Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-013:
Expires: November 30, 2000

If Indian, Allottee or Tribe Name

5. Lease Serial No. NM 047

SUNDRY NOTICES AND REPORTS ON WELLS

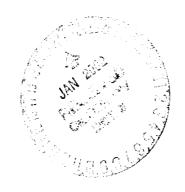
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

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				7. If Unit or C	A/Agreement, Name and/or No.	
SUBMIT IN TRIPLICATE - Other instructions on reverse state						
Type of Well Oil Well Gas \ Gas \	Well Dother			8. Well Name FLOYD #		
Name of Operator Robert L. Bayless, Producer LLC					o. 0808	
3a. Address PO Box 168, Farmington, NN	l l	Phone No. (include area code) (505) 326-2659			ool, or Exploratory Area R KUTZ PC	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1105' FSL, 1070' FEL, SEC.17, T30N R12W					11. County or Parish, State SAN JUAN COUNTY, NM	
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA						
TYPE OF SUBMISSION		TYPE OF A	ACTION			
□ Notice of Intent☑ Subsequent Report	☐ Acidize ☐ Alter Casing ☐ Casing Repair	☐ Deepen ☐ Fracture Treat ☐ New Construction	Production (S Reclamation Recomplete	tart/Resume)	☐ Water Shut-Off ☐ Well Integrity ☑ Other	
☐ Final Abandonment Notice	☐ Change Plans ☐ Convert to Injection	☐ Plug and Abandon ☐ Plug Back	☐ Temporarily A☐ Water Dispos		Spud, Surface Casing, 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 recomplete 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 recompletion 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.



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14. I hereby certify that the foregoing is true and correct			
Name (Printed/Typed)			
Price M. Bayless	Title Operational Manag	er	
Signature 71 - W.S.	Date January 14, 2002		
the aryon for and	B.M. ORBENTE OFFICE ORE		
Approved by	Title	Date	
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	Office		
which would entitle the applicant to conduct operation thereon. Title 18 U.C.S. Section 1001 and Title 43 U.S.C. Section 1212 makes it a crime for any person			
	rnowings and willing to make any department a	or anamout of the Limited	

Title 18 U.C.S. 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.



Robert L. Bayless, Producer LLC

Floyd #8 1105 FSL & 1070 FEL Section 17 – T30N – R12W San Juan County, New Mexico

Morning Report - Drilling

12/19/01

Build location and dig pit. Line and fence pit. Move L&B Speedrill onto location and rig up. Spud 8 ¾" hole at 10:00 am, 12/18/01. Drill to 330 feet and circulate hole clean. Shut down overnight.

12/20/01

Continue drilling 8 3/4" hole to 400 feet. Bit dulled. Circulate hole clean and trip out for bit #2. Trip in hole and continue drilling to 560 feet. Circulate hole clean shut down overnight.

12/21/01

Continue drilling to 665 ft RKB. Circulate hole and drop survey tool. Trip out of hole. Deviation ¼° at 665 feet. Run 15 joints (653.92 feet) 7" 20 #/ft J-55 ST&C casing. Turbo centralizers at 614 and 216 feet Land casing at 659 feet. Rig up BJ Services and cement casing with 165 sx (234 cf) Type III cement with 2% CaCl, ¼ #/sx celloflake, and 3 #/sx gilsonite. Good returns throughout job with 10 bbls good cement circulated to reserve pit. Plug down at 3:00 pm, 12/20/01.WOC and shut down overnight.

12/22/01 - 1/9/02

Shut down for holidays.

1/10/02

Nipple up BOP and pressure test all equipment and casing to 600 psi for thirty minutes each, held OK. Trip in hole and tag cement at 590 feet. Drill out cement and continue drilling new formation to 1160 feet. Circulate hole clean and run deviation survey. Deviation ½° at 1160 feet. Shut down overnight.

1/11/02

Continue drilling to 1650 feet. Circulate hole clean and run survey, deviation 3/4° at 1650 feet. Shut down overnight.

1/12/02

Continue drilling to 2130. Circulate hole clean and shut down overnight.

1/13/02

Continue drilling to 2160 feet. Circulate and condition hole for logs. Run survey, deviation 1° at 2160 feet. Log well with Schlumberger. Rig up to run casing. Shut down overnight.

1/14/02

Rig up casing crew. Spot casing and run 51 joints (2155.54 feet) 4 1/2" 10.5 #/ft new J-55 casing as follows:

KB to landing point	4.00 feet	0 – 4 feet
50 joints casing	2113.37 feet	4-2117 feet
Insert float	0.00 feet	2117 - 2117 feet
Shoe joint	42.17 feet	2117 - 2155 feet
Guide shoe	0,70 feet	2155 - 2156 feet
	2156.24 feet	

Land casing at 2156 feet with centralizers at 2140, 2028, 1943, 1859, 1774, and 1690 feet. Circulate hole clean. Rig up BJ Services and cement production casing as follows:

Flush 25 bbls gelled water Spacer 10 bbls fresh water

Cement 160 sx (342.4 cf) Premium Lite High Strength w/ ¼ #/sx cello flake, 1% KCl, 3 #/sx gilsonite

Displacement 33.7 bbls water

Good returns throughout job with 2 bbls good cement circulated to pit. Bump plug to 1400 psi at 11:15 am, 1/13/02. Release drilling rig and wait on completion.

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