

REVISED FEB 07
OIL CONS. DIV.
DIST. 8

Form 3160-3
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

2006 OCT 5

FORM APPROVED
OMB NO. 1004-0137

Expires: March 31, 2007

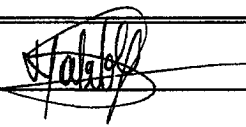
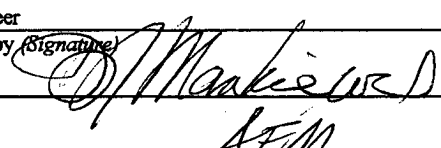
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF 047039-B	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator ROBERT L. BAYLESS, PRODUCER LLC		7. If Unit or CA Agreement, Name and No.	
3a. Address P.O. BOX 168, FARMINGTON, NM 87499		8. Lease Name and Well No. Bimson Federal #3	
3b. Phone No. (include area code) (505) 326-2659		9. API Well No. 30-045-33987	
4. Location of Well (Report location clearly and in accordance with an State requirements *) At surface 1970 FNL & 1475 FWL At proposed prod. zone SAME		10. Field and Pool, or Exploratory Fulcher Kutz Pictured Cliffs	
11. Sec., T., R., M., or Blk. and Survey or Area Section 17, T28N, R10W		12. County or Parish San Juan	
13. State New Mexico		14. Distance in Miles and Direction from nearest town or post office* 154 Miles from Farmington	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1475 FT - LEASE LINE		16. No. of Acres in Lease 640	
17. Spacing Unit dedicated to this well 160 NW/4		18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this Lease, ft. 350 FT	
19. Proposed Depth 2115		20. BLM/BIA Bond No. on file 40S23024BCA	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5918 RKB		22. Approximate date work will start* ASAP	
23. Estimated duration 8 days			

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) Habib Guerrero	Date 10-04-06
Title Engineer		
Approved by (Signature) 	Name (Printed/Typed) D. Markie	Date 1/2/07
Title AFM		

Application approval 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.

Conditions of approval, if any, are attached.

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 reverse)

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

NRMOCD

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

NOTIFY AZTEC OCD
IN TIME TO WITNESS

24 hrs
6842 E. Conington

B 2/6/07

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1090 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised August 15, 2000

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 77200	³ Pool Name Fulcher Kutz Pictured Cliffs
⁴ Property Code 33497	⁵ Property Name BIMSON Federal	⁶ Well Number 3
⁷ OGRID No. 150182	⁸ Operator Name ROBERT L. BAYLESS, PRODUCER LLC	⁹ Elevation 5913

¹⁰ Surface Location

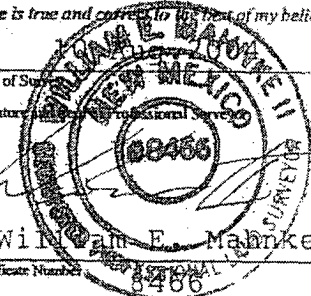
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	17	28N	10W		1970	North	1475	West	San Juan

¹¹ Bottom Hole Location If Different From Surface

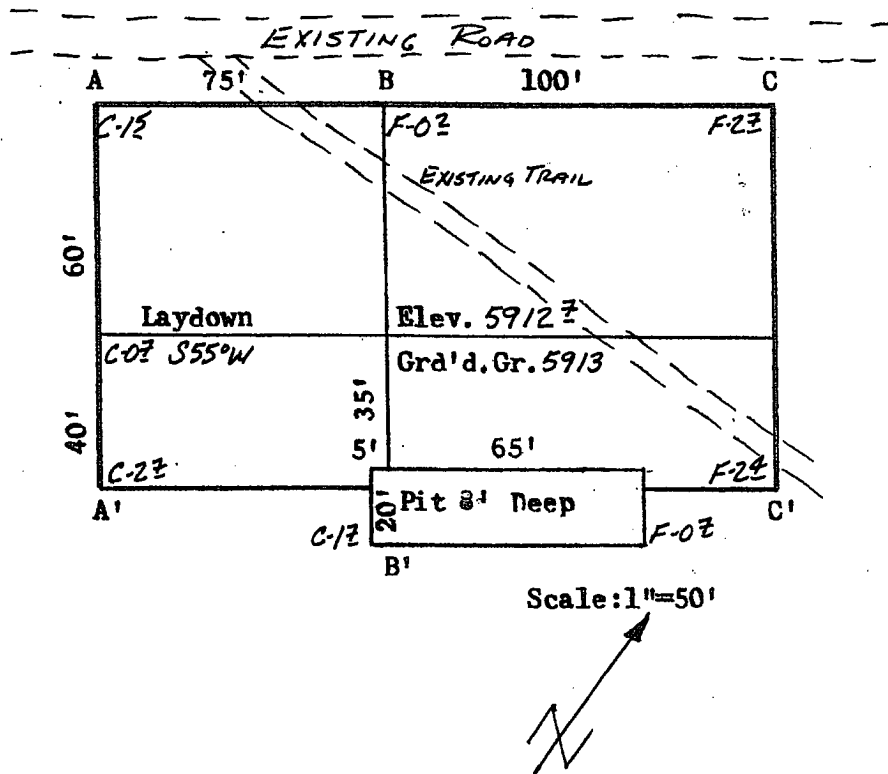
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 100 NW/4	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ Fd. N 89° 57' W 80.004. 1970' 1475' Loc. 36.66425° N Long. 107.92219° W SEC. 17 80.1524. N 0° 03' W Fd.	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Price M. Bayless</i> Printed Name: Price M. Bayless Engineering Manager Title: Date:
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey: Signature: <i>William E. Mahanke II</i> Certificate Number: 8486 

