

New Mexico

Form C-142

Date 06/99

District I - (505) 393-6161

1625 N. French Dr

Hobbs, NM 88241-1980

District II - (505) 748-1283

811 S. First

Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Road

Aztec, NM 87410

District IV - (505) 827-7131

Energy Minerals and Natural Resources Department

Oil Conservation Division

2040 South Pacheco Street

Santa Fe, New Mexico 87505

(505) 827-7131

**SUBMIT ORIGINAL
PLUS 2 COPIES
TO THE SANTA FE
OFFICE**

NOV 10 1999

OIL CONSERVATION DIVISION APPLICATION FOR NEW WELL STATUS

I. Operator and Well

| | | | | | | | | | |
|--|---------------|-----------------|-------------|-----------------------|---------------------------|-----------------------|------------------------|----------------------------|--|
| Operator name & address ROBERT L. BAYLESS, PRODUCER LLC PO BOX 168 FARMINGTON, NEW MEXICO 87499 | | | | | | | | OGRID Number 150182 | |
| Contact Party Price M. Bayless | | | | | | | | Phone (505) 326-2659 | |
| Property Name Oxnard WN Federal | | | | | | Well Number 13 | | API Number 30-045-29914 | |
| UL E | Section 14 | Township 27N | Range 8W | Feet From The 1640 | North/South Line NORTH | Feet From The 1160 | East/West Line WEST | County SAN JUAN | |

II. Date/Time Information

| | | | |
|----------------------|-----------------------|----------------------------|---------------|
| Spud Date 9/24/99 | Spud Time 12:00 PM | Date Completed 10/23/99 | Pool 71629 |
|----------------------|-----------------------|----------------------------|---------------|

III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of NEW MEXICO)

ss.

County of SAN JUAN)

Price M. Bayless, being first duly sworn, upon oath states:

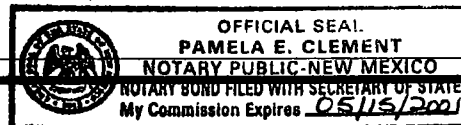
- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature [Signature] Title Operational Manager Date 11-8-99

SUBSCRIBED AND SWORN TO before me this 8th day of November, 99.

Pamela E. Clement
Notary Public

My Commission expires: 05/15/2001



FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

| | | |
|---------------------------------|----------------------------|-------------------------|
| Signature <u>[Signature]</u> | Title <u>P.E. Spee.</u> | Date <u>12-22-99</u> |
|---------------------------------|----------------------------|-------------------------|

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 12/22/99

NOTICE: The operator must notify all working interest owners of this New Well certification.

PN2V2007230904

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. OXNARD WN FEDERAL #13 |
| 2. Name of Operator Robert L. Bayless, Producer LLC | 9. API Well No. 30-045-29914 |
| 3. Address and Telephone No. PO Box 168 Farmington, NM 87499 (505)326-2659 | 10. Field and Pool, or Exploratory Area BASIN FRUITLAND COAL |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Section 14, T27N, R8W 1640' FNL & 1160' FWL | 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 checked="" type="checkbox"/> Change of Plans |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Non-Routine Fracturing |
| | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Conversion to Injection |
| | <input type="checkbox"/> Dispose Water |
| | (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) |
| | <input type="checkbox"/> Abandonment |
| | <input type="checkbox"/> Recompletion |
| | <input type="checkbox"/> Plugging Back |
| | <input type="checkbox"/> Casing Repair |
| | <input type="checkbox"/> Altering Casing |
| | <input checked="" type="checkbox"/> Other TD. Land & Cement |
| | Production Casing, |
| | Waiting on Completion |

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.)*

SEE ATTACHED MORNING REPORT.

RECEIVED
BLM
99 OCT -5 PM 12:51
010 FARMINGTON, NM

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

| | | |
|--|---------------------------------|-----------------------------|
| Signed <u>Tom McCarthy</u> | Title <u>Petroleum Engineer</u> | Date <u>October 4, 1999</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

OCT 05 1999

FARMINGTON FIELD OFFICE
BY 10/5/99

OPERATOR

ROBERT L. BAYLESS, PRODUCER LLC
TF

Oxnard WN Federal #13
1640 FNL & 1160 FWL
SECTION 14, T27N, R8W

MORNING REPORT-DRILLING

9/25/99

Move L&B Speedrill onto location and rig up. Spud well at 12:00 noon on 9/24/99. Drill 8 3/4" hole to 133 feet. Circulate hole clean and drop survey tool. Trip out of hole. Deviation 1/4° at 133 feet. Run 3 joints (125.75 feet) of 7" 23 #/ft J-55 casing, landed at 131 feet. Rig up Cementers Inc. and cement with 80 sx (94.4 cf) Class B w/ 4% CaCl and 1/4 pps celloflake. Good returns throughout job with 4 bbls good cement circulated to pit. Plug down at 6:00 pm, 9/24/99. WOC.

