

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. ARNIE #3
2. Name of Operator Robert L. Bayless, Producer LLC	9. API Well No. -045-29688
3. Address and Telephone No. PO Box 168 Farmington, NM 87499 (505)326-2659	10. Field and Pool, or Exploratory Area FULCHER KUTZ PC EXT
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Section 25, T30N, R13W 1765 FNL & 1765 FNL	11. County or Parish, State San Juan, New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other TD, LOG, PRODUCTION CASING, CEMENT	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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.)*

Please see attached morning report.

14. I hereby certify that the foregoing is true and correct		
Signed <u>Price M. Bayless</u>	Title <u>Engineer</u>	Date <u>October 20, 1998</u>
(This space for Federal or State office use)		
Approved by _____	Title _____	Date _____
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 or agency of the United States any false, fictitious or fraudulent statements or representations as to any manner within its jurisdiction.

*See Instruction on Reverse Side

ACCEPTED FOR RECORD

NOV 11 1998

FARMINGTON DISTRICT OFFICE

BY Price M. Bayless

NMOCD

ROBERT L. BAYLESS

Arnie #3
1765 FNL & 1765 FEL
SECTION 25, T30N, R13W

MORNING REPORT-DRILLING

10/14/98

Build location and line drilling pit. Move L&B rig onto location and rig up. Spud 8 3/4" hole at 9:30 am, 10/13/98. Drill to 380 feet. Circulate hole clean and shut down overnight.

10/15/98

Continue drilling to 510 feet. Circulate hole clean. Run survey, deviation 1/4° at 510 feet. Trip out of hole. Run 11 joints (495.69 feet) 7" 23/0 #/ft J-55 Newport casing. Land casing at 500 ft KB. Rig up Cementers Inc and cement surface casing as follows:

Flush 10 bbls fresh water

Lead 190sx (224 cf) Class B w/ 4% CaCl, 1/4 #/sx flocele, 5 #/sx gilsonite

Displace 18 bbls fresh water

Good returns throughout job with 15 bbls good cement circulated to pit. Plug down at 2:00 pm, 10/14/98. Wait on cement four hours. Nipple up BOP and pressure test casing, BOP, and choke manifold to 600 psi, held OK. Shut down overnight.

10/16/98

Trip in hole and tag cement at 420 feet. Drill out cement and drill new formation to 1100 feet. Circulate hole clean and run survey. Deviation is 1/2° at 1100 feet. Continue drilling to 1200 feet and circulate hole clean. Shut down overnight.

10/17/98

Trip for bit. Continue drilling to 1600 feet. Circulate hole clean and run survey. Deviation is 3/4° at 1600 feet. Shut down overnight.

10/18/98

Continue drilling to 2070 feet. Circulate and condition hole for logs. Run survey, deviation is 3/4° at 2070 feet. Shut down overnight.

10/19/98

Condition hole for logs and trip out of hole. Rig up HLS and log well, loggers TD at 2064 feet. Rig down HLS and rig up casing crew. Spot casing float and run 46 joints of 4 1/2" 10.5 #/ft J-55 ST&C new Conduvan casing as follows:

KB to landing point	3.00 feet	0 – 3 feet
45 joints casing	1993.71 feet	3 – 1997 feet
Insert Float	0.00 feet	1997 – 1997 feet
Shoe Joint	44.30 feet	1997 – 2041 feet
Guide Shoe	0.70 feet	2041 – 2042 feet
	2041.71 feet	

Land casing at 2042 feet with centralizers at 2020 ft, 1908 ft, 1820 ft, 1731 ft, and 491 ft.

Circulate casing for 45 minutes and rig up Cementers Inc. Cement casing as follows:

Flush 10 bbls fresh water

Lead 135 sx (278.1 cf) Class B w/ 2% econolite, 1/4 pps flocele, 4 pps gilsonite

Tail 70 sx (82.6 cf) Class B w/ 1/4 pps flocele, 4 pps gilsonite

Displace 32 bbls fresh water

Good returns throughout job with 5 bbls good cement circulated to pit. Plug down at 4:45 pm, 10/18/98. Release rig and wait on completion.