

Robert L. Bayless, Producer LLC

Oil & Gas Producer

P. O. Box 168
Farmington, New Mexico 87499

FAX NO.
(505) 326-6911

OFFICE NO.
(505) 326-2659

August 27, 2007

State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: Exception to Location Request R649-3-3
Robert L. Bayless, Producer LLC
Weaver Canyon #26-2
Surface Loc: 170' FNL & 2429' FEL, Sec 26, T10S R25E
Bottomhole Loc: 155' FNL & 1500' FEL, Sec 26, T10S R25E
Uintah County, Utah

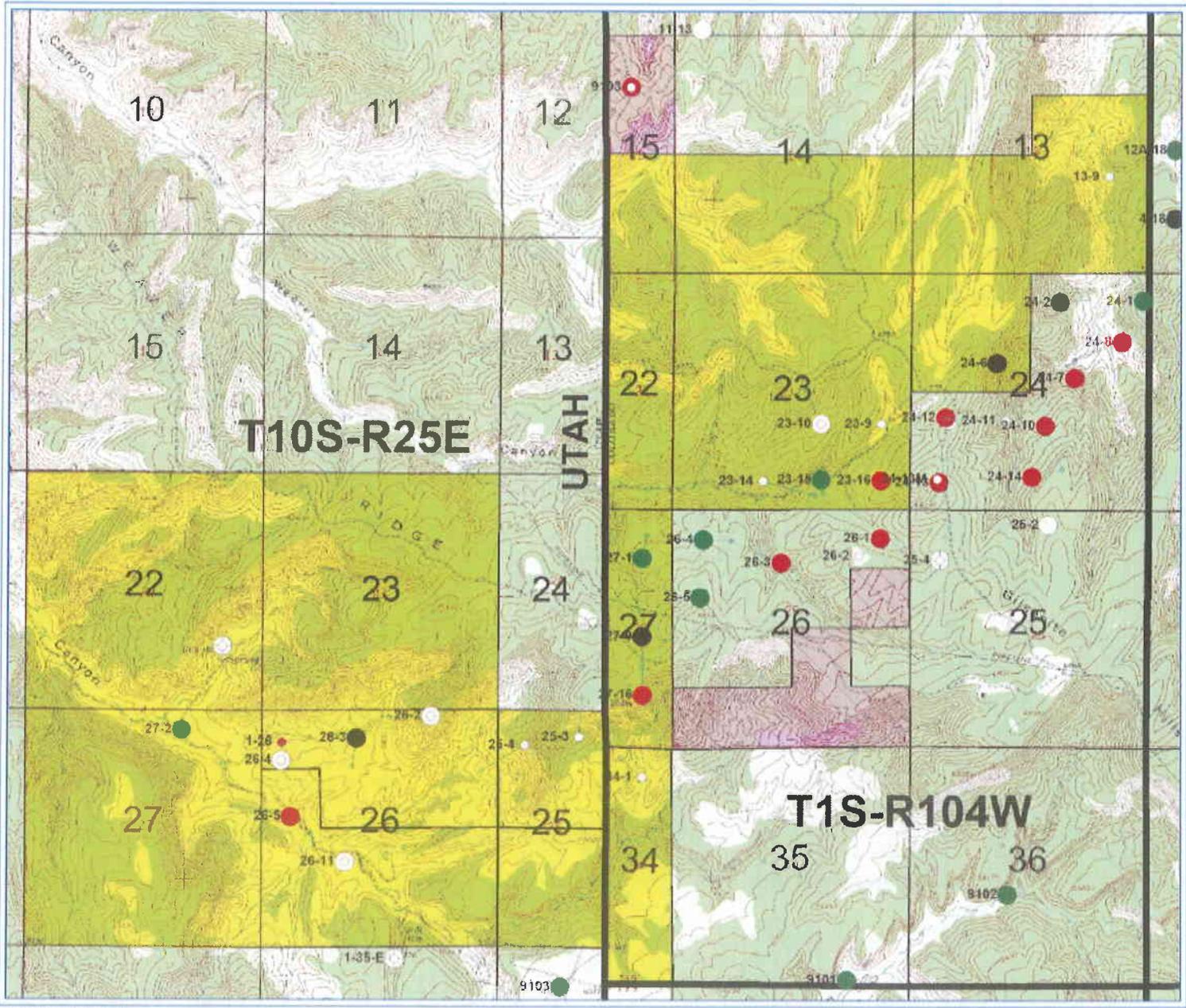
Robert L. Bayless Producer LLC would like to request a spacing exception to the bottomhole location for the above referenced well in accordance with the Oil & Gas Conservation Rule R649-3-3. Our proposed bottomhole location will be 455 ft too close to the north line of section 26. Due to geological structure, it is critical that the bottomhole location for this well be located in this exact position. Robert L. Bayless Producer LLC hereby certifies that it is the sole working interest owner within 460 feet of the entire directional wellbore and the adjacent sections to the referenced well, as shown in the attached lease map

I appreciate your attention to this matter. Please let me know if you require anything further

Very Truly Yours,



ROBERT L. BAYLESS, PRODUCER LLC
Habib Guerrero
Operations Engineer
hguerrero@rlbayless.com



 Robert L. Bayless Producer Leasehold

 Robert L. Bayless, Producer LLC

Weaver Ridge Leasehold

Rio Blanco, CO & Uintah, UT

Solid Yellow = Bayless 100% WI

Cross-hatch Purple = Bayless 50% WI



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: UTU-80696	6. SURFACE: Federal
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Robert L. Bayless, Producer LLC CONFIDENTIAL			9. WELL NAME and NUMBER: Weaver Canyon #26-2	
3. ADDRESS OF OPERATOR: P.O. Box 168 <small>CITY</small> Farmington <small>STATE</small> NM <small>ZIP</small> 87499 <small>PHONE NUMBER:</small> (505) 326-2659			10. FIELD AND POOL, OR WILDCAT: Wildcat Well Hole <i>616</i>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <i>665174X</i> 44211924 39.926623 -109.067145 170' FNL & 2429' FEL			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 26 10S 25E	
AT PROPOSED PRODUCING ZONE: 155' FNL & 1500' FEL <i>665457X 44212024 39.926602 -109.063835</i>				
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 45 miles southeast of Vernal, Utah			12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 155 ft - Lease line	16. NUMBER OF ACRES IN LEASE: 360	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1720 ft to WC #26-3	19. PROPOSED DEPTH: 4,410	20. BOND DESCRIPTION: State of Utah #141769447		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5766 GL	22. APPROXIMATE DATE WORK WILL START: 10/1/2007	23. ESTIMATED DURATION: 15 Days		

24. PROPOSED CASING AND CEMENTING PROGRAM

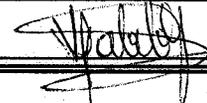
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8"	J55	36 #/ft	400	Class G	175 sx	15.6 #/gal
8 3/4"	4 1/2"	J55	10.5 #/ft	4,570	Class G w/16% gel	355 sx	11.0 #/gal
					50/50 poxmix G	500 sx	14.1 #/gal

25. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

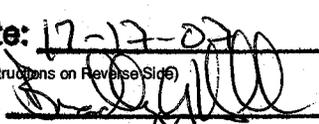
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Habib Guerrero TITLE Operations Engineer

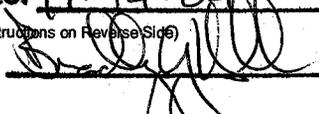
SIGNATURE  DATE 8/27/2007

(This space for State use only)

Approved by the Utah Division of Oil, Gas and Mining

APPROVAL: 

Date: 12-27-07

By: 

API NUMBER ASSIGNED: 43-047-39595

RECEIVED
AUG 28 2007
DIV. OF OIL, GAS & MINING

Federal Approval of this Action is Necessary

(11/2001)

WELL LOCATION PLAT

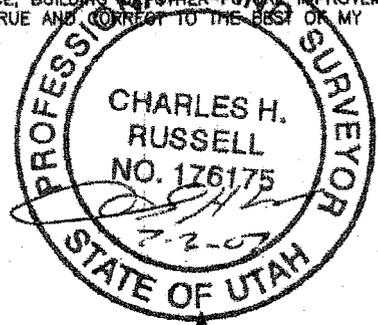
ROBERT L. BAYLESS, PRODUCER LLC
 WEAVER CANYON #26-2
 SURFACE LOCATION
 170'FNL & 2429'FEL
 BOTTOM HOLE LOCATION
 155'FNL & 1500'FEL
 SEC. 26, T10S, R25E, S.L.B.&M.
 UINTAH Co., UTAH
 GROUND ELEV. 5766.3' (NAVD88)

SURFACE LOCATION
 LAT.: 39.92667° N
 LONG.: 109.06781° W

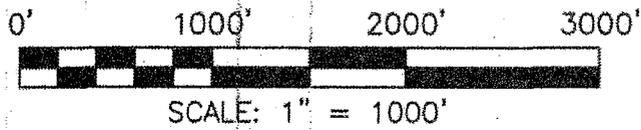
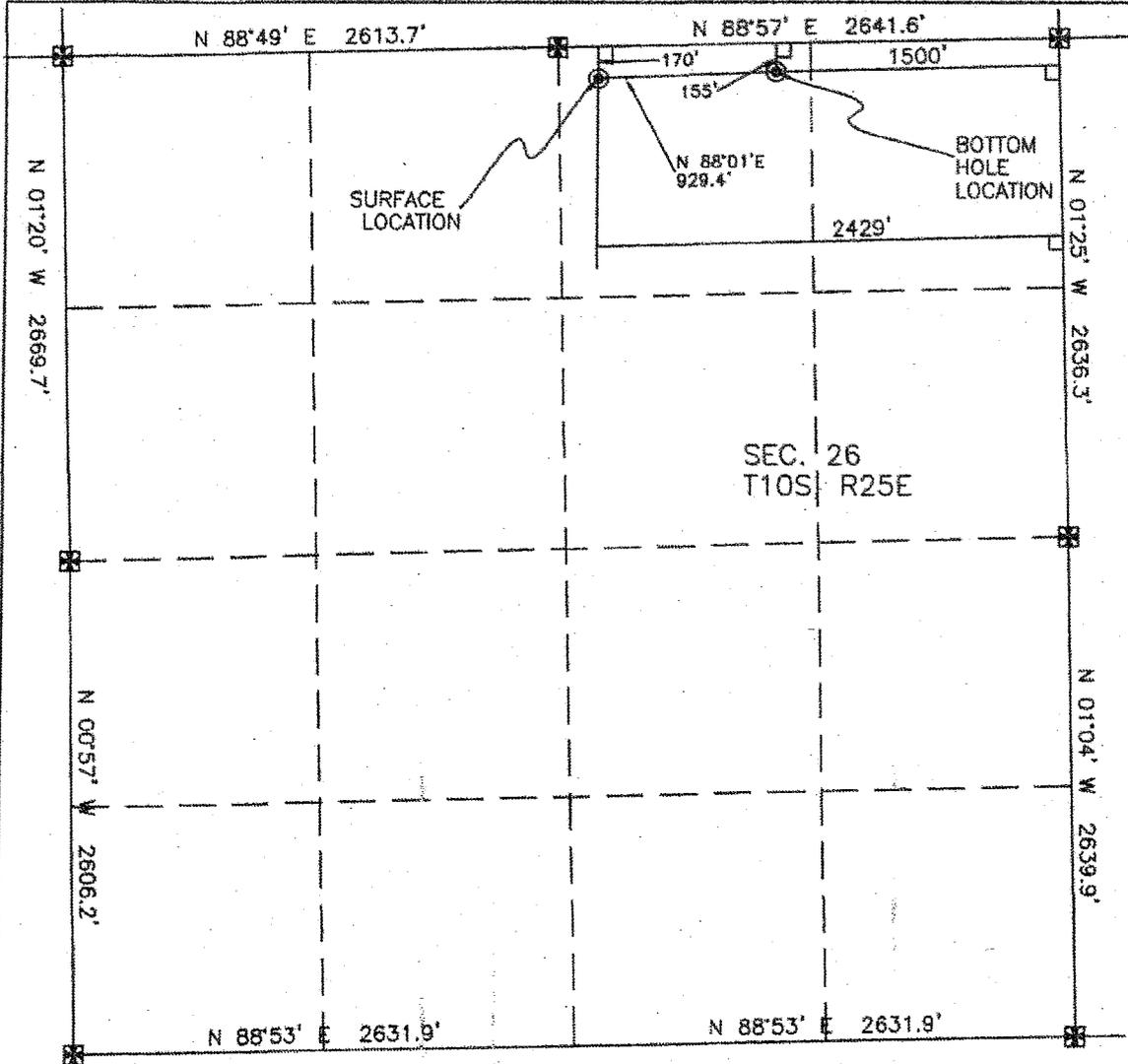
FIELD DATE; 25 OCT. 2006