9/26/99

Break off cementing head and make up wellhead. Nipple up BOP and choke manifold. Pressure test BOP and manifold to 600 psi for 30 minutes each. Held OK. Trip in hole and tag cement at 100 feet. Drill out cement and continue drilling 6 1/4" hole to 600 feet. Circulate hole clean and shut down overnight.

| | | | | |
|--------------|-----|--------|----------|-------|
| <u>Costs</u> | Rig | \$5500 | Wellhead | \$750 |
|--------------|-----|--------|----------|-------|

9/27/99

No operations on Sunday

9/28/99

Continue drilling to 650 feet. Condition hole and run survey, deviation 1/2° at 650 feet. Continue drilling to 800 feet. Circulate hole clean and trip for bit. Trip in hole with new bit and continue drilling to 1050 feet. Circulate hole clean and shut down overnight.

9/29/99

Continue drilling to 1150 feet. Circulate hole clean and run deviation survey. Deviation 1/2° at 1150 feet. Continue drilling to 1510 feet. Circulate hole clean. Run deviation survey, 1/2° at 1510 feet. Shut down overnight.

9/30/99

Continue drilling to 1800 feet. Circulate hole clean and shut down overnight.

10/1/99

Continue drilling to 2000 feet. Circulate hole clean and run survey. Deviation 3/4° at 2000 feet. Continue drilling to 2245 feet. Circulate hole clean and shut down overnight.

10/2/99

Continue drilling to 2325 feet. Circulate and condition hole for logs. Short trip and drop survey tool. Trip out of hole for logs. Deviation 3/4° at 2325 feet. Rig up HLS and log well. Hit bridge at 1200 feet and cannot work through. Make decision to not log. Rig down loggers and shut down overnight.

10/3/99

Spot casing float. Rig up casing crew and run 52 joints of new 4 1/2" 10.50 #/ft ST&C J-55 casing as follows:

| | | |
|---------------------|--------------|------------------|
| KB to landing point | 4.00 feet | 0 - 4 feet |
| 35 joints casing | 2262.60 feet | 4 - 2267 feet |
| Insert Float | 0.00 feet | 2267 - 2267 feet |
| Shoe joint | 44.46 feet | 2267 - 2311 feet |
| Guide Shoe | 0.70 feet | 2307 - 2312 feet |
| | 2311.76 feet | |

Centralizers at 2285 ft, 2220 ft, 2132 ft, 2043 ft, and turbo centralizers at 1466 ft and 1334 ft. Lsand casing at 2312 feet and rig down casing crew. Rig up Cementers, Inc. Cement production casing as follows:

| | |
|----------|--|
| Flush | 10 bbls fresh water |
| Lead | 200 sx (412 cf) Class B w/ 2% econolite and 1/4 #/sx flocele |
| Tail | 80 sx (94.4 cf) Class B w/ 1/4 #/sx flocele |
| Displace | 37 bbls fresh water |

Good returns throughout job with trace of cement circulated to pit. Bumped plug to 1000 psi at 2:00 pm, 10/2/99. Rig down cementers and drilling rig. Release rig and wait on completion. Call for temperature survey. Top of cement at 300 feet.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE
(See other In-
structions on
reverse side)

RECEIVED
BLM

FOR APPROVED
OMB NO. 1004-0137
Expires: December 31, 1991

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ Other 99 OCT 26 AM 10:57
b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ Other 070 FARMINGTON, NM

5. LEASE DESIGNATION AND SERIAL NO. **SF-078476**
6. IF INDIAN, ALLOTTEE OR TRIBE NAME

2. NAME OF OPERATOR
Robert L. Bayless, Producer LLC

UNIT AGREEMENT NAME
FARM OR LEASE NAME, WELL NO.

3. ADDRESS AND TELEPHONE NO.
P.O. Box 168 Farmington, NM 87499-168 (505) 326-2659

Oxnard WN Federal #13

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) *
At surface
1640 FNL & 1160 FWL
At top prod. interval reported below

At total depth

9. API WELL NO.
30-045-29914

10. FIELD AND POOL, OR WILDCAT
Basin Fruitland Coal

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec. 14, T27N R8W

| | | | |
|--------------------------------------|---|---|--|
| 14. PERMIT NO. | DATE ISSUED | 12. COUNTY OR PARISH San Juan | 13. STATE New Mexico |
| 15. DATE SPUDDED 9/24/1999 | 16. DATE T.D. REACHED 10/1/1999 | 17. DATE COMPL. (Ready to prod.) 10/23/1999 | 18. ELEVATIONS (DF, RKB, RT, FE, ETC.) * 5986 GR |
| 19. ELEV. CASINGHEAD | | | |

| | | | | | |
|---|---|------------------------------------|---------------------------------------|--------------|-------------|
| 20. TOTAL DEPTH, MD & TVD 2325 Ft | 21. PLUG, BACK T.D., MD & TVD 2266 Ft | 22. IF MULTIPLE COMPL., HOW MANY * | 23. INTERVALS DRILLED BY XX | ROTARY TOOLS | CABLE TOOLS |
|---|---|------------------------------------|---------------------------------------|--------------|-------------|

