

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

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		5. Lease Serial No. NM 03605A
2. Name of Operator Robert L. Bayless, Producer LLC		6. If Indian, Allottee or Tribe Name
3a. Address PO Box 168, Farmington, NM 87499	3b. Phone No. (include area code) (505) 326-2659	7. If Unit or CA/Agreement, Name and/or No. 11: 43
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 595' FNL & 905' FWL, Sec. 24, T27N, R8W		8. Well Name and No. MARRON #10
		9. API Well No. 30-045-31709
		10. Field and Pool, or Exploratory Area Basin Fruitland Coal
		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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Log, Run Casing
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	& Run Cement

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 <i>[Signature]</i>	Date December 18, 2003
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved by	Title
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
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. 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.	

ACCEPTED FOR RECORD

JAN 06 2004

FARMINGTON FIELD OFFICE
RV *[Signature]*

Robert L. Bayless, Producer LLC

Marron #10
API # 30-045-31709
595 FNL & 905 FWL
Section 24 – T27N – R8W
San Juan County, New Mexico

Morning Report – Drilling

12/09/03

Build location and dig pit. Line and fence pit. Move L&B Speedrill onto location and rig up. Haul water to location.

12/10/03

Complete rig up and spud well at 8:30 am, 12/9/03. Drill 8 3/4" hole to to 140 ft and circulate hole clean. Drop survey tool and trip out of hole. Deviation 1/4° at 140 ft. Rig up and run 3 joints (133.82 ft) 7" 20 #/ft new J-55 ST&C casing, land at 139 ft. Rig up AES and cement surface casing with 55 sx (64.9 cf) Class B cement with 3% CaCl and 1/4 #/sx celloflake. Good returns throughout job with 4 bbls circulated to pit. Plug down at 11:45 pm, 12/9/03. WOC for 6 hours. Shut down overnight.

12/11/03

Break off cementing head and make up wellhead. Nipple up BOP and choke manifold. Pressure test BOP and Choke manifold to 500 psi for 30 minutes, held OK. Trip in hole and tag cement at 90 feet. Drill cement and drill into new formation. Drill 6 1/4" hole to 650 ft. Circulate hole clean and run survey. Deviation 1/4° at 650 ft. Continue drilling to 760 feet. Circulate hole clean and shut down overnight.

12/12/03

Continue drilling to 1150 ft. Circulate hole clean. Run survey, deviation 1/2° at 1150 feet. Drill ahead to 1320 feet. Circulate hole clean and shut down overnight.

12/13/03

Resume drilling and drill to 1600 feet. Circulate hole clean and drop survey tool. Trip out for Bit #3. Deviation 3/4° at 1600 feet. Continue drilling to 1800 feet. Circulate hole clean and shut down overnight.

12/14/03

Resume drilling and drill ahead to 2100 feet. Circulate hole clean and run survey, deviation 3/4° at 2100 feet. Continue drilling to 2400 ft. Circulate and condition hole for logs. Run survey, deviation 1° at 2400 feet. Short trip to 1800 feet. Shut down overnight.

12/15/03

Condition hole for logs and trip out of hole. Hole very tight at 2000 ft. Decide to not attempt logs, send Schlumberger back to town. Mix mud and condition hole. Shut down overnight.

12/16/03

Condition hole for logs and trip out of hole. Hole tight from 2400 to 1200 ft. Mix mud and work tight hole. Short trip and trip out of hole for logs. Log well with Schlumberger. Logs went to 1925 ft. Rig down Schlumberger. Shut down overnight.

12/17/03

Rig up casing crew and run 54 joints (2392.94 feet) 4 1/2" 10.5 #/ft new J-55 casing as follows:

KB to landing point	4.00 feet	0 – 4 feet
53 joints casing	2350.87 feet	4 – 2355 feet
Insert float	0.00 feet	2355 – 2355 feet
Shoe joint	42.07 feet	2355 – 2397 feet
Guide shoe	0.70 feet	2397 – 2398 feet
	2397.64 feet	

Land casing at 2398 feet with centralizers at 2376, 2311, 2222, and 137 feet. Run turbocentralizers at 1601 and 1380 feet. Circulate hole clean. Rig up BJ Services and cement production casing as follows:

Flush	20 bbls phenoseal - XLFC
Flush	5 bbls gelled water
Cement	303 sx (645.4 cf) Premium Lite High Strength w/ 1/4 #/sx cello flake
Displacement	37.5 bbls fresh water

Good returns throughout job. Circulate 15 bbl good cement to pit. Bump plug to 1325 psi at 1:45 pm, 12/16/03. Release drilling rig and wait on completion.