

ROBERT L. BAYLESS, PRODUCER

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 22nd, 2001.

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

Yours truly,



Paul Hall, CPL/ESA
Land Manager

cc: Non-committed working interest owners

CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

7099 3400 0018 4212 9379

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total		BARBARA IRENE McCONNELL
Recipient	TESTAMENTARY TRUST	
Street	67428 OAK LEAF	
City, State	MONTROSE, CO 81401	

PS Form 3800, February 2000

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
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1. Article Addressed to:

BARBARA IRENE McCONNELL
TESTAMENTARY TRUST
67428 OAK LEAF
MONTROSE, CO 81401

2. Article Number (Copy from service)

PS Form 3811, July 1999

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

Barbara Bruss 6-25

C. Signature

X Barbara Bruss ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

- ☒ Certified Mail ☐ Express Mail
- ☐ Registered ☒ Return Receipt for Merchandise
- ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

7099 3400 0018 4212 9379

Hun Nop Pi #2 Reschedule Hearing #2

M-0952

ROBERT L. BAYLESS, PRODUCER

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 Pt # 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 25th, 2001.

Should you have any questions, I may be 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

SENDER: COMPLETE THIS SECTION

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1. Article Addressed to:

BARBARA IRENE McCONNELL
TESTAMENTARY TRUST
67428 OAK LEAF
MONTROSE, CO 81401

2. Article Number (Copy from service label)

PS Form 3811, July 1999

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

E.A. BRUSS

C. Signature

X

☐ Agent☐ AddresseeD. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☒ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

7099 3400 0018 4212 9836

Hun Nop Pi - Pooling Date 1/25/01

ROBERT L. BAYLESS, PRODUCER

P. O. BOX 163
FARMINGTON, NM 87499

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 25th, 2001.

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

Yours truly,



Paul Hall, CPL/ESA
Land Manager

cc: Non-committed working interest owners

ROBERT L. BAYLESS, PRODUCER

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 1789

BARBARA IRENE McCONNELL TESTAMENTARY TRUST
67428 OAK LEAF
MONTROSE, CO 81401

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. McConnell:

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 21st, 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)

7000 0600 0025 2409 1789

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage	

Postmark
Here

Recipient **BARBARA IRENE McCONNELL**
TESTAMENTARY TRUST
 Street, Apt. **67428 OAK LEAF**
 City, State **MONTROSE, CO 81401**

PS Form 3849

Instructions

SENDER: COMPLETE THIS SECTION

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1. Article Addressed to:

BARBARA IRENE McCONNELL
TESTAMENTARY TRUST
67428 OAK LEAF
MONTROSE, CO 81401

2. Article Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) **ELWIST** B. Date of Delivery **7-28-09**

C. Signature **[Signature]** ☒ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes



McCONNELL LLC

67428 Oak Leaf Drive, Montrose CO 81401

Phone: (970) 252-1207

Fax: (970) 252-0409

Email: ebruss@dmea.net

29 August 2000

Mr. Paul Hall, Land Manager
Robert Bayless, Producer LLC
PO Box 168
Farmington NM 87499

Dear Mr. Hall:

Thank you for your letter of 17 August.

We will be glad to furnish information on the current ownership of this well, but the records are at our accountant's, and he is out of town. When he returns, we will have him forward that information.

At the present time we do not wish to participate in the drilling of the well or sell the interest of McConnell LLC or the Barbara Irene McConnell Testamentary Trust. We prefer to go non-consent. We recently concluded a deal with Meridian on six wells at 1.5 times the well cost. We would be glad to do the same on this well.

If this is satisfactory, please draw up a contract accordingly for our signature.

Sincerely,

Ernest Bruss
Managing Member
McConnell LLC

Barbara Bruss
Trustee
Barbara Irene McConnell Testamentary Trust

ROBERT L. BAYLESS, PRODUCER LLC

P. O. BOX 168
FARMINGTON, NM 87499

FAX NO.
(505) 326-6911

OFFICE NO.
(505) 326-2659

August 17, 2000

Ms. Barbara Ann Bruss
McCONNELL LLC
67428 Oak Leaf
Montrose, CO 81401

RE: Bayless' AFE
HUN NOP PI # 2 Well
San Juan County, New Mexico

Dear Ms. Bruss:

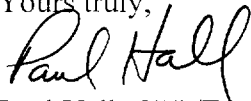
Robert L. Bayless, Producer LLC proposes to drill a Well to test the Dakota formation, estimated at a depth of 6,650 feet, at a legal location in the NW/4 of Section 19, Township 26 North, Range 8 West, San Juan County, New Mexico. Our records indicate that McConnell LLC and the Barbara Irene McConnell Testamentary Trust own an undivided 8.33 percent interest in the proposed W/2 proration unit for this Well. We would appreciate you providing us with information regarding the current ownership of each entity.

