FORM APPROVED Form 3160-5 Budget Bureau No. 1004-0135 (June 1990) Expires: March 31, 1993 5. Lease Designation and Serial No. **UNITED STATES** NM 047 DEPARTMENT OF THE INTERIOR 6. If Indian, Allottee or Tribe Name **BUREAU OF LAND MANAGEMENT** SUNDRY NOTICES AND REPORTS ON WELLS 7. If Unit or CA. Agreement Designation Do not use this form for proposals to drill or to deepen or reentry to a different reservoir, Use "APPLICATION FOR PERMIT--" for such proposals SUBMIT IN TRIPLICATE 8. Well Name and No. 1. Type of Well FLOYD#3 Oil Well X Gas Well Other 9 API Well No. 2. Name of Operator 30-045-29923 Robert L. Bayless 10. Field and Pool, or Exploratory Area 3. Address and Telephone No. FULCHER KUTZ PC EXT PO Box 168 Farmington, NM 87499 (505)326-2659 11. County or Parish, State 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) San Juan, New Mexico 790' FSL & 1660' FWL Section 17, T30N, R12W CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Abandonment New Construction Recompletion Notice of Intent Non-Routine Fracturing Plugging Back Casing Repair Water Shut-Off X Subsequent Report Conversion to Injection Altering Casing Dispose Water Other Revised - TD, Log Final Abandonment Notice (Note: Report results of multiple completion on Well Land & Cement Completion or Recompletion Report and Log form.) **Production Casing** 13. Describe Proposed or Completed Operations (Clearly state all pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Revised spud date as per morning report. 14. I hereby certify that the foregoing is true and correct Title Petroleum Engineer Date August 30, 1999 Price M. Bayless (This space for Federal or State office use) Title Approved by Conditions of approval, if any: Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department and department and the United States any false, fictitious or fraudulent statements or representations as to any manner within its jurisdiction. SEP 0 2 1999 *See Instruction on Reverse Side FARMINGTON FIELD OFFICE BY

NMOCD

Robert L. Bayless, Producer LLC

Floyd #3
790 FSL & 1660 FWL
SECTION 17, T30N, R12W
San Juan County, New Mexico

MORNING REPORT-DRILLING

6/24/99

Build location and line drilling pit. Move L&B rig onto location. Shut down overnight.

6/25/99

Rig up drilling rig and spud well at 7:00 am, 6/24/99. Drill 8 ¾" hole to 129 feet. Circulate hole clean and drop deviation tool. Trip out of hole. Deviation ¼° at 129 feet. Run 3 joints (126.44feet) 7 " 23.0 #/ft J-55 casing, landed at 128 feet. Rig up Cementers Inc and cement casing with 50 sx (59 cf) Class B with 4% CaCl and ¼ #/sack cello-flake. Good returns throughout job with 4 bbls of good cement circulated to pit. Plug down at 11:00 am, 6/8/99. WOC for 4 hours and break off cementing head. Nipple up BOP and choke manifold. Pressure test BOP to 500 psi for 30 minutes, held OK. Pressure test choke manifold to 500 psi for 30 minutes, held OK. Shut down overnight.

6/26/99

Pick up collars and trip in hole. Tag cement at 90 feet. Drill out cement and continue drilling new formation. Drill to 650 feet and circulate hole clean. Run wireline survey, deviation ½° at 650 feet. Continue drilling to 1000 feet. Circulate hole clean and close pipe rams. Shut down overnight.

6/27/99

Continue drilling to 1150 feet. Circulate hole clean and run wireline survey. Deviation ½° at 1150 feet. Continue drilling to 1650 feet. Circulate hole clean and run wireline survey. Deviation ½° at 1650 feet. Shut pipe rams. Shut down overnight.

6/28/99

Continue drilling to 2125 feet. Circulate hole clean. Shut pipe rams and shut down overnight.

6/29/99

Short trip and condition hole for logs. Drop survey tool and trip out of hole. Deviation ¾° at 2125 feet. Rig up HLS and log well. Rig down HLS and rig up casing crew to run 48 joints of new 4 ½" 10.5 #/foot new J-55 casing as follows:

KB to landing point	4.00 feet	0 – 4 feet
Casing cut-off	(10.00) feet	4 – (6) feet
48 joints casing	2085.23 feet	(6) – 2079 feet
Insert Float	0.00 feet	2079 - 2079 feet
Shoe Joint	44.36 feet	2079 - 2123 feet
Guide Shoe	<u>0.70 feet</u>	2123 - 2124 feet
	2124.29 feet	

Land casing at 2124 feet with centralizers at 2110, 1990, 1901, and 1724 feet. Turbolizers at 614and 348 feet. Rig up Cementers Inc. and cement production casing as follows:

Flush 10 bbls fresh water

Lead 130 sx (267.8 cf) Class B w/ 2% econolite and ¼ #/sx flocele

Tail 80 sx (94.4 cf) Class B w/ ¼ #/sx flocele

Good returns throughout job with 5 bbls good cement circulated to pit. Plug did not bump, down at 3:30 pm, 6/28/99. Release drilling rig and wait on completion.