BASIS OF BEARING
 UTM ZONE 12 GRID NORTH
 TIED TO THIS SURVEY BY GPS MEANS

I CHARLES H. RUSSELL, A LICENSED PROFESSIONAL LAND SURVEYOR IN THE STATE OF UTAH, DO HEREBY CERTIFY THAT THE WELL LOCATION SHOWN ON THIS PLAT WAS PLOTTED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY RESPONSIBLE CHARGE, AND THAT THIS PLAT IS NOT A LAND SURVEY PLAT OR IMPROVEMENT SURVEY PLAT, AND THAT IT IS NOT TO BE RELIED UPON FOR THE ESTABLISHMENT OF FENCE, BUILDING OR OTHER FUTURE IMPROVEMENT LINES, THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.
 CHARLES H. RUSSELL
 UT LS# 176175-2201



Alliance Engineering
 A Wood Group Company



- LEGEND
- L 90° SYMBOL
 - ☒ FOUND 1975 STD. BLM CAP w/REFS.
 - PRIVATE SURVEY CAP w/REFS.
 - ⊙ PROPOSED WELL
 - () RECORD BEARING / DISTANCE

SOME INFORMATION ON THIS PLAT IS BASED ON INFORMATION TAKEN FROM PREVIOUS SURVEYS, RECORD INFORMATION OR COLLATORAL EVIDENCE AND MAY NOT REFLECT THAT WHICH MAY BE DISCLOSED BY A COMPLETE BOUNDARY SURVEY. THIS PLAT IS NOT TO BE RELIED UPON FOR THE ESTABLISHMENT OF BOUNDARIES, FENCES, BUILDINGS OR OTHER FUTURE IMPROVEMENTS.

THIS EXHIBIT IS INTENDED ONLY TO DEPICT THE PROPOSED WELL LOCATION, AND DOES NOT REPRESENT A MONUMENTED LAND SURVEY.

Robert L. Bayless, Producer LLC

DRILLING PROGRAM

(Attachment to Form 3160-3)

Weaver Canyon #26-2

Surface Loc: 170' FNL & 2429' FEL (NWNE)
Bottomhole Loc: 155' FNL & 1500' FEL (NWNE)
Section 26, T10S R25E
Uintah County, Utah

Federal Lease: UTU-80696

This Application for Permit to Drill (APD) is filed under the Notice of Staking (NOS) process as stated in Onshore Order No. 1 and supporting Bureau of Land Management (BLM) documents. This NOS process included on-site meetings on June 27, 2007, prior to the submittal of the application, at which time the specific concerns of Robert L. Bayless, Producer LLC (Bayless) and the BLM were discussed. All specific concerns of the BLM representatives are addressed herein, as are specific stipulations from the BLM.

Please contact Habib Guerrero, Operations Engineer for Bayless at (505) 326-2659 if there are any questions or concerns regarding this Drilling Program.

THIS PROPOSED WELL WILL BE DIRECTIONALLY DRILLED. THE DEVIATION PLAN FOR THIS WELLBORE IS PRESENTED AS EXHIBIT 7.

SURFACE FORMATION - Green River Formation – Fresh water possible above 300'.

SURFACE ELEVATION - 5,766 ft (Ground elevation)

ESTIMATED FORMATION TOPS (Water, oil, gas and/or other mineral-bearing formations)

Green River	Surface	Sandstones, shales, siltstones, some water, oil or gas bearing
Wasatch	849 ft	Sandstones, shales, siltstones, some water, oil or gas bearing
Mesaverde	1,322 ft	Sandstones, shales, siltstones, some water, oil or gas bearing
Sego	2,523 ft	Sandstones, shales and siltstones, some water and gas bearing
Castlegate	2,981 ft	Sandstones, shales and siltstones, some water and gas bearing
Mancos	3,130 ft	Shales and siltstones, some water and gas bearing
Mancos B	4,128 ft	Shales and siltstones, some water and gas bearing

TOTAL DEPTH: 4,570 ft

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth, and adequately protected. A sample will be taken of any water flow and furnished to the Vernal Resource Area Office for analysis, if requested.

CASING PROGRAM

(See attached surface casing and centralizer design – Exhibit 2)

Depth	Hole Diameter	Casing Diameter	Casing Weight and Grade	Cement *
Surf – 400 ft	12-1/4"	9-5/8"	J-55 36# STC	To surface with ±175 sxs Class "G"
Surf – 4,570 ft	8-3/4"	4-1/2"	J-55 10.5# STC	Lead: ±355 sx Premium G w/16% gel (2979 ft - surface) Tail: ±500 sx 50:50 Pozmix G (4570 ft – 2979 ft)

Yields: "Class G" = 1.18 ft³/sx
"Premium G w/16% gel" = 3.82 ft³/sx
"50:50 "Pozmix G" = 1.26 ft³/sx

* - Actual cement volume will be determined by caliper log.

PRESSURE CONTROL

(See attached BOP schematic diagram – Exhibit 3)

BOP's and choke manifold will be installed and pressure tested before drilling out under surface casing (subsequent pressure test will be performed whenever pressure seals are broken), and then will be checked daily as to mechanical operating condition. BOP's will be pressure tested at least once every 30 days. Ram type preventors and related pressure control equipment will be pressure tested to rated working pressure of the stack assembly if a test plug is used. If a plug is not used, the stack assembly will be tested to the rated working pressure of the stack assembly or to 70% of the minimum internal yield of the casing, whichever is less. Annular type preventors will be pressure tested to 50% of their rated working pressure. All casing strings will be pressure tested to 0.22 psi/ft. or 1500 psi, whichever is greater, not to exceed 70% of internal yield.

MUD PROGRAM

Surface to 400 ft Spud mud as conditions dictate
400 ft to TD Low solids non-dispersed as conditions dictate
Mud weight 8.6 - 9.0 ppg
Viscosity 38-42 sec
Water loss 15cc or less
pH 8.5 - 9.0

Sufficient mud materials to maintain mud properties, control lost circulation and to contain "kick" will be available at the wellsite.

AUXILIARY EQUIPMENT

- A) Upper kelly cock (lower kelly cock - will be available on rig floor)
- B) Inside BOP or stab-in valve (available on rig floor)
- C) Mud monitoring will be visually observed.

LOGGING, CORING, AND TESTING PROGRAM

- A) Logging: DIL-GR TD to base of surface casing (GR to surface)
CNL-FDC-GR TD to base of surface casing (GR, CNL to surface)
- B) Coring: None
- C) Testing: No DSTs are planned. A DST may be run on an unexpected show of interest.

ABNORMAL CONDITIONS

- A) Pressures: No abnormal conditions are anticipated,
Mancos formation pressure gradient – approximately 0.42 psi/ft
- B) Temperatures: No abnormal conditions are anticipated
- C) H2S: None anticipated
- D) Estimated bottomhole pressure: Less than 1,920 psi

ANTICIPATED START DATE

October 1, 2007

COMPLETION

The location pad will be of sufficient size to accommodate all completion activities and equipment. Fracture stimulation of the Mancos B interval is anticipated for completion of the well. A string of 2-3/8" 4.7# J-55 tubing will be run inside casing for use as a flowing string.

Robert L. Bayless, Producer LLC

Weaver Canyon # 26-2

Surface Loc: 170' FNL & 2429' FEL (NWNE)
 Bottomhole Loc: 155' FNL & 1500' FEL (NWNE)
 Section 26, T10S R25E
 Uintah County, Utah

SURFACE CASING AND CENTRALIZER DESIGN

Proposed Total Depth:	4,570 ft	Proposed Depth of Surface Casing:	400 ft
Estimated Pressure Gradient:	0.42 psi/ft		
Bottom Hole Pressure at 4,578 ft		Hydrostatic Head of gas/oil mud:	0.22 psi/ft
0.42 psi/ft x 4,570 ft =	1,919 psi	0.22 psi/ft x 4,570 ft =	1,005 psi

Maximum Design Surface Pressure

Bottom Hole Pressure	-	Hydrostatic Head	=	
(0.42 psi/ft x 4,570 ft)	-	(0.22 psi/ft x 4,570 ft)	=	
1,919 psi	-	1,005 psi	=	914 psi

Casing Strengths

9-5/8" J-55 36.0 #/ft ST&C

<u>Wt (#/ft)</u>	<u>Tension (lbs)</u>	<u>Burst (psi)</u>	<u>Collapse (psi)</u>
36.0	394,000	3,520	2,020

Safety Factors

Minimum Standards:	Tension (Dry): 1.8	Burst: 1.0	Collapse: 1.125
Tension (Dry):	Casing Weight: 36.0 #/ft x 400 ft	=	14,400 lbs
	Safety Factor: 394,000 lbs / 14,400 lbs	=	27.36 OK
Burst:	Safety Factor: 3,520 psi / 916 psi	=	3.84 OK
Collapse:	Hydrostatic: 0.052 x 9.0 ppg x 400 ft	=	187 psi
	Safety Factor: 2,020 psi / 187 psi	=	10.80 OK

