P. O. BOX 168 FARMINGTON, NM 87499

FAX NO. (505) 326-6911 OFFICE NO. (505) 326-2659

January 22, 2001

Ms. Lori Wrotenbery, Director NEW MEXICO OIL CONSERVATION DIVISION 2040 S. Pacheco Street Santa Fe, NM 87505

> RE: NMOCD Case No. 12557 REQUEST FOR CONTINUANCE of Application for Compulsory Pooling Robert L. Bayless, Operator Hun Nop Pi # 2 Well W/2 Sec. 19-T26N-R8W San Juan County, NM

Dear Ms. Wrotenbery:

Due to continued medical concerns in the immediate family of Mr. Bayless, we respectfully request a continuance of NMOCD Case No. 12557. We further request that such Case be rescheduled for hearing on February 22<sup>nd</sup>, 2001.

Should you have any questions, I may contacted at (505) 564-7806.

Yours truly,

Paul Hall, CPL/ESA Land Manager

cc: Non-committed working interest owners

		MAIL REC	EIPT Coverage Provided)			
ъс ГЦ	Postage	\$				
427	Certified Fee		Postmark			
8100	Return Receipt Fee (Endorsement Required)		Here			
	Restricted Delivery Fee (Endorsement Required)					
90 J d D D	<ul> <li>™ MS. JANET WOOLDRIDGE</li> <li>DEVON ENERGY CORP.</li> <li>20 N. BROADWAY AVENUE, STE 1500</li> <li>Sir OKLAHOMA CITY, OK 73102</li> </ul>					
70	Cit PS Form 5800 condany -	····	tor instruction			

SENDE OMPLETE THIS SECTION	COMPLETIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Beceived by (Please Print, Clearly) B. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from item 1? If YES, enter delivery address below: No
MS. JANET WOOLDRIDGE N DEVON ENERGY CORP. 20 N. BROADWAY AVENUE, STE 1500	
OKLAHOMA CITY, OK 73102	3. Service Type 2 Certified Mail      Express Mail     Registered      Return Receipt for Merchandise     Insured Mail      C.O.D.
 2. Article Number (Copy from service labe 7099 34	00 0018 4212 9393
•	p Pi #2 Reschedule Hearing #2

P. O. BOX 168 Farmington, NM 87499

FAX NO. (505) 326-6911

OFFICE NO. (505) 326-2659

January 9, 2001

Ms. Lori Wrotenbery, Director NEW MEXICO OIL CONSERVATION DIVISION 2040 S. Pacheco Street Santa Fe, NM 87505

> RE: NMOCD Case No. 12557 REQUEST FOR CONTINUANCE of Application for Compulsory Pooling Robert L. Bayless. Operator Hun Nop Pi # 2 Well W/2 Sec. 19-T26N-R8W San Juan County, NM

Dear Ms. Wrotenbery:

We wish to reconfirm the continuance of NMOCD Case No. 12557. The scheduled Case is now set for hearing on January 25<sup>th</sup>, 2001.

Should you have any questions, I may contacted at (505) 564-7806.