24. PRODUCING INTERVAL (S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD) *
2102 - 2214 Fruitland Coal

25. WAS DIRECTIONAL SURVEY MADE
No

26. TYPE ELECTRIC AND OTHER LOGS RUN
Cased Hole GR - Neutron

27. WAS WELL CORED
No

| 28. CASING RECORD (Report all strings set in well) | | | | | |
|--|-------------------|----------------|-----------|--|---------------|
| CASING SIZE / GRADE | WEIGHT, LB. / FT. | DEPTH SET (MD) | HOLE SIZE | TOP OF CEMENT, CEMENTING RECORD | AMOUNT PULLED |
| 7" | 23 #/Ft | 131 Ft | 8 3/4" | 80sx (94 ft3) Class B W/4% CaCl, Cement Circulated | |
| 4 1/2" | 10.5 #/Ft | 2312 Ft | 6 1/4" | 200sx (412 ft3) Class B W/2% Econolite, tailed with | |
| | | | | 80sx (94 ft3) Class B, Top of Cement at 300 ft (Temp survey) | |

| 29. LINER RECORD | | | | 30. TUBING RECORD | | |
|------------------|----------|-------------|----------------|-------------------|----------------|-----------------|
| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT * | SIZE | DEPTH SET (MD) | PACKER SET (MD) |
| None | | | | 2 3/8" | 2215 Ft | None |

| 31. PERFORATION RECORD (Interval, size and number) | | 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. | |
|--|--------------------------|--|---|
| 2102 - 2122 | 80 - .34" diameter holes | DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
| 2154 - 2160 | 24 - .34" diameter holes | 2102 - 2214 | 750 gal 7 1/2% HCl acid |
| 2196 - 2214 | 72 - .34" diameter holes | | 67,500 gal 70 quality foam, 165,000 Lbs 20/40 san |

33. * PRODUCTION

| | | |
|---|--|--|
| DATE OF FIRST PRODUCTION 10/23/1999 | PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) Flowing | WELL STATUS (Producing or shut-in) Shut-in |
|---|--|--|

| | | | | | | | |
|-------------------------------------|-----------------------------------|---------------------------|-------------------------|------------------------------|------------------------------|---------------------------|-----------------|
| DATE OF TEST 10/23/1999 | HOURS TESTED 3 Hrs. | CHOKE SIZE 3/4" | PROD'N. FOR TEST PERIOD | OIL - BBL. | GAS - MCF. No flow | WATER - BBL. | GAS - OIL RATIO |
| FLOW. TUBING PRESS. 0 psi | CASING PRESSURE 200 psi | CALCULATED 24-HOUR RATE | OIL - BBL. | GAS - MCF. No flow | WATER - BBL. | OIL GRAVITY - API (CORR.) | |

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
Shut-in waiting on gas connection

TEST WITNESSED BY **David Ball** **OCT 29 1999**

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Kim L. McEl TITLE **Petroleum Engineer** DATE **10/25/99**

ACCEPTED FOR RECORD
FARMINGTON FIELD OFFICE
BY [Signature]

*(See Instructions and Spaces for Additional Data on Reverse Side)

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

OPERATOR

37. SUMMARY OF POROUS ZONES: (Show all important zones or 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):

| FORMATION | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. |
|-----------------|------|--------|--|
| Ojo Alamo | 1385 | 1490 | Sandstone |
| Kirtland | 1490 | 1950 | Sandstone, siltstone, shale |
| Fruitland | 1950 | 2222 | Sandstone, siltstone, shale Coal, natural gas & water |
| Pictured Cliffs | 2222 | TD | Sandstone, natural gas & water |

38. GEOLOGIC MARKERS

| NAME | TOP | |
|-----------------|-------------|---------------------|
| | MEAS. DEPTH | TRUE VERT. DEPTH |
| Ojo Alamo | 1385 | 1385 |
| Kirtland | 1490 | 1490 |
| Fruitland | 1950 | 1950 |
| Pictured Cliffs | 2222 | 2222 |

ROBERT L. BAYLESS, PRODUCER LLC
OXNARD WN FEDERAL #3
SEC. 14, T27N-R8W
SAN JUAN COUNTY, NM

| <u>WORKING INTEREST OWNER</u> | <u>PERCENT INTEREST</u> |
|--|-----------------------------|
| ROBERT L. BAYLESS, PRODUCER LLC PO BOX 168 FARMINGTON, NM 87499 | 24.250000 |
| MERRION OIL & GAS CORP. 610 REILLY AVENUE FARMINGTON, NM 87401 | 24.250000 |
| MARALEX RESOURCES, INC. 621 17 TH STREET, SUITE 1125 DENVER, CO 80293 | 1.500000 |
| BURLINGTON RESOURCES OIL & GAS COMPANY P.O. BOX 4289 FARMINGTON, NM 87499 | <u>50.00000</u> |
| | 100.00000 |