Use: 400 ft of 9 5/8" J-55 36.0 #/ft ST&C casing

Use: 2M BOPE and casinghead

Centralizers

Use 6 total
 1 middle of bottom joint
 1 top of second joint
 1 top of third joint
 1 every other joint (±80 ft)

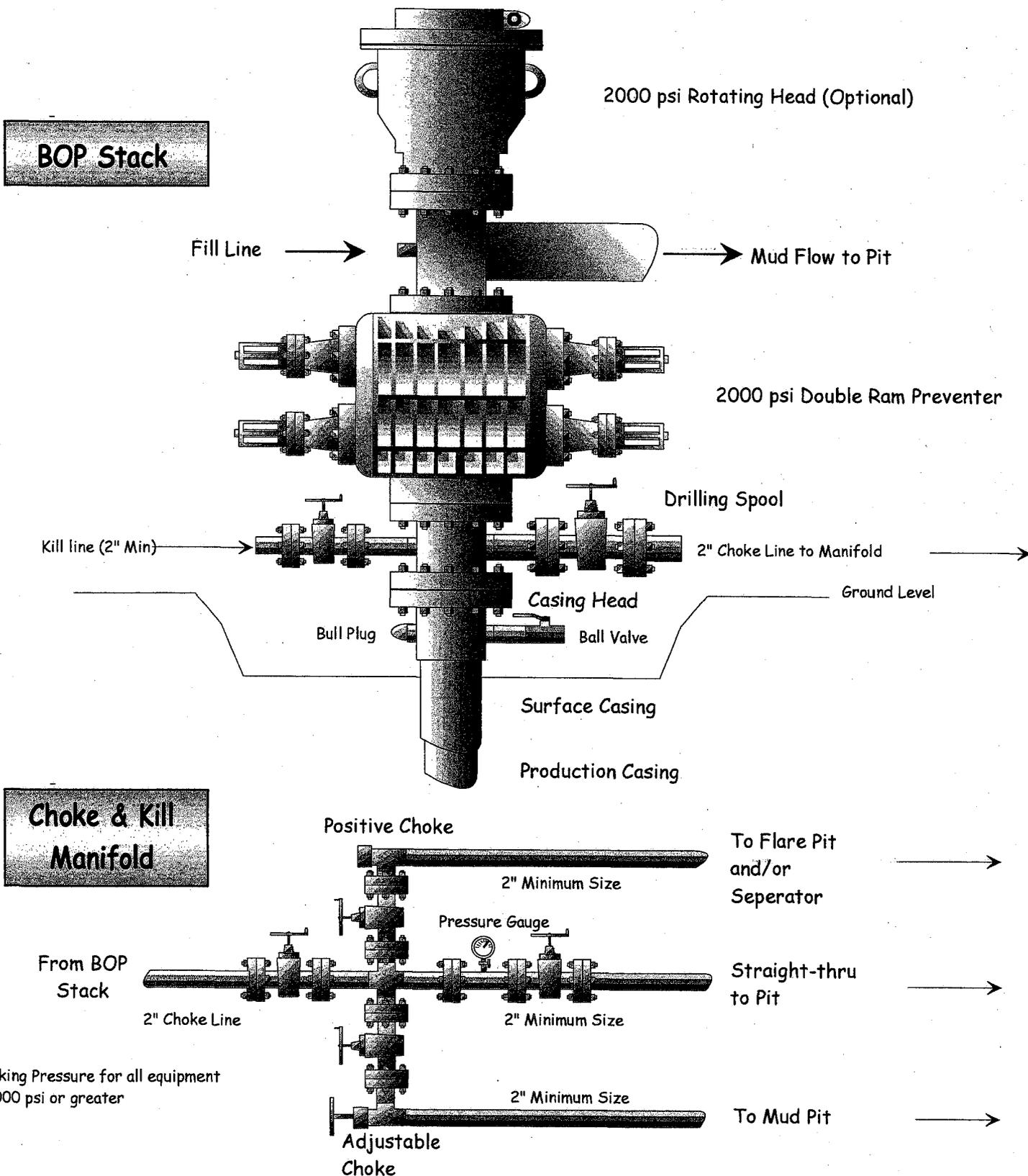
Total centralized ± 420 ft

Note that field experience indicates that additional centralizers greatly increase the chance of "sticking" the surface casing prior to reaching surface casing total depth.

Robert L. Bayless, Producer LLC

2MBOP and Choke Manifold For 2000 psi Service

WEAVER CANYON # 26-2



Robert L. Bayless, Producer LLC

Weaver Canyon # 26-2

Surface Loc: 170' FNL & 2429' FEL (NWNE)
Bottomhole Loc: 155' FNL & 1500' FEL (NWNE)
Section 26, T10S R25E
Uintah County, Utah

Federal Lease: UTU80696

SURFACE USE PLAN

(Attachment to Form 3160-3)

WELL LOCATION AND INTRODUCTION

The surface location of this proposed directional well is 170' FNL & 2429' FEL (NWNE) Section 26, of T10S R25E, with the bottomhole location at 155' FNL & 1500' FEL (NWNE) Section 26, of T10S R25E. The well site was surveyed and staked by Alliance Engineering, Surveyors, for Robert L. Bayless, Producer LLC (Bayless) on December 7, 2006, at a site that was geologically, legally, and topographically acceptable. An onsite meeting with BLM occurred on June 27, 2007. Present were Scott Ackerman and Mike Cutler - BLM; Bill Buniger - Buniger Construction; and Habib Guerrero - Robert L. Bayless, Producer LLC.

The Vernal Resource Area Manager will be notified 24 hours prior to commencing construction of the drillsite, 24 hours notice prior to commencing completion operations and 24 hours prior to commencing reclamation work.

DIRECTIONS TO LOCATION

From the east side of Vernal, Utah, follow US Highway 40 east approximately 3 miles to Naples, Utah. Turn right on Utah Highway 45. Follow Utah Highway 45 for 34.5 miles to Bonanza, Utah. Stay on Highway 45 going south out of Bonanza for 4.7 miles and turn left on Uintah County Road 404 (Dragon Road). Go 3.5 miles on Uintah County Road 404 and turn left (BLM Hells Hole Sign). Go 0.1 miles and turn left (Greek Corrals). Go 1.2 miles and stay to the right. Go 2.7 miles up Hells Hole Canyon and turn left. Follow new access road 1.2 miles thru Weaver Canyon #26-4 and Weaver Canyon #26-3 location to Weaver Canyon #26-2 location.

1) EXISTING ROADS

- A) This proposed well is a development/confirmation well. Existing and planned access roads are shown on the topographic map of the area (Exhibit 4).
- B) Existing roads within 1.0 mile consist of an existing dirt and gravel resource road, to within 0.58 miles, which will provide access to the proposed location.
- C) There are no plans for improvement of existing roads, they will be left in their current condition. Road maintenance will only be performed to keep existing roads in their current condition.

2) PLANNED ACCESS ROADS

± 1,269 feet (0.24 miles) total new construction, Section 26, BLM

This application for Permit to Drill will serve as a request for the BLM to initiate a Right-of-Way (ROW) application for access roads, pipelines and water haul routes, if necessary. This ROW can continue up to the wellhead. The width of ROW requested is 50 feet for construction of road and pipeline, which will be reduced to 30 feet when construction is complete.

- A) Subgrade (running surface) width will be approximately 18 feet, with total disturbed width being a maximum of 40 feet.
- B) Borrow ditches will be backsloped 3:1 or shallower.
- C) Maximum grades will be 2% for 500 feet.
- D) No major road cuts are necessary.
- E) Surfacing material will consist of native material from the road crown. The topsoil will be windrowed during construction and placed in the borrow ditch backslope upon road completion. During reclamation, the backslope of the borrow ditch will be revegetated per Section 10-C of this Surface Use Plan.

3) LOCATION OF EXISTING WELLS AND PRODUCING FACILITIES

The topographic map (Exhibit 4A) shows all existing drilling, abandoned, disposal, injection, shut-in and producing wells, production facilities and pipelines within a 1 mile radius of the proposed location.

4) NEW PRODUCTION FACILITIES PROPOSED

- A) Dimension of Proposed Facility is approximately 300 ft x 175 ft. Pad size will be reduced to minimum size necessary to conduct safe operations.
- B) Rehabilitation of unneeded, previously disturbed areas will consist of backfilling and contouring the reserve pit area, back sloping and contouring all cut and fill slopes. These areas will be re-seeded.
- C) Site preparation for production will be done with standard excavation equipment using native materials. Additional surface material will be obtained from commercial sources or an approved borrow area.
- D) Production facilities may vary according to actual reservoir discovered and will be engineered upon completion of well tests. If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement will conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Orders No. 4 & 5.
- E) No facilities will be constructed off location.
- F) Production equipment will be painted light reflective colors to limit evaporation and waste of liquid hydrocarbons. All above ground permanent structures including production equipment will be painted to blend with the surrounding landscape. The color Olive Black was specified by the BLM on the onsite visit.
- G) Any necessary pits will be fenced on all sides to prevent any wildlife and livestock entry and any production pit will be netted "bird-tight." Pursuant to On-Shore Order No. 7, this is a request for authorization for lined pit disposal of water produced from this well for a period of 90 days from the date of initial production.
- H) The gas gathering line for natural gas production from this well will be 4" steel pipe that will be buried next to (south side) and follow the planned access road to location. The length of this line will be 1269 ft from location to the existing gas sales line that is owned and operated by Encana. All of the new gas gathering line is located on lease and will be constructed by Bayless and ultimately operated by Encana. This gathering line is shown in Exhibit #7.

5) LOCATION OF WATER SUPPLY

This Application for Permit to Drill will serve as a request for the BLM to initiate a Right-of-Way (ROW) application for access roads and water haul routes, if necessary. The water will be transported by truck and will be obtained from the White River at a location in the northeast quarter of section 2, T10S R24E. Dalbo Incorporated has water rights approval for this location and will haul water for Bayless.

6) SOURCE OF CONSTRUCTION MATERIALS

- A) Construction materials will consist of native materials from borrow ditches and location areas.
- B) Surfacing materials will be obtained from available permitted sources, if needed, and consist of pit gravel.
- C) The use of materials will conform to 43 CFR 3610.2-3.