Yours truly,

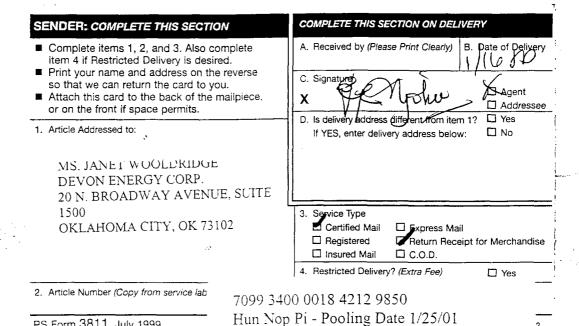
Paul Hall, CPL/ESA Land Manager

cc: Non-committed working interest owners

NAME	CERTIFIED2
JAMES H. ANDERSON	
2713 107TH SE	
BEAUX ARTS, WA 98004	.7099 3400 0018 4212 9904
WILLIAM R. ANDERSON	
2139 ELMWOOD AVENUE	
WILMETTE, IL 60091	7099 3400 0018 4212 9898
ESTATE OF DOROTHY DeGOLYER ARNOLD	
% DOUGLAS DeGOLYER ARNOLD	
638 MORENO ROAD	
PENN VALLEY, PA 19077	7099 3400 0018 4212 9881
BARBARA ANN McCONNELL BRUSS	
McCONNELL LLC	
67428 OAK LEAF	
MONTROSE, CO 81401	7099 3400 0018 4212 9874
ELLA NORA ANDERSON DENNY	
7379 SE 71ST STREET	
MERCER ISLAND, WA 98040	7099 3400 0018 4212 9867
MS. JANET WOOLDRIDGE	
DEVON ENERGY CORP.	
20 N. BROADWAY AVENUE, SUITE 1500	
OKLAHOMA CITY, OK 73102	7099 3400 0018 4212 9850
MS. EVA WHITEN	
HALL ENERGY CO., LLC	
101 PARK AVENUE, SUITE 1010	
OKLAHOMA CITY, OK 73102	7099 3400 0018 4212 9843
BARBARA IRENE McCONNELL TESTAMENTARY	
TRUST	
67428 OAK LEAF	
MONTROSE, CO 81401	7099 3400 0018 4212 9836
ESTATE OF VIRGINIA DEGOLYER MAXSON	
% MARY MAXSON THOMPSON	
555 REPUBLIC DR, SUITE 200	
PLANO, TX 75074	7099 3400 0018 4212 9829
MARJORIE ANDERSON PELTO	
P. O. BOX 10701	
BAINBRIDGE ISLAND, WA 98110	7099 3400 0018 4212 9812
MR. J. E. GALLEGOS	
GALLEGOS LAW FIRM, A PROFESSIONAL	
CORPORATION	
460 ST. MICHAELS DRIVE, BUILDING 300	
SANTA FE, NM 887505	7099 3400 0018 4212 9805
	Notification of new hearing
	date. Sent 1/9/01
······································	

м.

·.



PS Form 3811, July 1999

#### P. O. BOX 163 FARMINGTON, NM 87499

2

FAX NO. (505) 326-6911 OFFICE NO. (505) 326-2659

December 15, 2000

Ms. Lori Wrotenbery, Director NEW MEXICO OIL CONSERVATION DIVISION 2040 S. Pacheco Street Santa Fe, NM 87505

> RE: NMOCD Case No. 12557 REQUEST FOR CONTINUANCE of Application for Compulsory Pooling Robert L. Bayless, Operator Hun Nop Pi # 2 Well W/2 Sec. 19-T26N-R8W San Juan County, NM

Dear Ms. Wrotenbery:

Due to a medical emergency in the immediate family of Mr. Bayless, we respectfully request a continuance of NMOCD Case No. 12557. We further request that such Case be rescheduled for hearing on January 25<sup>th</sup>, 2001.

Should you have any questions, I may contacted at (505) 564-7806.

Yours truly,

......

Paul Hall, CPL/ESA Land Manager

cc: Non-committed working interest owners

P. O. BOX 168 Farmington, NM 87499

FAX NO. (505) 326-6911 OFFICE NO. (505) 326-2659

November 29, 2000

CERTIFIED MAIL 7000 0600 0025 2409 1802

MS. JANET WOOLDRIDGE DEVON ENERGY CORP. 20 N. BROADWAY AVENUE, SUITE 1500 OKLAHOMA CITY, OK 73102

> RE: Application for Compulsory Pooling Robert L. Bayless, Operator Hun Nop Pi # 2 Well W/2 Sec. 19-T26N-R8W San Juan County, NM

Dear Ms. Wooldridge:

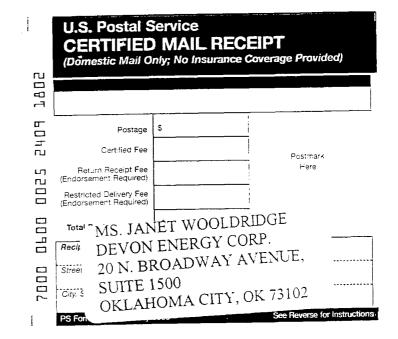
The purpose of this letter is to provide written notice pursuant to the Rules and Regulations of the New Mexico Oil Conservation Division ("NMOCD") that Robert L. Bayless ("Bayless") has filed an application with the NMOCD requesting the issuance of an Order force pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying the W/2 of Section 19, Township 26 North, Range 8 West, NMPM, San Juan County, New Mexico, forming a 320.04 acre gas spacing and proration unit for the Basin Dakota pool to be dedicated to the Hun Nop Pi # 2 Well and completed in the Basin Dakota pool. Bayless also requests that the order designate Bayless as operator of the Well, and that it provide for the recovery by the joining working interest owners of the costs of drilling, completing, equipping and operating the Well, together with a reasonable charge for risk involved in drilling and completing the Well. In addition, Bayless requests that the Order establish a reasonable charge for supervision of the Well during the drilling and production stages.