ROBERT L. BAYLESS, PRODUCER LLC
 BIMSON #3
 1970' FNL & 1475' FWL
 Sec. 17, T28N, R10W, NMPM
 San Juan Co., NM



A-A'	Vert.: 1" = 30'	Horiz.: 1" = 50'	C/L
5920			
5910			
B-B'			
5920			
5910			
C-C'			
5920			
5910			

Robert L. Bayless, Producer LLC

Drilling Technical Program (Attachment to Form 3160-3)

Bimson #3

1970 FNL & 1475 FWL (SENW)
Section 17, T28N, R10W
San Juan County, New Mexico

1. ESTIMATED FORMATION TOPS

<u>Formation</u>	<u>Depth KB</u>	<u>Est Pressure</u>
Ojo Alamo	800 feet	
Kirtland	975 feet	
Fruitland	1680 feet	420 psi
Pictured Cliffs	1985 feet	500 psi
Total Depth	2115 feet	

2. WELL CONTROL SYSTEM

- A. The proposed blowout system (schematic drawings attached) is a bag type preventer, and will be used in 1000 psi service. The wellhead pressure is anticipated to below and no gas flow to surface.
- B. Maximum anticipated bottom hole pressure = 500 psi. Well Control Anticipated Surface Pressure (ASP) = 500 psi.
- C. BOP pressure testing will be conducted at the time of installation and prior to drilling out surface casing shoe. The annular will be closed daily. A choke manifold will be installed as per attached drawing. Working pressure for the choke manifold is 2000 psi. In addition, a kill line from the mud pump will be installed.
- D. Stabbing valves for drill pipe and drill collars will be available on the rig floor. An upper kelly cock will also be available on the rig.
- E. Anticipated formation pressures average .25 psi/ft gradient and formation fracture pressures are anticipated to exceed the maximum mud weight of 9.1 pounds per gallon.

3. DRILLING MUD PROGRAM

- A. A 8 ¾" surface hole will be drilled with a fresh water system. Lime and gel will be added to provide viscosity as needed.
- B. A 6 ¼" hole will be drilled to total depth utilizing LSND mud.

Interval	Mud System	Weight PPG	Viscosity sec/qt	WL cc
0 – 120 ft	Spud mud	<9.0	35 – 55	NC
120 – 2115	LSND	8.6 – 9.3	28 – 50	<12

- C. Mud level monitoring will be done visually.

4. HAZARDS

- A. Abnormal pressure is not expected in this area.
- B. Lost circulation is expected to be of minimal problems in this area.
- C. No hydrogen sulfide is expected. However, should hydrogen sulfide be encountered during drilling, detection and warning systems will be installed.
- D. Hole deviation is not expected in this area. Single shot surveys giving hole inclination will be run a minimum of every 500 feet.

5. LOGGING AND TESTING

- A. Induction and density logs will be run from total depth across all zones of interest.
- B. No drill stem tests are anticipated in this well.
- C. No cores are anticipated in this well.
- D. No mud logging unit will be used on this well.

6. CASING PROGRAM

- A. Surface casing: 7" 20.0 #/ft J-55 from surface to 120 feet
- B. Production casing: 4 ½" 10.5 #/ft J-55 from surface to 2115 feet.
- C. A proposed wellbore diagram is attached.

7. CEMENTING PROGRAM

- A. Surface casing: 38 sx (45 cf) Class B w/ 3% CaCl, circulated to surface
- B. Production Casing: 154 sx (332 cf) Premium Lite High Strength cement circulated to surface, volume may change due to caliper log on well.