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 to those depths below the base of the Pictured Cliffs 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 near 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

ROBERT L. BAYLESS, PRODUCER LLC
AUTHORITY FOR EXPENDITURE

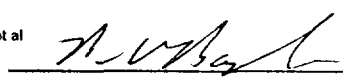
WELL NAME:	Hun - Nop - Pi	WELL NUMBER:	2	LOCATION:	NW/4 Section 19-T26N-R8W
FIELD:	Basin Dakota	COUNTY:	San Juan	STATE:	New Mexico
WELL TYPE:	Gas	TOTAL DEPTH:	6650	DATE:	8/18/00
OPERATOR:	Robert L. Bayless	PREPARED BY:	pmb	FILE:	c:\msoffice\excel\afe\HunNopPi#2.xls

					DRY HOLE	COMPLETED
DRILLING INTANGIBLES						
3-04	PERMITTING	(STAKING,DAMAGES,ARCHAEOLOGY,PAPERWORK)	-		\$5,000	\$5,000
3-06	DIRTWORK	(LOCATION,PITS,ROADS)	-		4,000	4,000
3-08	DRILLING	FOOTAGE:	6650 FEET @	\$21.00 / FOOT -	139,650	139,650
3-08	DRILLING	DAYWORK:	2 DAYS @	\$5,800.00 / DAY -	11,600	11,600
3-26	CEMENTING	SURFACE:	-		3,000	3,000
3-65	CEMENTING	PLUGGING:	-		4,000	
3-60	LOGGING	PRODUCTION:	-		6,500	6,500
3-18	MUD AND MATERIALS		-		5,000	5,000
3-09	DRILL BITS		-		0	0
3-15	WATER & WATER HAULING		-		3,500	3,500
3-61	WELL TESTING	(DST,CORING,ETC)	-		0	0
3-63	WELL TESTING	(MUD LOGGING & WELLSITE GEOLOGIST)	-		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	MISC. LABOR		-		2,500	2,500
3-67	MISC. INTANGIBLES		-		2,000	2,000
3-57	ADMINISTRATIVE OVERHEAD		10 DAYS @	\$300.00 / DAY -	3,000	3,000
	CONTINGENCY		5 %	-	9,788	9,588
TOTAL DRILLING INTANGIBLES:					\$205,638	\$201,338

DRILLING TANGIBLES						
3-22	SURFACE CASING	250 FEET TYPE:	8 5/8" 24.0 #/ft	@	\$9.80 / FOOT -	\$2,450
4-24	WELLHEAD EQUIPMENT	(WELLHEADS,VALVES,FITTINGS ETC.)	-			750
	CONTINGENCY		5 %	-		160
TOTAL DRILLING TANGIBLES:					\$3,380	\$3,360

COMPLETION INTANGIBLES						
4-21	CASING CREW	PRODUCTION:	-			\$2,500
4-26	CEMENTING	PRODUCTION:	-			9,500
4-08	COMPLETION UNIT		7 DAYS @	\$2,100.00 / DAY -		14,700
4-60	WIRELINE	(PERFORATING AND LOGGING)	-			8,000
4-62	STIMULATION	(ACIDIZING AND FRACTURING)	-			70,000
5-53	SUPERVISION	(ENG,GEO)	7 DAYS @	\$400.00 / DAY -		2,800
4-15	WATER	(PURCHASE AND HAULING):	-			8,000
5-06	DIRTWORK	(LOCATION CLEANUP)	-			2,500
4-27	TRUCKING		-			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 @	\$300.00 / DAY -		2,100
	CONTINGENCY		5 %	-		6,330
TOTAL COMPLETION INTANGIBLES:					\$0	\$144,930

COMPLETION TANGIBLES						
4-22	LONGSTRING CASING	6650 FEET TYPE:	4 1/2" 11.60 #/ft	@	\$6.25 / FOOT -	41,563
4-29	TUBING	6650 FEET TYPE:	2 3/8" 4.7 #/ft	@	\$2.25 / FOOT -	14,963
5-40	VALVES, PIPING, AND FITTINGS		-			8,000
4-24	WELLHEAD EQUIPMENT	(WELLHEADS,VALVES,FITTINGS ETC.)	-			2,500
5-39	PIPELINE	0 FEET TYPE:	2 INCH	@	\$5.50 / FOOT -	0
5-42	METER RUN		-			0
5-33	PRODUCTION UNIT		-			10,000
5-34	DEHYDRATOR		-			10,000
5-37	PRODUCTION TANK		-			5,500
5-38	NOISE ABATEMENT		-			0
5-67	MISC. EQUIPMENT	(FENCES,CULVERTS,ETC.)	-			3,500
	CONTINGENCY		5 %	-		2,723
TOTAL COMPLETION TANGIBLES:					\$0	\$98,748
TOTAL WELL COST:					\$208,898	\$448,376

APPROVALS:		DATE	Working Interest	OWNER SHARE	
COMPANY	BY			DRY HOLE	COMPLETED
ROBERT L. BAYLESS, et al		8-21-00	91.670000%	\$191,496	\$411,026
Connell LLC, et al			8.330000%	\$17,401	\$37,350