Bayless has requested the application be placed on the on the December 21<sup>st</sup>, 2000, docket of the NMOCD for hearing. You may appear at the hearing to record any protest or objection you may have with respect to the subject matter of the application. For your information, the Rules and Regulations of the NMOCD require that each participant in an NMOCD hearing file a Pre-Hearing Statement on or before the Friday next preceding the date of the hearing.

Please advise if you have any questions.

Yours truly,

Paul Hall, CPL/ESA Land Manager



SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY		
<ul> <li>Complete items 1; 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	14	A. Received by (Please Print Clearly) B. Date of Delivery Marsha Dartlett 12-5-00 C. Signature X Masha Butlett Agent Addressed		
1. Article Addressed to: MS. JANET WOOLDRIDGE DEVON ENFRGY CORP. 20 N. BROADWAY AVENUE,	· 5,	<ul> <li>D. Is delivery address different from item 1? Yes</li> <li>If YES, enter delivery address below: No</li> </ul>		
SUITE 1500 OKLAHOMA CITY, OK 73102		Service Type     Certified Mail    Express Mail     Registered    Return Receipt for Merchandise     Insured Mail    C.O.D.		
		4. Restricted Delivery? (Extra Fee)		

PS Form 3811, July 1999

#### 7000 0600 0025 2409 1802 Hun NopPi

P. O. BOX 168 FARMINGTON, NM 87499

FAX NO. (505) 326-6911 OFFICE NO. (505) 326-2659

November 29, 2000

CERTIFIED MAIL 7000 0600 0025 2409 1802

MS. JANET WOOLDRIDGE DEVON ENERGY CORP. 20 N. BROADWAY AVENUE, SUITE 1500 OKLAHOMA CITY, OK 73102

> RE: Application for Compulsory Pooling Robert L. Bayless, Operator Hun Nop Pi # 2 Well W/2 Sec. 19-T26N-R8W San Juan County, NM

Dear Ms. Wooldridge:

The purpose of this letter is to provide written notice pursuant to the Rules and Regulations of the New Mexico Oil Conservation Division ("NMOCD") that Robert L. Bayless ("Bayless") has filed an application with the NMOCD requesting the issuance of an Order force pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying the W/2 of Section 19, Township 26 North, Range 8 West, NMPM, San Juan County, New Mexico, forming a 320.04 acre gas spacing and proration unit for the Basin Dakota pool to be dedicated to the Hun Nop Pi # 2 Well and completed in the Basin Dakota pool. Bayless also requests that the order designate Bayless as operator of the Well, and that it provide for the recovery by the joining working interest owners of the costs of drilling, completing, equipping and operating the Well, together with a reasonable charge for risk involved in drilling and completing the Well. In addition, Bayless requests that the Order establish a reasonable charge for supervision of the Well during the drilling and production stages.

Bayless has requested the application be placed on the on the December 21<sup>st</sup>, 2000, docket of the NMOCD for hearing. You may appear at the hearing to record any protest or objection you may have with respect to the subject matter of the application. For your information, the Rules and Regulations of the NMOCD require that each participant in an NMOCD hearing file a Pre-Hearing Statement on or before the Friday next preceding the date of the hearing.

Please advise if you have any questions.

Yours truly,

Paul Hall, CPL/ESA Land Manager

	U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)						
1.60							
2409	Postage	\$					
ц Ц	Certified Fee		Postmark				
ഗ വ	Return Receipt Fee (Endorsement Required)		Here				
00	Restricted Delivery Fee (Endorsement Required)						
	Tota' MS JAN	ET WOOLDR	IDGE				
70	DO DON	ENFRAR UUD					
	THE TROUB AND WAY AVENUE,						
7000	City. 5 SUITE 1	I 500 IOMA CITY, O	K 73102				
l.	PS For		See Reverse for	Instructions			

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> <li>MS. JANET WOULDRIDGE DEVON ENFRGY CORP. 20 N. BROADWAY AVENUE,</li> </ul>	A. Received by (Please Print Clearly) B. Date of Delivery Marsha Dathett 12-5-00 C. Signature X Masha Butht Addresse D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
SUITE 1500 OKLAHOMA CITY, OK 73102	3. Service Type     ☐ Certified Mail □ Express Mail     ☐ Registered □ Return Receipt for Merchandise     ☐ Insured Mail □ C.O.D.     4. Restricted Delivery? (Extra Fee) □ Yes
2. Article Number (Copy from service label)	

7000 0600 0025 2409 1802 Hun NopPi

,

PS Form 3811, July 1999

#### Paul Hall

From:Paul Hall [paulh@rlbayless.com]Sent:Monday, October 02, 2000 10:13 AMTo:'JANET WOOLDRIDGE (E-mail)'Subject:HUN NOP PI # 2 WELL

ON OR ABOUT JULY 13, 2000, I DIRECTED TO YOUR ATTENTION A PROPOSAL TO EITHER SELL OR PARTICIPATE IN THE SUBJECT WELL. WE ARE TRYING TO GET THIS WELL SPUD BEFORE THE END OF THE YEAR.