7) WASTE DISPOSAL

- A) Drill cuttings will be buried in the reserve pit when dry.
- B) Drilling fluid will be evaporated and then buried in the reserve pit when dry.
- C) Produced fluids other than water will be contained in storage tanks during completion and testing.
- D) Sewage disposal facilities will be in accordance with State and Local Regulations. Sewage will not be buried on location.
- E) Trash, garbage and other non-flammable waste will be contained in a portable trash cage which will be totally enclosed with small-mesh wire. The cage and contents will be transported to and dumped at an approved Sanitary Landfill as necessary or upon completion of operations. ~~Flammable waste will be disposed of by hauling to an appropriate disposal site.~~
- F) The reserve pit will be fenced "stock tight" on three sides during drilling operations and on the fourth side at time of rig release. The pit will remain fenced until backfilled.
- G) Upon release of the drilling rig, the rathole and mousehole will be filled. Any debris and excess equipment will be removed from the location.

Hazardous Material Statement: No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8) ANCILLARY FACILITIES

No ancillary facilities will be necessary.

9)

WELLSITE LAYOUT

- A) A drill pad layout with a cut/fill diagram is attached as Exhibit 5. Exhibit 6 shows the drilling rig layout on this drill pad. The pad has been staked at its maximum size of 300 ft x 175 ft, however it may be constructed smaller if possible, depending upon rig availability.
- B) All surface disturbing activities will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- C) Topsoil (to a depth of 6 inches or maximum available) will be removed and stockpiled in a windrow on the uphill side of location in such a way as to prevent contamination and soil loss for reclamation.
- D) The reserve pit will be lined with a plastic lining 12 mil or thicker and a felt liner. The reserve pit liner will be sufficiently reinforced to withstand normal wear and tear associated with the installation and pit use and will be chemically compatible with all substances that will be put into the pit.
- E) No drilling or construction will take place during December 01 to April 30 of the current year due to the crucial mule deer winter habitat stipulations.

10) SURFACE RESTORATION

- A) Backfilling, leveling and contouring of the reserve pit is planned as soon as the pit has dried. At least 5 feet of overburden will cover the reserve pit as part of the reclamation process.
- B) Site reclamation for a producing well will be accomplished for portions of the location and road area not required for the continued operation of the well.
- C) The stockpiled topsoil material will be evenly distributed over the disturbed area for surface restoration. The site will be revegetated using a certified seed mix as prescribed by the BLM. Seed tags will be submitted to the Area Manager within 30 days of seeding. Revegetation is generally scheduled for the fall planting season, September 15th through the first frost, unless instructed otherwise. If necessary, a BLM certified weed applicator will be used for weed control.

11) GENERAL INFORMATION

- A) The project area is situated in the uplands of the northwest edge of the Piceance Basin. The topographic and geologic features include a moderate relief area which is well drained. The area has slight sand and silt deposition and is surrounded by rock outcrops with moderately eroded drainages. The major soil type is a clay/loam.
- B) The Flora in the area consists of Juniper, Pinon pine, Mountain Mahogany, Phlox, Rubber rabbitbrush, Shadscale saltbrush, Penstemon, Mormon tea, Basin wildrye, Cheatgrass, Needle and Thread, Black Sagebrush and Indian ricegrass.
- C) No Fauna was observed in the area. Assumed Fauna are mule deer, elk, coyotes, rabbits, raptors, and rodents.
- D) The proximity of water is an unnamed intermittent drainage on the north side of location that flows into Hells Hole Canyon. There are no occupied dwellings or other features in the vicinity of this location.
- E) The concurrent surface use in the area is grazing and hunting.
- F) Mineral Lessor - Bureau of Land Management

G) An archaeological, cultural and historical survey of the area was performed and has been submitted separately by Grand River Institute, Grand Junction, Colorado. A paleontology report was performed and has been submitted separately by A. H. Hamblin Paleontological Consulting, Cedar City, Utah.

H) Surface Owner

Drillsite -	Bureau of Land Management Vernal Resource Area 170 South 500 East Vernal, UT 84078	435-781-4410
Access - New	Bureau of Land Management Vernal Resource Area 170 South 500 East Vernal, UT 84078	435-781-4410
Access - Existing	Bureau of Land Management Vernal Resource Area 170 South 500 East Vernal, UT 84078	435-781-4410

12) LESSEE'S OR OPERATOR'S REPRESENTATIVE

Robert L. Bayless, Producer LLC
P.O. Box 168
Farmington, NM 87499

Kevin H. McCord – Operational Manager
Phone: (505) 326-2659
Fax: (505) 326-6911

Habib Guerrero – Engineer
Phone: (505) 326-2659
Fax: (505) 326-6911

13) CERTIFICATION:

I hereby certify that Robert L. Bayless, Producer LLC is responsible under the terms and conditions of the lease to conduct lease operations in conjunction with the application. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Robert L. Bayless, Producer LLC under their nationwide surety bond, BLM Bond #CO0833.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Robert L. Bayless, Producer LLC and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.



Habib Guerrero
Operations Engineer
Robert L. Bayless, Producer LLC

August 13, 2007

LEGEND

These standard symbols will be found in the drawing.

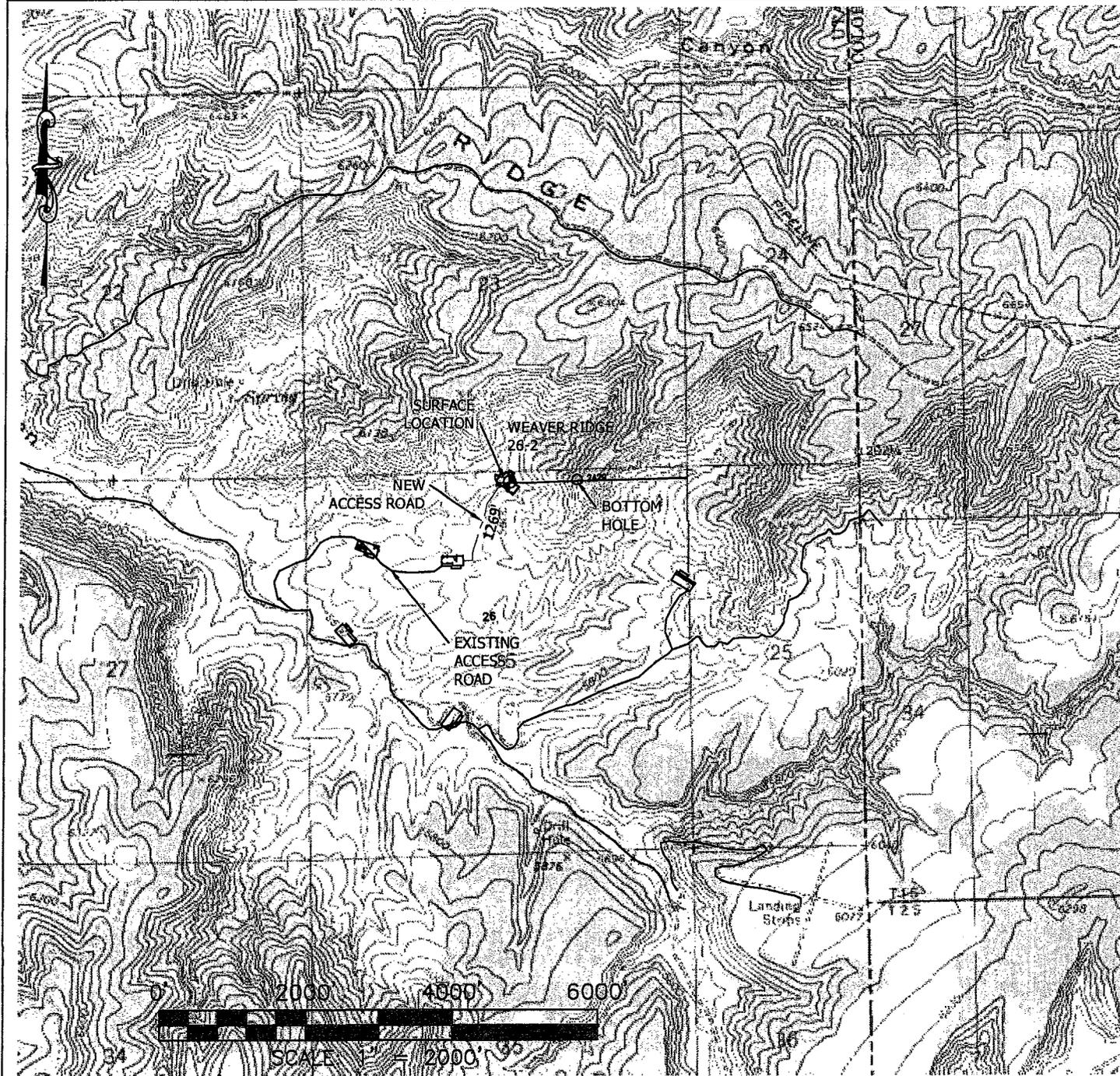
◆ SURFACE LOCATION

QUAD MAP

ROBERT L. BAYLESS, PRODUCER LLC
WEAVER CANYON #26-2
SURFACE LOCATION
170°FNL & 2429°FEL
BOTTOM HOLE LOCATION
155°FNL & 1500°FEL
SEC. 26, T10S, R25E, S.L.B.&M.
UINTAH Co., UTAH
GROUND ELEV. 5766.3' (NAVD88)



Alliance Engineering
A Wood Group Company



TOPOI map printed on 06/26/07 from "WC 26-2.TPO" and "Untitled.tpg"

