

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FOR APPROVED
OMB NO. 1004-0137
Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

2004 FEB 12 AM 10:35

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Reserv. ☐ Other

2. Name of Operator

Robert L. Bayless, Producer LLC

3. Address

PO Box 168, Farmington, NM 87499

3a. Phone No. (include area code)

(505) 326-2659

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At Surface 725' FNL & 1360' FWL

At top prod. interval reported below

At total depth

Same

14. Date Spudded
12/1/03

15. Date T.D. Reached
12/8/03

16. Date Completed
☐ D&A ☒ Ready to Prod. 2/9/04

18. Total Depth: MD 2250
TVD

19. Plug Back T.D.: MD 2171
TVD

20. Depth Bridge Plug Set: MD None
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
Induction Log, Density Log

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
8 3/4	7" / J55	20	Surface	140	None	60 sx-Class B 3% CaCl	12.6	surface	None
6 1/4	4 1/2" / J55	10.5	Surface	2224	None	260 sx-Premium Lite High Strength Class B	98.7	surface	None

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 3/8"	2126	None						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Fruitland Coal	2050	2117	2050 - 2070	.34"	60	
B)			2078 - 2088	.34"	30	
C)			2102 - 2117	.34"	45	
D)						

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
2050 - 2088	500 Gal 15% HCl Acid, 64,000 Gal Delta Frac, 135,000 lbs. 20/40 Mesh Sand
2102 - 2117	500 Gal 15% HCl Acid, 40,000 Gal Delta Frac, 75,000 lbs. 20/40 Mesh Sand

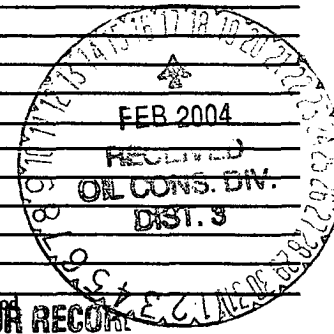
28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
2/9/04	2/9/04	3	→	Oil BBL	No Flow	Water BBL	Gas : Oil Ratio	Well Status	Flow
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
3/4"	SI 0	350	→	Oil BBL	No Flow	Water BBL		Shutin	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→	Oil BBL		Water BBL	Gas : Oil Ratio	Well Status	
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

(See instructions and spaces for additional data on reverse side)



ACCEPTED FOR RECORD

FEB 13 2004

FARMINGTON FIELD OFFICE

NMOCD

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Shut in, waiting on pipeline connection

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
Fruitland	1832	2126	Coal, sandstone, natural gas	Ojo Alamo	1232
Pictured Cliffs	2126	2250	Sandstone, natural gas	Kirtland	1352
				Fruitland	1832
				Pictured Cliffs	2126

Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

- ☒ 1. Electrical/Mechanical Logs (1 full set req'd.)
5. Sundry Notices for plugging and cement verification

2. Geologic Report
6. Core Analysis

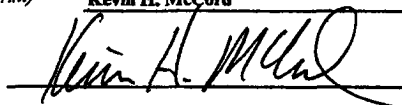
3. DST Report
7. Other:

4. Directional Survey

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Kevin H. McCordTitle Petroleum Engineer

Signature


Date 2/11/04

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.

Fracture stimulated the upper Fruitland Coal interval down the casing with 64,000 gallons of 25# and 20# Delta 140 & Sand Wedge system containing 135,000 lbs of 20/40 Brady sand as follows:

500 gals of 15% HCl acid spearhead	
6,000 gals of 25# Delta Frac 140 pad	41 bpm @ 1500 psi
3,000 gals of 25# Delta Frac 140 w/1/2 ppg sand	41 bpm @ 1600 psi
4,000 gals of 25# Delta Frac 140 pad	41 bpm @ 1600 psi
3,000 gals of 25# Delta Frac 140 w/1/2 ppg sand	40 bpm @ 1550 psi
4,000 gals of 25# Delta Frac 140 pad	41 bpm @ 1550 psi
7,000 gals of 20# Delta Frac 140 w/1 ppg sand	41 bpm @ 1450 psi
10,000 gals of 20# Delta Frac 140 w/2 ppg sand	41 bpm @ 1400 psi
10,000 gals of 20# Delta Frac 140 w/3 ppg sand	41 bpm @ 1300 psi
10,000 gals of 20# Delta Frac 140 w/4 ppg sand	41 bpm @ 1300 psi
7,000 gals of 20# Delta Frac 140 w/5 ppg sand	41 bpm @ 1250 psi
1,350 gals of 20# Water Frac G flush	40 bpm @ 1300 psi

ISIP was 1050 psi, decreasing to 750 psi after 15 minutes. Average rate was 41 bpm with average pressure 1400 psi. Maximum pressure was 1600 psi with minimum pressure of 1200 psi. Approximate total load fluid to recover is 2546 barrels. Shut well in overnight to allow gel to break.