YOUR MOST IMMEDIATE REPLY WILL BE APPRECIATED. THANK YOU.

. `

P. O. BOX 168 Farmington, NM 87499

FAX NO. (505) 326-6911

OFFICE NO. (505) 326-2659

July 13, 2000

Ms. Janet Wooldridge **DEVON ENERGY CORP.** 20 N. Broadway Avenue Suite 1500 Oklahoma City, OK 73102-8203

> RE: Bayless' AFE HUN NOP PI #1 Well San Juan County, New Mexico

Dear Ms. Wooldridge:

Robert L. Bayless, Producer LLC proposes to drill a Well to test the Dakota formation, estimated at a depth of 6,650 feet, at a legal location in the NW/4 of Section 19, Township 26 North, Range 8 West, San Juan County, New Mexico. A review of ownership information indicates that you own an undivided interest in the proposed W/2 proration unit for this Well.

We have enclosed Bayless' Authority for Expenditure covering the subject Well for your review. We expect this to be a marginal well, but feel it will reach payout with a modest opportunity for a return on our investment.

As an alternative to participating in the subject Well, Bayless proposes to purchase your leasehold interest for \$100.00 per net mineral acre assigned to Bayless. Such assignment would be; 1) limited from the base of the Pictured Cliffs formation to the base of the Dakota formation, 2) subject to existing leasehold burdens of record, and 3) subject to approval of form by Bayless.

The rig availability in the San Juan Basin is limited, but it appears that a rig will become available in the immediate future. Therefore, we ask for your early review and response to our request for participation or support in the drilling of this Well.

Should you have any questions, I can be contacted at (505) 564-7806.

Yours truly.