109°06.000' W

109°05.000' W

109°04.000' W

WGS84 109°03.000' W

39°57.000' N

39°57.000' N

39°56.000' N

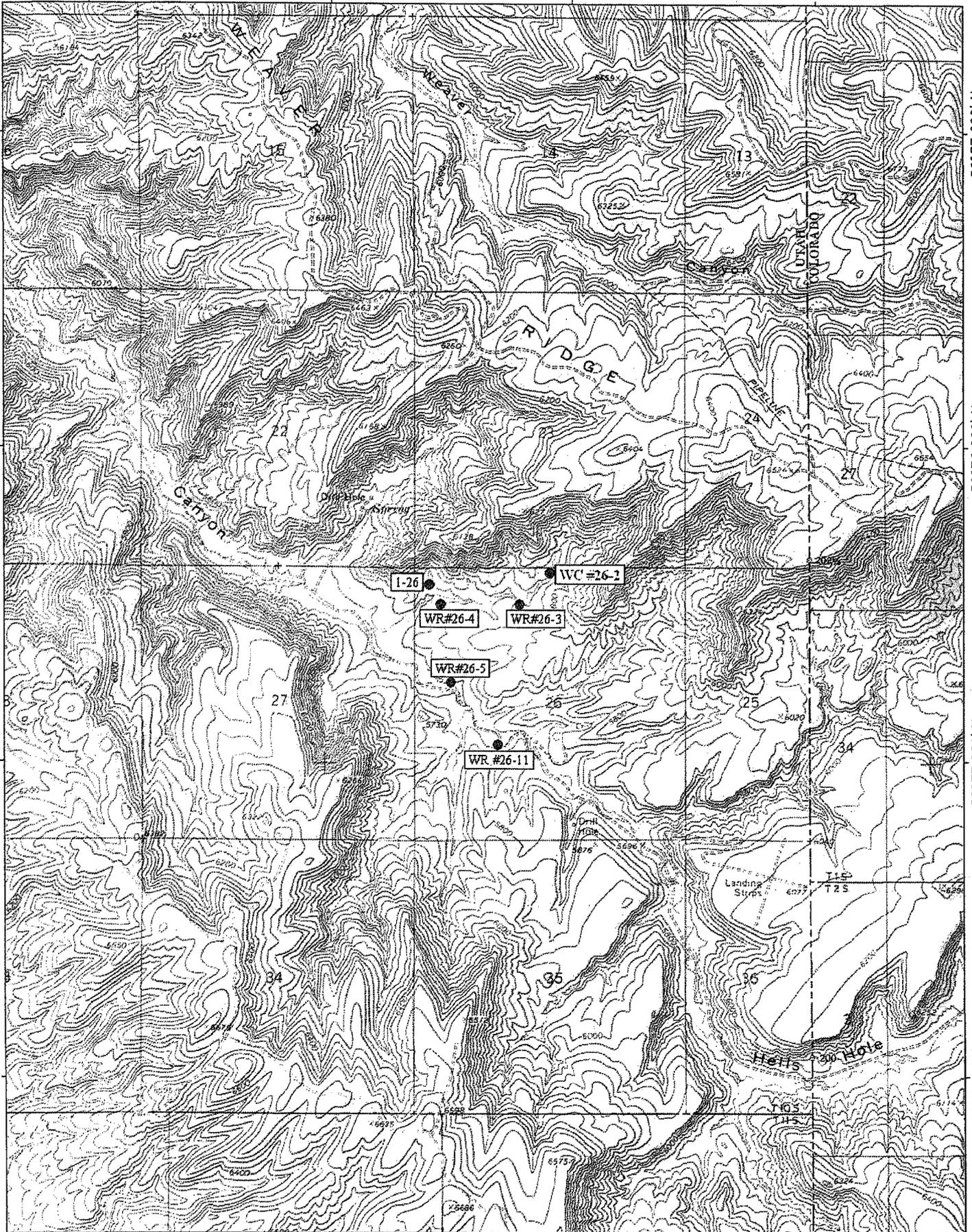
39°56.000' N

39°55.000' N

39°55.000' N

39°54.000' N

39°54.000' N



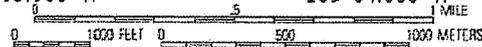
109°06.000' W

109°05.000' W

109°04.000' W

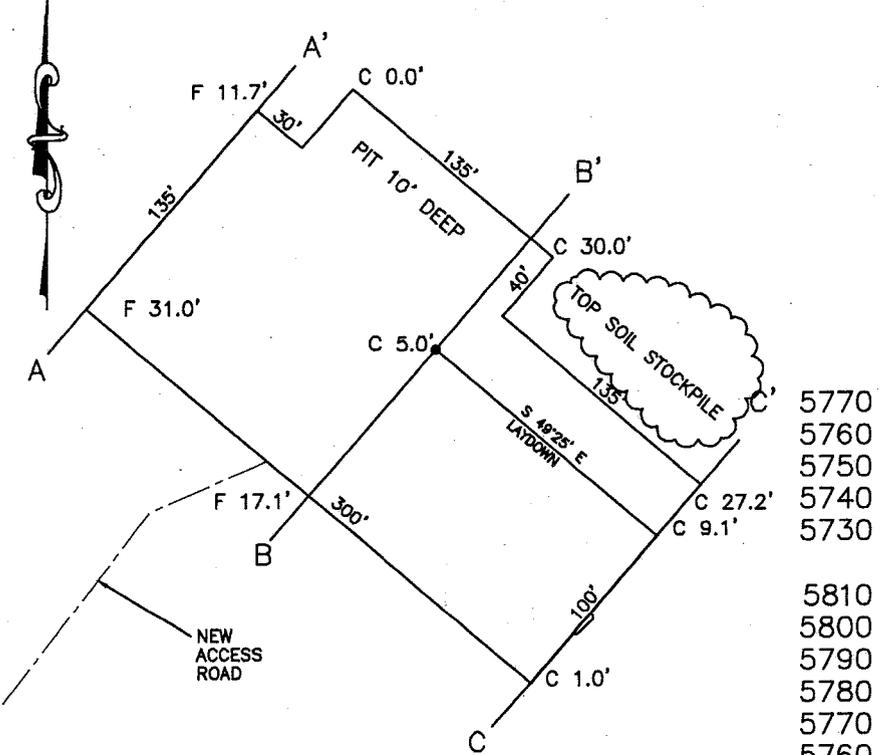
WGS84 109°03.000' W

TN MN
12°



PIT AND PAD LAYOUT

ROBERT L. BAYLESS, PRODUCER LLC
 WEAVER CANYON #26-2
 SURFACE LOCATION
 170'FNL & 2429'FEL
 BOTTOM HOLE LOCATION
 155'FNL & 1500'FEL
 SEC. 26, T10S, R25E, S.L.B.&M.
 UINTAH Co., UTAH
 GROUND ELEV. 5766.3' (NAVD88)

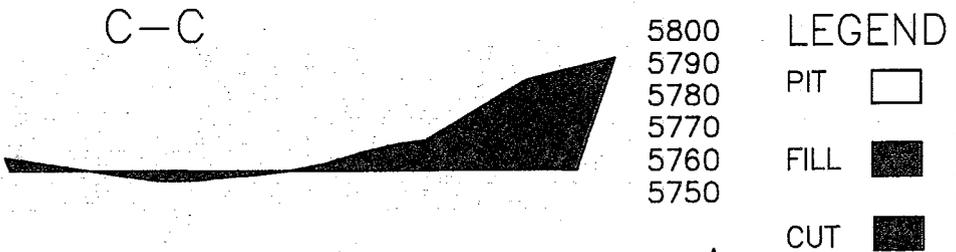
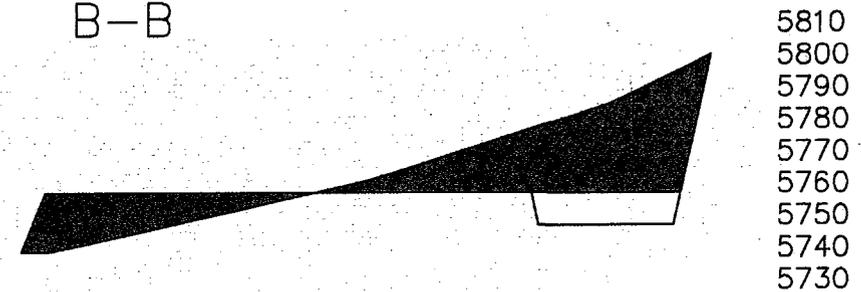
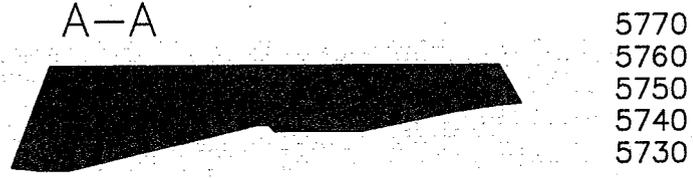


Top of pad elevation: 5761.2757
 Pad EarthWork Volumes
 Total cut : 398,285.5 C.F., 14,751.31 C.Y.
 Total fill: 398,225.0 C.F., 14,749.07 C.Y.
 Balance Export: 60.4 C.F., 2.24 C.Y.
 Area: 92487.1 Sq.Ft., 2.123 Acres

- 5770
- 5760
- 5750
- 5740
- 5730

- 5810
- 5800
- 5790
- 5780
- 5770
- 5760
- 5750
- 5740
- 5730

- 5800
- 5790
- 5780
- 5770
- 5760
- 5750



LEGEND
 PIT
 FILL
 CUT

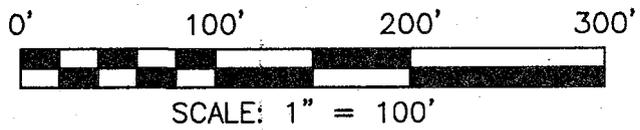


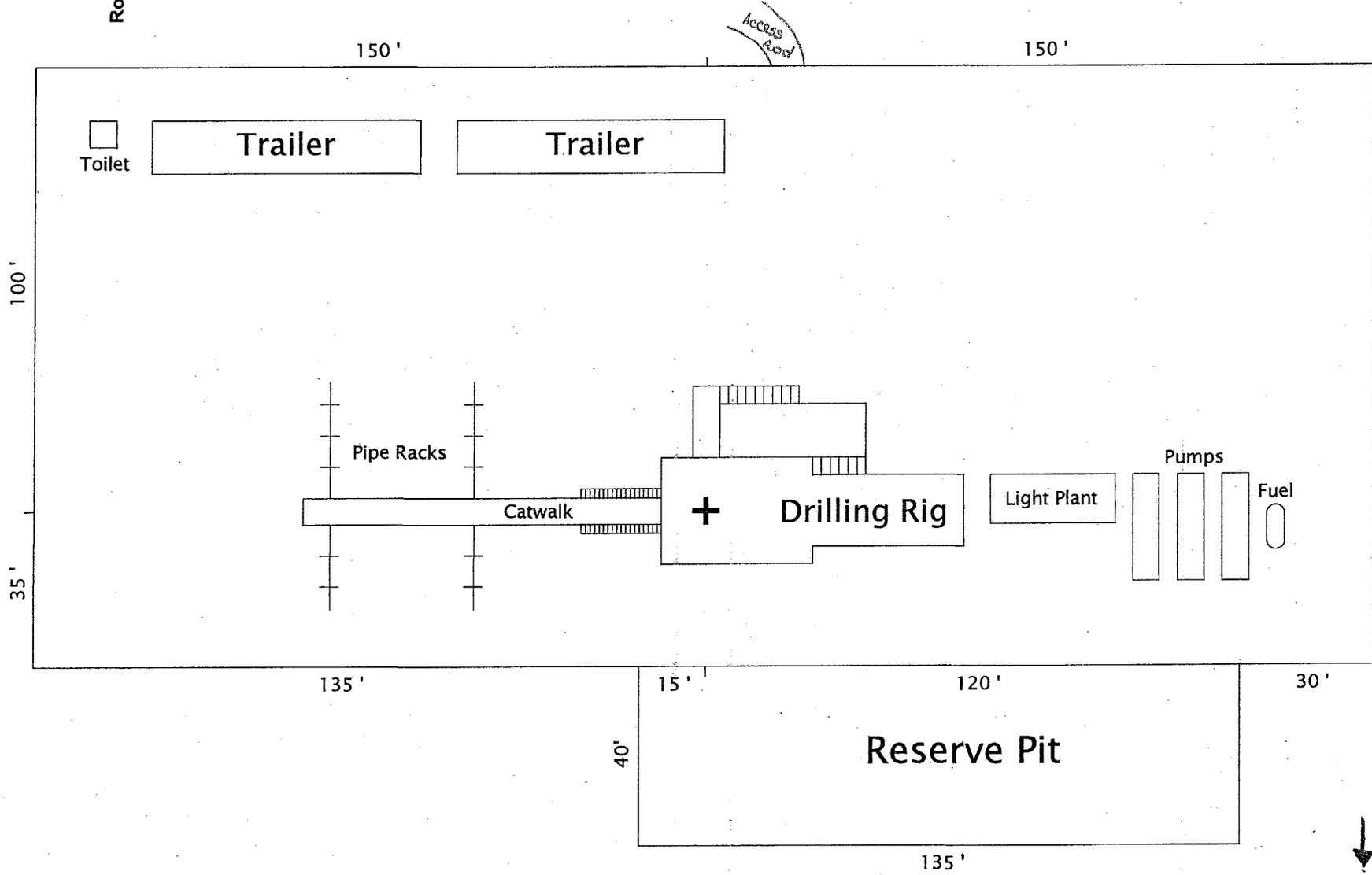
EXHIBIT 5

EXHIBIT 6

Drilling Rig Layout

Robert L. Bayless, Producer LLC

Weaver Canyon #26-2



LEGEND

These standard symbols will be found in the drawing.

