

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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.

AM 10:59

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. FLOYD #2
2. Name of Operator Robert L. Bayless, Producer LLC		9. API Well No. 30-045-29505
3a. Address PO Box 168, Farmington, NM 87499	3b. Phone No. (include area code) (505) 326-2659	10. Field and Pool, or Exploratory Area FULCHER KUTZ PICTURED CLIFFS
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 865' FSL & 1065' FEL, SEC. 7, T30N, R12W		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 checked="" 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 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 checked="" type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Dual Completion</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 recompleate 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 recompleation 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.)

Bayless proposes to complete the Fruitland Coal and commingle with the Pictured Cliffs as per the attached OCD Form C-103.



OAC 1391 A2

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
Kevin H. McCord

Title
Operational Manager

Signature

Kevin H. McCord

Date

January 26, 2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

Ref. Eng

Date

1/26/04

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.

NMOCD

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

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

Form C-103
Revised March 25, 1999

WELL API NO. 30-045-29505
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal Lease NM047
7. Lease Name or Unit Agreement Name: Floyd
8. Well No. 2
9. Pool name or Wildcat Fulcher Kutz PC

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.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Robert L. Bayless, Producer LLC

3. Address of Operator

P.O. Box 168 Farmington, NM 87499

4. Well Location

Unit Letter P : 865 feet from the South line and 1065 feet from the East line

Section 7 Township 30N Range 12W NMPM County San Juan

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
5916 GR

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☒

OTHER: Commingle zones ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Bayless proposes to complete the Basin Fruitland Coal in this wellbore and commingle production with the well's existing Fulcher Kutz Pictured Cliffs production. Ownership is the same in both horizons even though the proration units are different. The south half of Section 7 will be dedicated to the Basin Fruitland Coal for this well, plat is attached. It will be the second Basin Fruitland Coal well in this proration unit (Floyd #6, SWSW Section 7, T30N R12W). Based on other wells in the area, Bayless proposes to utilize a percentage allocation method, with 64% of production to Basin Fruitland Coal and 36% of production to the Fulcher Cliffs Pictured Cliffs.

Bayless proposes to set a bridge plug at 2070 ft, pressure test casing to 3000 psi., perforate Fruitland Coal from 2052 to 2064 ft, fracture stimulate with 26,000 gals of gelled fluid with 45,000 lbs 20/40 sand, drill bridge plug, clean out sand and put well on pump.

A copy of this sundry is sent to the BLM for notification.

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

SIGNATURE Kevin H. McCord TITLE Operational Manager DATE 1/26/04

Type or print name

Kevin H. McCord

Telephone No.

326-2659

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #2

Conditions of approval, if any:

JAN 28 2004
DATE