- 2/4/03 Move in and rig up JC Well Service. Nipple down wellhead. Nipple up BOP. Pick up bit and 2 3/8" tubing. Trip in hole and tag sand fill at 2057 ft. Circulate 42 ft of sand from wellbore to bridge plug at 2099ft. Drill bridge plug. Tag sand fill at 2151 ft. Circulate 20 ft of sand from wellbore to PBDT of 2171 ft. Pull 10 jts of tubing and stand back in derrick. Shut down for the night.
- 2/5/04 Overnight pressures: tubing 240 psi, annulus 320 psi. Blew down tubing and annulus pressure. Trip back in hole and tagged 1 ft of fill at 2170 ft. Move tubing up hole to 2106 ft. Rigged to swab. Made 20 swab runs with small gas flow after each swab run. Shut down for the night.
- 2/6/04 Overnight pressures: tubing 40 psi, annulus 580 psi. Blew down tubing pressure in 5 minutes. Made 1 swab run and kicked well off flowing. Well flowed for 20 minutes then died. Made another swab run and kicked well off flowing for 2 hours, then well died. Made another swab run and well flowed for remainder of the day, making lots of water. Left well flowing to the pit to cleanup through a 1" choke. Flowing tubing pressure was 15 psi, annulus pressure 230 psi. Shut down for the night.
- 2/7/04 Well was still flowing this morning. Flowing tubing pressure was 15 psi, annulus pressure 140 psi. Well still making water, but no trace of sand. Left well flowing to the pit to cleanup through a 1/2" choke. Shut down for the night.

ROBERT L. BAYLESS, PRODUCER LLC

GRAHAM B #11G

725 FNL & 1360 FWL (NENW)
SECTION 4, T27N, R8W
SAN JUAN COUNTY, NEW MEXICO

COMPLETION REPORT

2/3/03

Installed frac valve and rigged up flowback lines. Rigged up Halliburton. Pressure tested casing to 3500 psi, held OK. Rigged up Blue Jet Wireline Service. Run GR-CLL from corrected PBTD of 2171 ft to 1800 ft. Perforated the basal Fruitland Coal interval with 3 1/8" casing gun at 3 JSPF as follows:

2102 - 2117 15 ft 57 holes .34" diameter

Fracture Stimulated the Basin Fruitland Coal interval down the casing with 40,000 gals of 25# and 20# Delta 140 & Sand Wedge system with 75,000 lbs of 20/40 Brady sand as follows:

500 gals of 15% HCl acid spearhead	
5,000 gals of 25# Delta Frac 140 pad	41 bpm @ 1700 psi
2,000 gals of 25# Delta Frac 140 w/1/2 ppg sand	41 bpm @ 1750 psi
3,000 gals of 25# Delta Frac 140 pad	41 bpm @ 1800 psi
2,000 gals of 25# Delta Frac 140 w/1/2 ppg sand	41 bpm @ 1750 psi
3,000 gals of 25# Delta Frac 140 pad	41 bpm @ 1750 psi
5,000 gals of 20# Delta Frac 140 w/1 ppg sand	41 bpm @ 1700 psi
5,000 gals of 20# Delta Frac 140 w/2 ppg sand	40 bpm @ 1600 psi
* - Halliburton had problems with 1 pump, shut the pump down	
6,000 gals of 20# Delta Frac 140 w/3 ppg sand	38 bpm @ 1400 psi
5,000 gals of 20# Delta Frac 140 w/4 ppg sand	38 bpm @ 1350 psi
4,000 gals of 20# Delta Frac 140 w/5 ppg sand	38 bpm @ 1250 psi
1,400 gals of 20# Water Frac G flush	39 bpm @ 1300 psi

ISIP was 850 psi decreasing to 650 psi after 15 minutes. Average rate 40 BPM, average pressure 1600 psi. Maximum pressure 1800 psi, minimum pressure 1250 psi. Trip in hole and set drillable composite bridge plug at 2099 ft. Pressure tested plug to 3500 psi, held OK. Perforated the Upper Fruitland Coal interval with 3 1/8" casing gun at 3 JSPF as follows:

2050 - 2070	20 ft	60 holes	.34" diameter
2078 - 2088	10 ft	30 holes	.34" diameter
Total	30 ft	90 holes	

2/8/04 Sunday - Well flowing to the pit through a ½" choke. Flowing tubing pressure 35 psi, annulus pressure 120 psi. Flow now contained a mist of fluid. Shut well in. Shut down for the night.

2/9/04 Overnight shut in pressures, tubing 150 psi, annulus 350 psi. Opened well to flow, well flowed on its own. Killed well. Moved tubing and tagged fill again, no fill. Moved tubing up hole and landed production string as follows:

<u>Description</u>	<u>Length</u>	<u>Depth</u>
KB to landing point	3.00	0 - 3
64 jts of 2 3/8" 4.7#/ft J55		
EUE yellow band tubing	2106.94	3 - 2110
1 seating nipple	1.10	2110 - 2111
1 jt of 2 3/8" tail joint	<u>15.00</u>	2111 - 2126
	2126.04	

Nipple down BOP. Nipple up wellhead. Rigged down and released rig. Wait on surface hookup for first production. Job complete.