◆ SURFACE LOCATION

ACCESS ROAD PIPELINE MAP

ROBERT L. BAYLESS, PRODUCER LLC
WEAVER CANYON #26-2
SURFACE LOCATION
170'FNL & 2429'FEL
BOTTOM HOLE LOCATION
155'FNL & 1500'FEL
SEC. 26, T10S, R25E, S.L.B.&M.
UINTAH Co., UTAH
GROUND ELEV. 5766.3' (NAVD88)



Alliance Engineering
A Wood Group Company

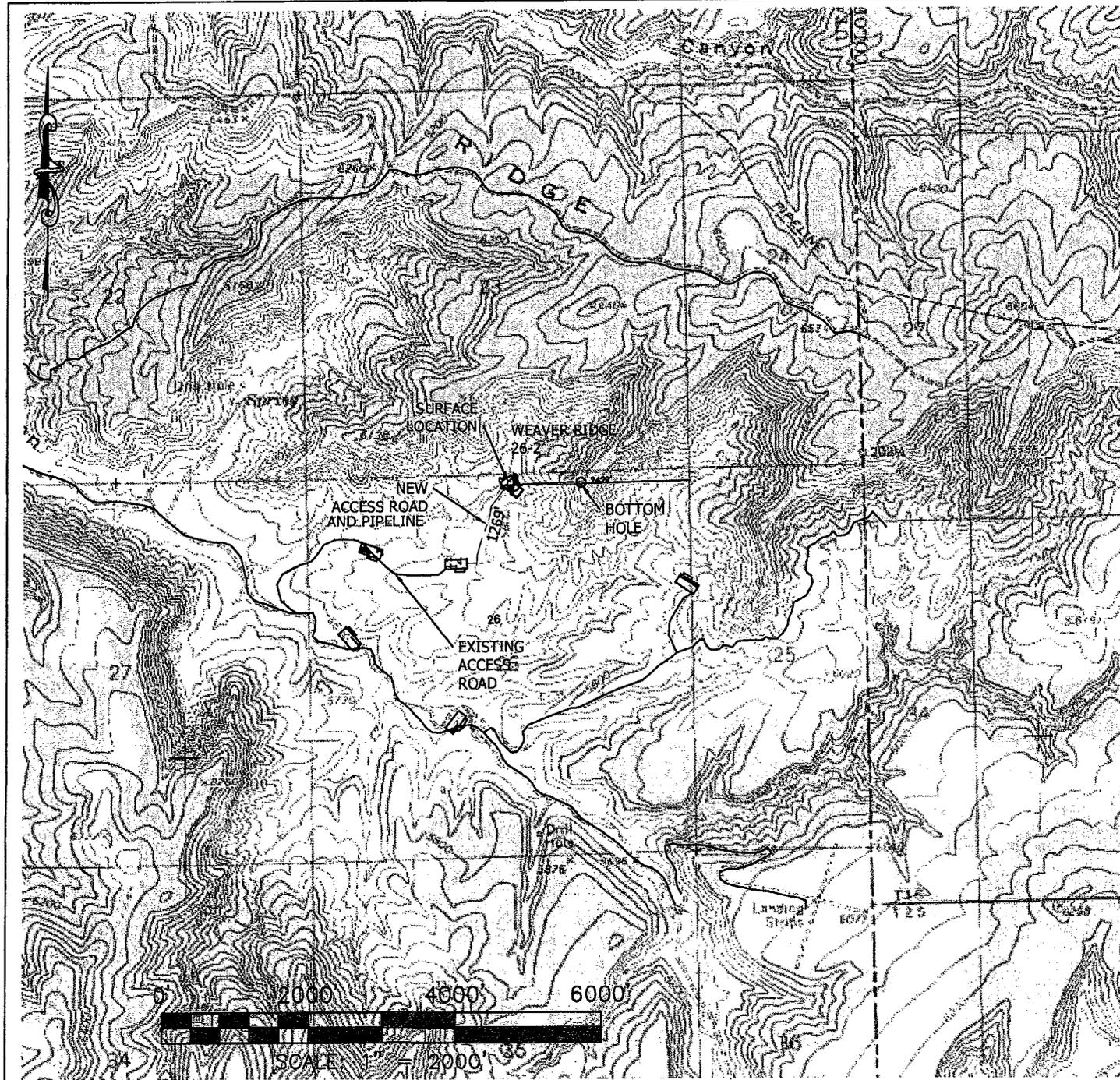
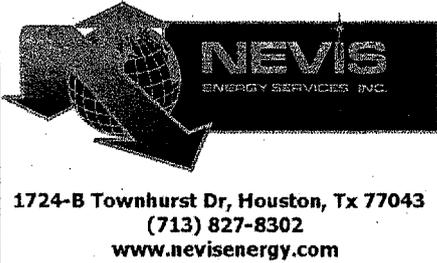


EXHIBIT 7



Job Number: 71xxx
 Company: R L Bayless Producer LLC
 Lease/Well: Weaver Canyon #26-2
 Location: Utah
 Rig Name: □
 RKB: □
 G.L. or M.S.L.: 5766'

State/Country: □
 Declination: □
 Grid: □
 File name: Z:\BAYLESS\WEAVER~1\WC26-2\WC26-2.SVY
 Date/Time: 31-Jul-07 / 14:47
 Curve Name: Weaver Canyon #26-2 plan 7-31-07

Weaver Canyon #26-2 plan 7-31-07

WINSERVE PROPOSAL REPORT
 Minimum Curvature Method
 Vertical Section Plane 89.07
 Vertical Section Referenced to Wellhead
 Rectangular Coordinates Referenced to Wellhead

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	CLOSURE Distance FT	Direction Deg	Dogleg Severity Deg/100
KOP-> 500 TVD Begin Build @ 2.00% 100', 89.7° Azimuth									
500.00	.00	89.07	500.00	.00	.00	.00	.00	.00	.00
530.00	.60	89.07	530.00	.16	.00	.16	.16	89.07	2.00
560.00	1.20	89.07	560.00	.63	.01	.63	.63	89.07	2.00
590.00	1.80	89.07	589.99	1.41	.02	1.41	1.41	89.07	2.00
620.00	2.40	89.07	619.96	2.51	.04	2.51	2.51	89.07	2.00
650.00	3.00	89.07	649.93	3.93	.06	3.93	3.93	89.07	2.00
680.00	3.60	89.07	679.88	5.65	.09	5.65	5.65	89.07	2.00
710.00	4.20	89.07	709.81	7.69	.12	7.69	7.69	89.07	2.00
740.00	4.80	89.07	739.72	10.05	.16	10.05	10.05	89.07	2.00
770.00	5.40	89.07	769.60	12.71	.21	12.71	12.71	89.07	2.00
800.00	6.00	89.07	799.45	15.69	.25	15.69	15.69	89.07	2.00
830.00	6.60	89.07	829.27	18.99	.31	18.98	18.99	89.07	2.00
860.00	7.20	89.07	859.05	22.59	.36	22.59	22.59	89.07	2.00
890.00	7.80	89.07	888.80	26.51	.43	26.50	26.51	89.07	2.00
920.00	8.40	89.07	918.50	30.73	.50	30.73	30.73	89.07	2.00
950.00	9.00	89.07	948.15	35.27	.57	35.27	35.27	89.07	2.00
980.00	9.60	89.07	977.76	40.12	.65	40.11	40.12	89.07	2.00
1010.00	10.20	89.07	1007.31	45.28	.73	45.27	45.28	89.07	2.00
1040.00	10.80	89.07	1036.81	50.74	.82	50.74	50.74	89.07	2.00
1070.00	11.40	89.07	1066.25	56.52	.91	56.51	56.52	89.07	2.00
1100.00	12.00	89.07	1095.62	62.60	1.01	62.59	62.60	89.07	2.00
1130.00	12.60	89.07	1124.93	68.99	1.11	68.98	68.99	89.07	2.00
1160.00	13.20	89.07	1154.18	75.69	1.22	75.68	75.69	89.07	2.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	CLOSURE		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
1190.00	13.80	89.07	1183.35	82.69	1.34	82.68	82.69	89.07	2.00
1220.00	14.40	89.07	1212.44	90.00	1.45	89.99	90.00	89.07	2.00
1250.00	15.00	89.07	1241.46	97.62	1.58	97.60	97.62	89.07	2.00
1280.00	15.60	89.07	1270.40	105.53	1.70	105.52	105.53	89.07	2.00
1310.00	16.20	89.07	1299.25	113.75	1.84	113.74	113.75	89.07	2.00

Begin Hold @ 16.76°, 89.07° Azm									
1338.06	16.76	89.07	1326.15	121.71	1.96	121.69	121.71	89.07	2.00