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Article Sent To: _____

Postage \$ _____

Certified Fee _____

Return Receipt Fee (Endorsement Required) _____

Restricted Delivery Fee (Endorsement Required) _____

Total Postage & Fees \$ _____

Postmark Here _____

Name (Please Print) Ms. Barbara Ann Bruss
Street, Apt. _____
City, State, Zip 67428 Oak Leaf
Montrose, CO 81401

PS Form 3811, July 1999

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
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1. Article Addressed to:

Ms. Barbara Ann Bruss
McCONNELL LLC
67428 Oak Leaf
Montrose, CO 81401

2. Article Number (Copy from service label)

PS Form 3811, July 1999

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

BARBARA BRUSS 8-34

C. Signature ☐ Agent
Barbara Bruss ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

7099 3220 0002 8979 2999

Hun Nop Pi APE

June 23, 2000

Ms. Barbara Ann Bruss
c/o McConnell Ltd.
3430 Florida NE
Albuquerque, NM 87110


Dear Ms. Bruss:

We are planning on drilling another Dakota well on Blanco Canyon (W/2 Section 19, Township 26 North, Range 8 West). It will be a southwest offset to the Kah-Des-Pah #2.

The economics appear quite marginal. We show Irene's estate to own approximately 6.2% interest and you owning an approximately 2% interest. The well is estimated to cost between \$400,000 to \$500,000. You and the estate are welcome to participate in the drilling of the well to the extent of your interests. On the other hand, if you prefer not to drill, we have an operator who is willing to acquire leases and participate in the drilling of the well. He is willing to pay \$100 an acre which for your interest would be \$660 and for the estate would be \$2,000 (\$100 an acre and 320 acres for the well).

If you want to participate, let us know and we will prepare an AFE and an Operating Agreement or if you elect to sell, we will prepare assignments. The Operator, R.L. Bayless, does not want to enter into any farmout agreements or overrides.

Regards,



ARG/tlp

BMG

BENSON-MONTIN-GREER DRILLING CORP.

June 23, 2000

Ms. Barbara Ann Bruss
c/o McConnell Ltd.
3430 Florida NE
Albuquerque, NM 87110


Dear Ms. Bruss:

We are planning on drilling another Dakota well on Blanco Canyon (W/2 Section 19, Township 26 North, Range 8 West). It will be a southwest offset to the Kah-Des-Pah #2.

The economics appear quite marginal. We show Irene's estate to own approximately 6.2% interest and you owning an approximately 2% interest. The well is estimated to cost between \$400,000 to \$500,000. You and the estate are welcome to participate in the drilling of the well to the extent of your interests. On the other hand, if you prefer not to drill, we have an operator who is willing to acquire leases and participate in the drilling of the well. He is willing to pay \$100 an acre which for your interest would be \$660 and for the estate would be \$2,000 (\$100 an acre and 320 acres for the well).

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Regards,



ARG/tlp

June 23, 2000

Ms. Barbara Ann Bruss
c/o McConnell Ltd.
3430 Florida NE
Albuquerque, NM 87110


Dear Ms. Bruss:

We are planning on drilling another Dakota well on Blanco Canyon (W/2 Section 19, Township 26 North, Range 8 West). It will be a southwest offset to the Kah-Des-Pah #2.

The economics appear quite marginal. We show Irene's estate to own approximately 6.2% interest and you owning an approximately 2% interest. The well is estimated to cost between \$400,000 to \$500,000. You and the estate are welcome to participate in the drilling of the well to the extent of your interests. On the other hand, if you prefer not to drill, we have an operator who is willing to acquire leases and participate in the drilling of the well. He is willing to pay \$100 an acre which for your interest would be \$660 and for the estate would be \$2,000 (\$100 an acre and 320 acres for the well).

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Regards,



ARG/tlp

BMG

BENSON-MONTIN-GREER DRILLING CORP.

June 23, 2000

Ms. Barbara Ann Bruss
c/o McConnell Ltd.
3430 Florida NE
Albuquerque, NM 87110


Dear Ms. Bruss:

We are planning on drilling another Dakota well on Blanco Canyon (W/2 Section 19, Township 26 North, Range 8 West). It will be a southwest offset to the Kah-Des-Pah #2.

The economics appear quite marginal. We show Irene's estate to own approximately 6.2% interest and you owning an approximately 2% interest. The well is estimated to cost between \$400,000 to \$500,000. You and the estate are welcome to participate in the drilling of the well to the extent of your interests. On the other hand, if you prefer not to drill, we have an operator who is willing to acquire leases and participate in the drilling of the well. He is willing to pay \$100 an acre which for your interest would be \$660 and for the estate would be \$2,000 (\$100 an acre and 320 acres for the well).

If you want to participate, let us know and we will prepare an AFE and an Operating Agreement or if you elect to sell, we will prepare assignments. The Operator, R.L. Bayless, does not want to enter into any farmout agreements or overrides.

Regards,



ARG/tlp