

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.*

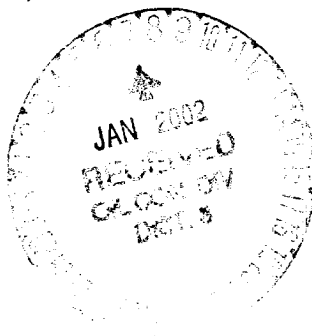
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. FLOYD #7
2. Name of Operator Robert L. Bayless, Producer LLC		9. API Well No. 30-045-30810
3a. Address PO Box 168, Farmington, NM 87499	3b. Phone No. (include area code) (505) 326-2659	10. Field and Pool, or Exploratory Area FULCHER KUTZ PC
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 955' FNL, 980' FWL, 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 ACTION			
<input 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 checked="" 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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Spud, Surface Casing, Run
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	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 recompleat 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 recompleat 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.



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

Name (Printed/Typed)

Price M. Bayless

Title

Engineer

Signature

Date

December 12, 2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Office

Date

JAN 13 2002

FARMINGTON FIELD 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.



Robert L. Bayless, Producer LLC

Floyd #7
955 FNL & 980 FWL
Section 17 – T30N – R12W
San Juan County, New Mexico

Morning Report – Drilling

12/7/01

Build location and dig pit. Line and fence pit. Move L&B Speedrill onto location and rig up. Spud 8 ¾" hole at 11:00 am, 11/2/01. Drill to 200 feet and circulate hole clean. Shut down overnight.

12/8/01

Continue drilling 8 ¾" hole to 300 feet. Bit dulled. Circulate hole clean and trip out for bit #2. Trip in hole and continue drilling to 570 feet. Circulate hole clean shut down overnight.

12/9/01

Continue drilling to 630 ft RKB. Circulate hole and drop survey tool. Trip out of hole. Deviation ¼° at 630 feet. Run 14 joints (619.56 feet) 7" 20 #/ft J-55 ST&C casing. Turbo centralizers at 600 and 491 feet, centralizers at 255 and 136 feet. Land casing at 625 feet. Rig up American Energy Services and cement casing with 200 sx (236 cf) Class B cement with 2% CaCl and ¼ #/sx celloflake. Lost partial returns throughout job. Pump pressure began to climb at start of displacement, shut down with 10.5 bbls out of 23 bbls displacement pumped, pump pressure at 2000 psi. Plug down at 1:00 pm, 12/8/01. WOC and shut down overnight.

12/10/01

Shut down for weekend.

12/11/01

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 300 feet. Drill out cement to 575 feet. Circulate hole clean and pressure test to 600 psi, held OK. Trip out of hole. Rig up Blue Jet and run bond log. Top of cement at 290 feet. Run ½" tubing down back sid to 160 feet. Rig up AES to cement down tubing. Pump motor down, shut down overnight.

12/12/01

Rig up AES and pump 100 sx (118 cf) Class B cement down ½" tubing. Circulate 1 bbl of good cement to surface. WOC for six hours and nipple up BOP. Pressure to 600 psi for 30 minutes, held OK. Wait on cement overnight. Shut down overnight.