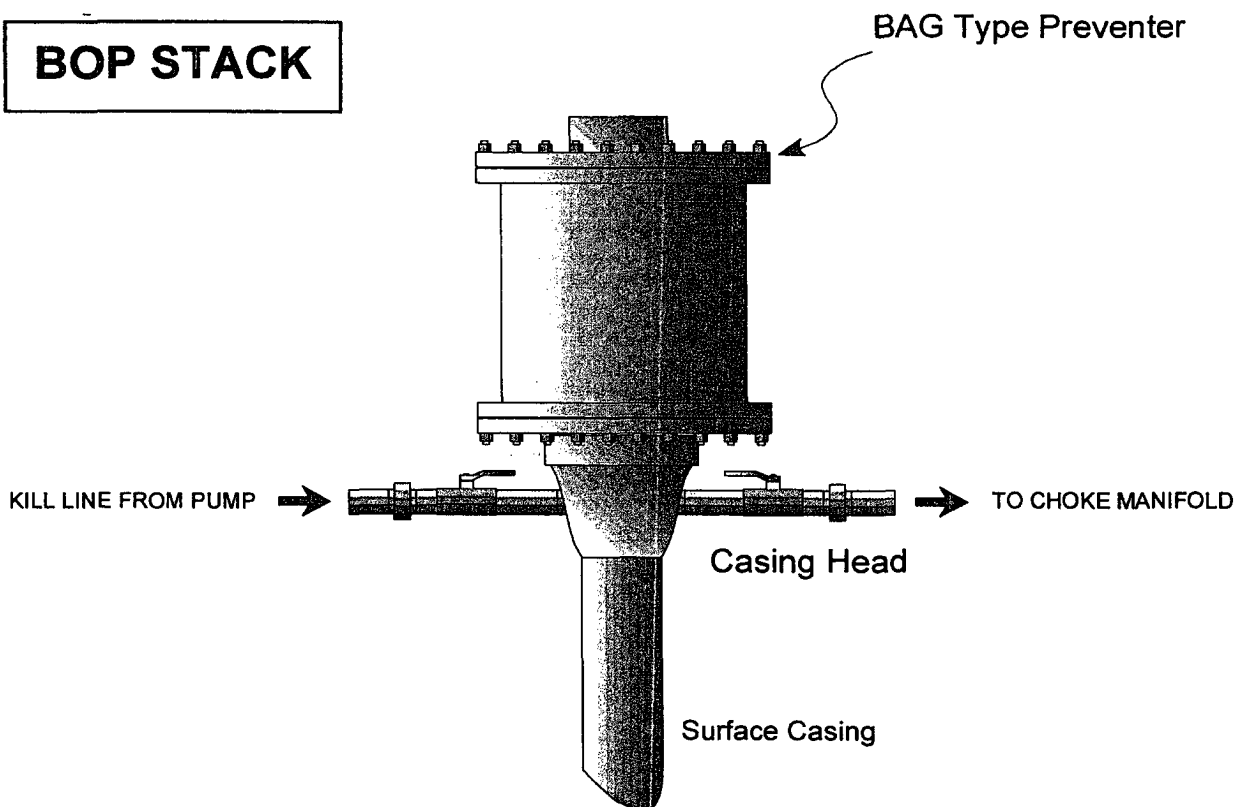
Robert L. Bayless, Producer LLC
Well Control Equipment Schematic for 1M Service

Attachment to APD Form 3160-3

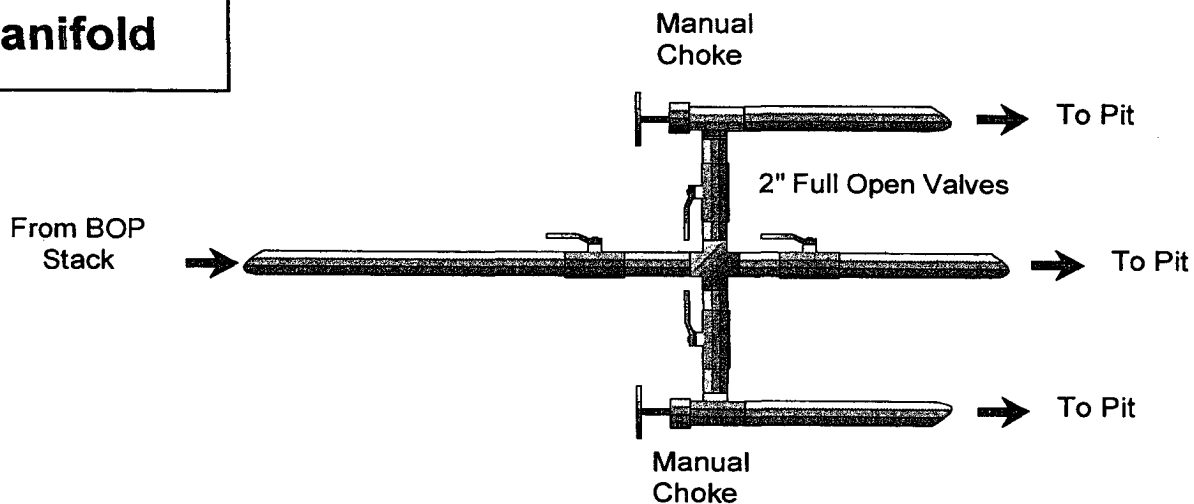
Bimson #3

Location: 1970 FNL & 1475 FWL
Sec 17, T28N, R10W, NMPM
San Juan County, New Mexico

BOP STACK



**Choke & Kill
Manifold**



Robert L. Bayless, Producer LLC
Wellbore Schematic
Bimson #3
Proposed Wellbore Configuration

Location: 1970 FNL & 1475 FWL (senw)
Sec 17, T28N, R10W, NMPM
San Juan Co, New Mexico

Elevation: 5913' GL

5918' RKB

Field: Fulcher Kutz PC