Paul Hall, CPL/ESA Land Manager

# AUTHORITY FOR EXPENDITURE

SE NAME:		Hun - Nop - Pi	WELL NUM		2			ON:		NE/4 Section		
D:		Basin Dakota	COUNTY:	NT 1.	San Juan		STATE:			New Mexico		
EWELL: RATOR:		Gas Robert L. Bayless	TOTAL DEI PREPAREI		6650 pmb		DATE: FILE:			7/13/00 c:\msoffice\ex	cel/afe/HunNopPi#2.xls	
ING INTAN	IGIBLES	5									DRY HOLE	COMPLETED
		PERMITTING		(STAKING, DAMAGES		PAPER	WORK)				\$5,000	\$5,000
		DIRTWORK		(LOCATION, PITS, RO/	ADS)			~		-	4,000	4,000
		DRILLING					FEET	@		/FOOT -	139,650	139,650
		DRILLING CEMENTING		DAYWORK: SURFACE:		2	DAYS	œ	\$5,800.00	/DAY -	11,600 3,000	11,600 3,000
		CEMENTING		PLUGGING:						-		CONTRACTOR OF
		LOGGING		PRODUCTION:						-	6,500	6,500
		MUD AND MATERIALS								-	5,000	5,000
	3-09	DRILL BITS								-	0	C
	3-15	WATER & WATER HAULING								-	3,500	3,500
	3-61	WELL TESTING		(DST,CORING,ETC)						-	0	c
		WELL TESTING		(MUD LOGGING & W	ELLSITE GEOLOG					-	1,000	1,000
	3-53	SUPERVISION		(ENG,GEO,LEGAL)		10	DAYS	@	\$400.00	/DAY -	4,000	4,000
	3-27	TRUCKING								-	1,000	1,000
	3-11 3-67	MISC. LABOR MISC. INTANGIBLES								-	2,500 2,000	2,500
	3-67 3-57	ADMINISTRATIVE OVERHEAD				10	DAYS	æ	\$300.00	- / DAY .	3,000	3,000
	0-07	CONTINGENCY					%		<b>4</b> 000.00	-	9,788	9,588
				TOTAL DRILLING INT	ANGIBLES:						\$205,538	\$201,338
LING TANG	BLES											
	3-22	SURFACE CASING	250	FEET TYPE:	8 5/8" 24.0		@	1	\$9.80	/FOOT -	\$2,450	\$2,450
	4-24	WELLHEAD EQUIPMENT		(WELLHEADS, VALVE	ES, FITTINGS, ETC					-	750	750
		CONTINGENCY				5	%			-	160	160
				TOTAL DRILLING TA	NGIBLES:						\$3,360	\$3,360
IPLETION IN	NTANGI	BLES									·	
	4-21	CASING CREW		PRODUCTION:						-		\$2,500
	4-26	CEMENTING		PRODUCTION:						-		9,500
	4-08					7	DAYS	œ	\$2,100.00	/DAY -	17.01 8.2. 8.4	14,700
	4-60			(PERFORATING AND						-		8,000
	4-62 5-53	STIMULATION SUPERVISION		(ACIDIZING AND FRA (ENG,GEO)	(CTURING)	-	DAVC	0	* 400.00	-		70,000
	3-55 4-15	WATER		(PURCHASE AND HA	ALIENG):		DAYS	œ	\$400.00	- TDAT -	1440 (A. 1994) *	2,800
	5-06	DIRTWORK		(LOCATION CLEANU						-	a di ka	2,500
	4-27	TRUCKING		(ECOMION CEEMIC	.,						5 J. Carlos (1993)	4,000
	4-16	RENTALS								•		2,500
	5-11	MISC. LABOR		(WELL HOOKUP)					,	-		10,000
	3-67	MISC. INTANGIBLES		(,								2,000
	5-57	ADMINISTRATIVE OVERHEAD				7	DAYS	Ø	\$300.00	/DAY -		2,100
		CONTINGENCY					%	6	4000.00	-	Section and	6,330
				TOTAL COMPLETIO	N INTANGIBLES:						\$0	\$144,93
APLETION T	ANGIBL	ES										
	4-22	LONGSTRING CASING	6650	FEET TYPE:	4 1/2" 11.6	)#/ft	Ø	þ	\$6.25	/ FOOT -		41,56
	4-29	TUBING	6650	FEET TYPE:	2 3/8" 4,7#	ft	Ø	9	\$2.25	/FOOT-		14,96
	5-40	VALVES, PIPING, AND FITTINGS								-		8,00
	4-24			(WELLHEADS, VALVI		.)				•		2,50
	5-39 5-42	PIPELINE METER RUN	0	FEET TYPE:	2 INCH		Ø	g	\$5,50	/FOOT-		4
	5-42 5-33	PRODUCTION UNIT								-		10.00
	5-33 5-34	DEHYDRATOR									15.54	10,00 10,00
	5-37	PRODUCTION TANK								-		5,50
	5-38	NOISE ABATEMENT										
	5-67	MISC. EQUIPMENT		(FENCES,CULVERT	S,ETC.)					-	1112211	3,50
		CONTINGENCY				5	%			-		2,72
				TOTAL COMPLETIO	N TANGIBLES:					-	\$0	\$98,74
				TOTAL WELL CO	ST:					-	\$208,898	\$448,37
ROVALS:	• .								Working		OWNF	RSHARE
MPANY		BY	0			DATI	Ē		Interest		DRY HOLE	COMPLETED
BERT L. BAY	′LESS, e	stal A-When	X_	<b></b>	7	213	-00	•	90.625009	6	\$189,313	\$406,34
on Energy Co	orp.	<i>y</i> _							9.375009	6	\$19,584	\$42,03
									3.575007	0	\$19,00-	• <b>₽</b> 42,

100.00000%

\$208 898 \$448 376

U.S. Postal Service CERTIFIED MAIL REC (Domestic Mail Only; No	
다 나가 다 다	
Postage       \$         Certified Fee       Certified Fee         Return Receipt Fee       Endorsement Required         Restricted Delivery Fee       Endorsement Required         Total Postage & Fees       \$         Name (F       Ms. Janet Woo         Street. 2       20 N. Broadwa         City, Sta       Suite 1500         PS.Form       Oklahoma City	RGY CORP.
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> <li>Ms. Janet Wooldridge DEVON ENERGY CORP.</li> </ul>	Received by (Please Print Clearly)       B. Date of Delivery_         C. Signature       □ Agent         D. Is delivery address different from item 1?       □ Yes         If YES, enter delivery address below:       □ No
20 N. Broadway Avenue Suite 1500 Oklahoma City, OK 73102-8203	3. Service Type         & Certified Mail       Express Mail         Registered       Return Receipt for Merchandise         Insured Mail       C.O.D.         4. Restricted Delivery? (Extra Fee)       Yes

2. Article Number (Copy from service label)

7099 3220 0002 8979 2753 HUN NOP PI #1 AFE Land Dept

PS Form 3811, July 1999

÷---