs per day, 10 BBL recovered. Built 80 PSI on casing, and started small blow after each run.

3/21/2003: Pick up tubing and trip in and tag sand at 1925'. Trip out. Trip in with sand bailer. Bail sand to 1930'. Trip out. Trip in with sand bailer. Bail sand to 1938'. Trip out.

3/23/2003: Trip in with sand bailer and retrieving head. Tag sand at 1926'. Bail sand to 1938'. Could not get deeper. Trip out. Trip in with retrieving head to top of perfs.

3/24/2003: Rig up Sanjel. Trip in with coiled tubing through 2 3/8" tubing blowing air. Unloaded hole practically the whole way in. Did not unload sand; it was clear water. Hit hard surface at 1968' their measurement. Trip out and move Sanjel out of the way. Trip in tubing and hit at same surface at 1938'. Could not latch on to bridge plug and started losing hole. Rigged up Sanjel and repeated process with same results. Rigged down Sanjel and trip out with tubing. Hole filled up with water quickly between air cleanouts. Landed tubing at 1884'. Nipple down BOP. Trip in with rods and pump. Rig up and realign pumpjack. Rig down JC well service. Wait on bigger rig with air package to drill out to plug, remove plug, and commingle Fruitland Coal and Fruitland Sand.

7/18/2003: Move in and rig up JC Well Service. Blow well down. Trip out rods and pump. Pick up tubing and trip in to tag at 1947'. Trip out and tally tubing. Pick up Weatherford retrieving head. Trip in to top of perfs.

7/19/2003: Rig up Sanjel on 2 3/8" tubing. Trip in at tag sand at 1947', 3' above bridge plug. Circulate sand and latched on to plug. Pull plug loose and circulate well clean. Trip out with plug and released Sanjel. Trip in with tubing and land. Tag PBD at 2124'. Land tubing at 2118.24'. Trip in rods and new pump. Rig down. The well is now commingled with production from the Basin Fruitland Coal and the Flora Vista Fruitland Sand.

Wellbore Diagram - Current Configuration			
Mosley No. 1			
NESW Section 2, T30N, R12W			
1470' FSL & 1645' FWL			
San Juan County, New Mexico			
Completed 6/3/94			
Ground Elevation: 5788'			
KB Elevation: 5793'			
8 5/8" 24# J-55 Casing set at 122' GL in a 12 1/4" hole.			
Cemented with 100 sx. Class B, 2% KCl. Circ. Cement.			
Tubing:			
KB to landing pt.			4.00
Subs 10', 10', 6'			26
68 jts 2 3/8" 4.7# J55 EUE			2,071.49
SN			0.75
2 3/8" TAIL JT W/ 5/8" HOLE IN TOP			16.00
TOTAL			2,118.24
Rods:			
1 1/4" POLISH ROD W/LINER 16'			16
8', 6', 4' 3/4" ROD PONY			18
82 3/4" RODS W/ Spray Metal clpgs			2050
2x1.25x6x7x9RHAC THD stroke thru			9
			2093
Fruitland Sand Perfs:			
1884-1890'		13 holes	
1897-1910'		27 holes	
Frac w/ 34775gallons20# Delta140 49632# 20/40sandwedge			
Fruitland Coal Perfs:			
1976-1979		4SPF	
1986-1988		4SPF	
2028-2032		4SPF	
2088-2114		4SPF	
Frac w/ 121000# 20-40 and 53600 gal 70% N2 foam			
5 1/2" 14# M50 ST&C casing set at 2242' in a 6 3/4" hole.			
Cemented w/ 25 sx Class B , 285 sx Class B 2% thriftylite,			
90 sx 50:50 poz 2% gel, 10%salt.			