1438.06	16.76	89.07	1421.91	150.55	2.43	150.53	150.55	89.07	.00
1538.06	16.76	89.07	1517.66	179.39	2.90	179.36	179.39	89.07	.00
1638.06	16.76	89.07	1613.41	208.22	3.36	208.20	208.22	89.07	.00
1738.06	16.76	89.07	1709.16	237.06	3.83	237.03	237.06	89.07	.00
1838.06	16.76	89.07	1804.91	265.90	4.29	265.87	265.90	89.07	.00
1938.06	16.76	89.07	1900.66	294.74	4.76	294.70	294.74	89.07	.00
2038.06	16.76	89.07	1996.42	323.58	5.22	323.54	323.58	89.07	.00
2138.06	16.76	89.07	2092.17	352.42	5.69	352.37	352.42	89.07	.00
2238.06	16.76	89.07	2187.92	381.25	6.16	381.20	381.25	89.07	.00
2338.06	16.76	89.07	2283.67	410.09	6.62	410.04	410.09	89.07	.00
2438.06	16.76	89.07	2379.42	438.93	7.09	438.87	438.93	89.07	.00
2538.06	16.76	89.07	2475.17	467.77	7.55	467.71	467.77	89.07	.00
2638.06	16.76	89.07	2570.92	496.61	8.02	496.54	496.61	89.07	.00
2738.06	16.76	89.07	2666.68	525.45	8.48	525.38	525.45	89.07	.00
2838.06	16.76	89.07	2762.43	554.28	8.95	554.21	554.28	89.07	.00
2938.06	16.76	89.07	2858.18	583.12	9.41	583.05	583.12	89.07	.00
3038.06	16.76	89.07	2953.93	611.96	9.88	611.88	611.96	89.07	.00
3138.06	16.76	89.07	3049.68	640.80	10.35	640.71	640.80	89.07	.00
3238.06	16.76	89.07	3145.43	669.64	10.81	669.55	669.64	89.07	.00
3338.06	16.76	89.07	3241.19	698.47	11.28	698.38	698.47	89.07	.00
3438.06	16.76	89.07	3336.94	727.31	11.74	727.22	727.31	89.07	.00
3538.06	16.76	89.07	3432.69	756.15	12.21	756.05	756.15	89.07	.00
3638.06	16.76	89.07	3528.44	784.99	12.67	784.89	784.99	89.07	.00
3738.06	16.76	89.07	3624.19	813.83	13.14	813.72	813.83	89.07	.00
3838.06	16.76	89.07	3719.94	842.67	13.60	842.56	842.67	89.07	.00
3938.06	16.76	89.07	3815.69	871.50	14.07	871.39	871.50	89.07	.00
4038.06	16.76	89.07	3911.45	900.34	14.54	900.23	900.34	89.07	.00

Target - Mancos B 4007' TVD									
4137.85	16.76	89.07	4007.00	929.12	15.00	929.00	929.12	89.07	.00

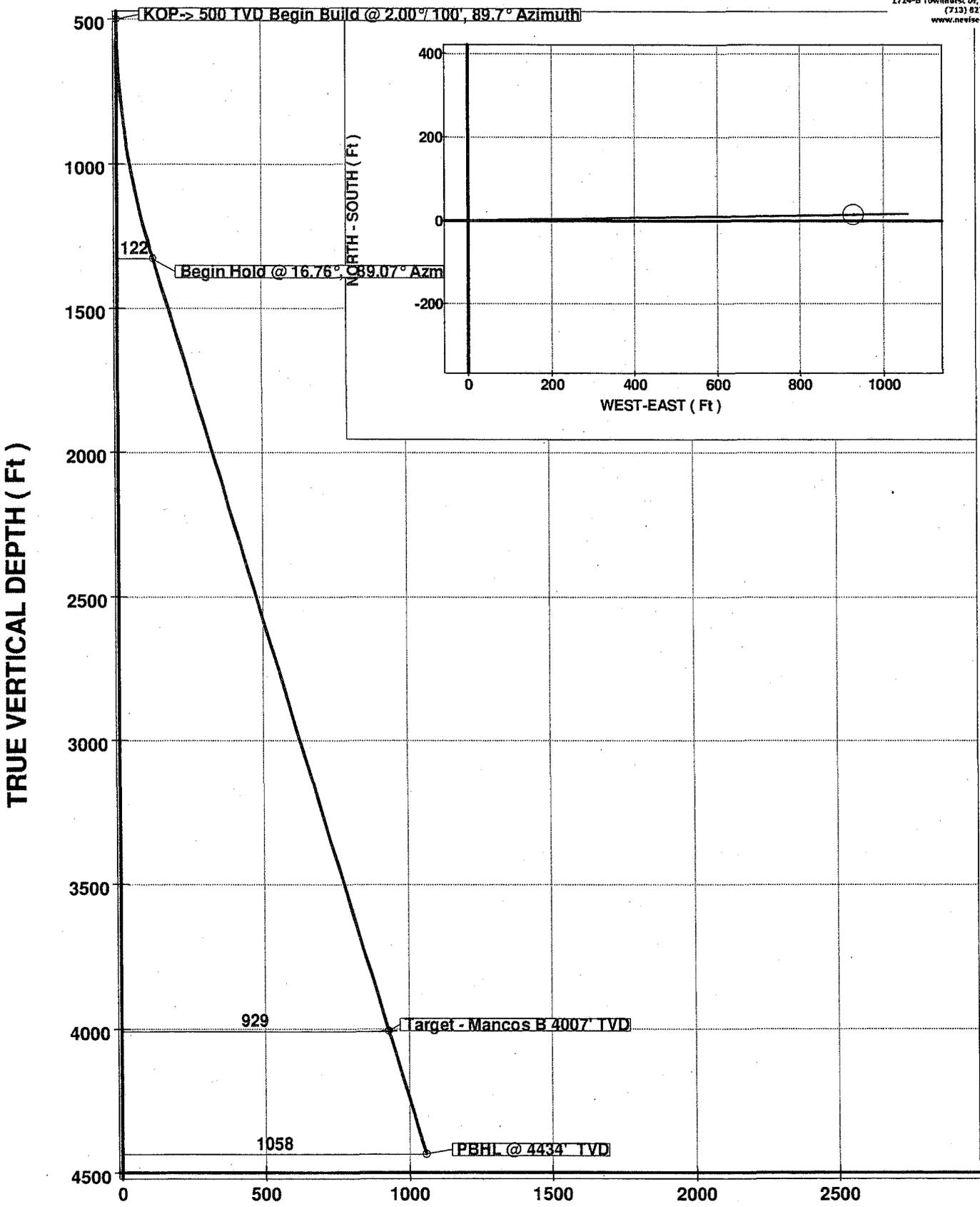
4237.85	16.76	89.07	4102.75	957.96	15.47	957.83	957.96	89.07	.00
4337.85	16.76	89.07	4198.50	986.80	15.93	986.67	986.80	89.07	.00
4437.85	16.76	89.07	4294.25	1015.64	16.40	1015.50	1015.64	89.07	.00
4537.85	16.76	89.07	4390.01	1044.47	16.86	1044.34	1044.47	89.07	.00

PBHL @ 4434' TVD									
4583.80	16.76	89.07	4434.00	1057.72	17.08	1057.59	1057.72	89.07	.00

Job Number: 71xxx
Company: R L Bayless Producer LLC
Lease/Well: Weaver Canyon #26-2
Location: Utah



1724-B Townhurst Dr, Houston, Tx 77043
(713) 627-8302
www.nevisenergy.com



VERTICAL SECTION (Ft) @ 89.07°

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/28/2007

API NO. ASSIGNED: 43-047-39595

WELL NAME: WEAVER CYN 26-2
 OPERATOR: BAYLESS, ROBERT L PROD (N7950)
 CONTACT: HABIB GUERRERO

PHONE NUMBER: 505-326-2659

PROPOSED LOCATION:

NWNE 26 100S 250E
 SURFACE: 0170 FNL 2429 FEL
 BOTTOM: 0155 FNL 1500 FEL
 COUNTY: UINTAH
 LATITUDE: 39.92662 LONGITUDE: -109.0672
 UTM SURF EASTINGS: 665174 NORTHINGS: 4421192
 FIELD NAME: HELL'S HOLE (616)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-80696
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MNCS
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 141769447)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-2187)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

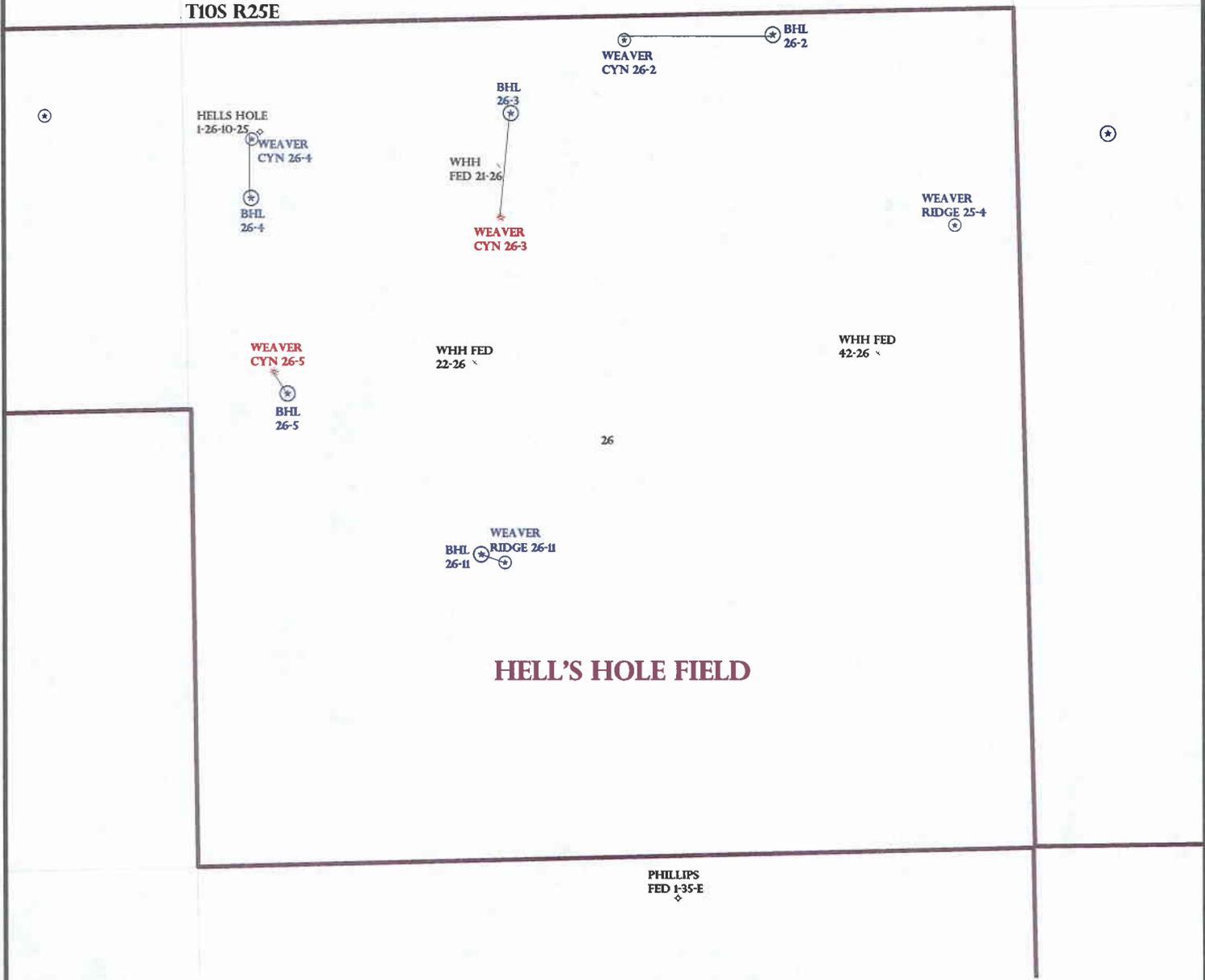
LOCATION AND SITING:

- R649-2-3.
- Unit: _____
- R649-3-2. General
- Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: _____
- Eff Date: _____
- Siting: _____
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1. Federal Approval
2. Spacing SSP

T10S R25E



HELL'S HOLE FIELD

OPERATOR: ROBERT L BAYLESS (N7950)

SEC: 26 T.10S R. 25E

FIELD: HELL'S HOLE (616)

COUNTY: UINTAH

SPACING: R649-3-11 / DIRECTIONAL DRILLING

Field Status

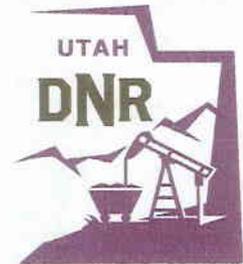
	ABANDONED
	ACTIVE
	COMBINED
	INACTIVE
	PROPOSED
	STORAGE
	TERMINATED

Unit Status

	EXPLORATORY
	GAS STORAGE
	NF PP OIL
	NF SECONDARY
	PENDING
	PI OIL
	PP GAS
	PP GEOTHERML
	PP OIL
	SECONDARY
	TERMINATED

Wells Status

	GAS INJECTION
	GAS STORAGE
	LOCATION ABANDONED
	NEW LOCATION
	PLUGGED & ABANDONED
	PRODUCING GAS
	PRODUCING OIL
	SHUT-IN GAS
	SHUT-IN OIL
	TEMP. ABANDONED
	TEST WELL
	WATER INJECTION
	WATER SUPPLY
	WATER DISPOSAL
	DRILLING



OIL, GAS & MINING



PREPARED BY: DIANA MASON
DATE: 4-SEPTEMBER-2007



State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

December 17, 2007

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Robert L. Bayless, Producer LLC
P O Box 168
Farmington, NM 87499

Re: Weaver Canyon 26-2 Well, Surface Location 170' FNL, 2429' FEL, NW NE, Sec. 26,
T. 10 South, R. 25 East, Bottom Location 155' FNL, 1500' FEL, NW NE, Sec. 26,
T. 10 South, R. 25 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39595.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Office



Operator: Robert L. Bayless, Producer LLC

Well Name & Number Weaver Canyon 26-2

API Number: 43-047-39595

Lease: UTU-80696

Surface Location: NW NE Sec. 26 T. 10 South R. 25 East

Bottom Location: NW NE Sec. 26 T. 10 South R. 25 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at work (801) 538-5281 home (801) 733-0983

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
5. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.
6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

RECEIVED
VERNAL FIELD OFFICE

Form 3160-3
(February 2005)

2007 AUG 21 PM 12:59

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

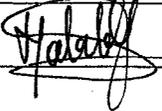
APPLICATION FOR PERMIT TO DRILL OR REENTER

5a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU - 80696
6. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
7. Name of Operator Robert L. Bayless, Producer LLC		7. If Unit or CA Agreement, Name and No.
8a. Address P.O.Box 168 Farmington, NM 87499		8. Lease Name and Well No. Weaver Canyon #26-2
8b. Phone No. (include area code) 505 326 2659		9. API Well No. 43-047-39595
9. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 170' FNL & 2429' FEL NWNE At proposed prod. zone 155' FNL & 1500' FEL NWNE		10. Field and Pool, or Exploratory Wildcat
10. Distance in miles and direction from nearest town or post office* 45 MILES SOUTHEAST OF VERNAL, UTAH		11. Sec., T. R. M. or Blk. and Survey or Area Sec. 26, T10S R25E
11. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 155 ft - Lease Line	12. No. of acres in lease 360	12. County or Parish Uintah
12. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1720 ft to WC#26-3	13. Proposed Depth 4570 ft	13. State UT
13. Elevations (Show whether DF, KDB, RT, GL, etc.) 5766 GL	14. Approximate date work will start* 10/01/2007	14. Spacing Unit dedicated to this well UNSPACED 40 ACRES
15. BLM/BIA Bond No. on file STATE OF UTAH #141769447 NM0883		15. Estimated duration 15 Days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature 	Name (Printed/Typed) Habib Guerrero	Date 08/13/07.
Title Engineer		

Approved by (Signature) 	Name (Printed/Typed) Jerry Kewicka	Date 2-8-2008
Title Assistant Field Manager Lands & Mineral Resources		
Office VERNAL FIELD OFFICE		

Application approval 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 operations thereon.

Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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 matter within its jurisdiction.

*(Instructions on page 2)

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NOTICE OF APPROVAL

FEB 15 2008

DIV. OF OIL, GAS & MINING

UDOGM

NOS 04/23/07

07PP1835A



**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE**

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Robert L. Bayless, Producer LLC
Well No: Weaver Canyon 26-2
API No: 43-047-39595

Location: NWNE, Sec. 26, T10S, R25E
Lease No: UTU-80696
Agreement: N/A

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:		(435) 781-4475	(435) 828-4029
Supervisory NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:		(435) 781-3400	(435) 828-3544
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
- Threatened and Endangered Fish Mitigation
 1. The best method to avoid entrainment is to pump from an off-channel location – one that does not connect to the river during high spring flows. An infiltration gallery constructed in a BLM and Service approved location is best.
 2. If the pump head is located in the river channel where larval fish are known to occur, the following measures apply:
 - a. do not situate the pump in a low-flow or no-flow area as these habitats tend to concentrate larval fishes;
 - b. limit the amount of pumping, to the greatest extent possible, during that period of the year when larval fish may be present (see above); and
 - c. limit the amount of pumping, to the greatest extent possible, during the pre-dawn hours as larval drift studies indicate that this is a period of greatest daily activity.
 3. Screen all pump intakes with ¼” mesh material.
 4. Report any fish impinged on the intake screen to the Service (801.975.3330) and the Utah Division of Wildlife Resources:

Northeastern Region

152 East 100 North, Vernal, UT 84078
Phone: (435) 781-9453

- Avoid drainage to north and southeast of the location.
- The interim seed mix for this location shall be:

Crested wheatgrass	<i>Agropyron cristatum</i>	4 lbs. /acre
Western wheatgrass	<i>Agropyron smithii</i>	4 lbs. /acre
Indian Ricegrass	<i>Stipa hymeniodes</i>	4 lbs. /acre

 - All pounds are in pure live seed.
 - Reseeding may be required if first seeding is not successful.
- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.

- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.
- Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.
- The lessee/operator is given notice that lands in the lease have been identified as containing crucial mule deer winter habitat. It is requested that the lessee/operator not initiate surface disturbing activities or drilling from December 1st through April 30th. A survey may be conducted by a qualified biologist or a BLM representative during this timing period to determine if mule deer are in the area.

**DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

SITE SPECIFIC DOWNHOLE COAs:

- 2M BOPE shall meet all requirements of Onshore Order #2, including having two adjustable chokes on the choke manifold.
- The top of the production casing cement shall extend a minimum of 200 feet above the surface casing shoe.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person

making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: BAYLESS, ROBERT L PROD LLC

Well Name: WEAVER CYN 26-2

Api No: 43-047-39595 Lease Type: FEDERAL

Section 26 Township 10S Range 25E County UINTAH

Drilling Contractor _____ RIG # _____

SPUDDED:

Date 06/12/08

Time 10:00 AM

How DRY

Drilling will Commence: _____

Reported by HABIB GUEVERO

Telephone # (505) 326-2659

Date 06/13//08 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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FORM 6

ENTITY ACTION FORM

Operator: Robert L. Bayless, Producer LLC Operator Account Number: N 7950
Address: P. O. Box 168
city Farmington
state NM zip 87499 Phone Number: (505) 326-2659

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739595	WEAVER CANYON #26-2		NWNE	26	10S	25E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16885	6/11/2008		6/19/08		
Comments: MNCs BHL NWNE							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Angela Geiss
Name (Please Print)
Angela Geiss
Signature
Office Manager 6-18-08
Date

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

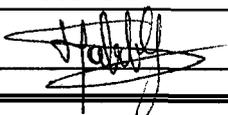
FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 80696
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: Robert L. Bayless Producer LLC		8. WELL NAME and NUMBER: Weaver Canyon 26-2
3. ADDRESS OF OPERATOR: P.O. BOX 168 CITY Farmington STATE NM ZIP 87499	PHONE NUMBER: (505) 326-2659	9. API NUMBER: 4304739595
4. LOCATION OF WELL FOOTAGES AT SURFACE: 170'FNL & 2429'FEL (NWNE) -Surf / 155' FNL & 1500'FEL- BHL(N)		10. FIELD AND POOL, OR WILDCAT: Hells Hole
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 26 10S 25E		COUNTY: Unitah STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Spud and Surface casing and cement</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Moved in and rigged up Elenburg rig #14. Spudded well at 9:00 am 06/11/2008. Drilled 12 1/4 surface hole to 431 ft. Circulate and condition hole for casing. Got pipe stuck at 218 ft on 06/11/08 (11:45 pm) while tripping out of the hole. Unable to move pipe up, down or to rotate the pipe but had full circulation. Rigged up surface jars, tried Jarring but did not work, no visible action from the Jars. Spotted 12 bbls of diesel. Wait on diesel for 1 hour to work on differential sticking. Worked pipe but did not move. Rigged up air package. Blew air down the hole and tried jarring again but did not work. Rigged up Weatherford Wireline. Ran free point indicator and found free point at 187 ft. Shot thread and Back off 7 joint of drill pipe out of the hole applying reverse torque. Circulated and conditioned drilling mud. Tripped out of the hole with bit and collars and found no bridges or tight spots. Laid down fishing tools and bit. Rigged to run casing. Ran 13 joints of 9 5/8" 36 # J-55 ST&C surface casing. Casing was landed at 421 ft. Circulated and conditioned the mud. Rigged up Big 4 cementers and cemented casing to surface with 275 sx (316 cf) class B, 2% cacl2 mixed at 15.8 ppg, 1.15 yield. Good cement returns throughout job circulated to reserve pit. Plug down at 06:34 am, 320 psi. Surface casing was pressure tested to 1580 psi for 30 minutes, held OK. Rig down cementers. Waited on cement 4 hours. Break off landing joint and make up wellhead. Nipple up BOP. Pressure tested BOP, OK. Made up 8 3/4" directional BHA with motor and MWD. Tripped in the hole and tagged cement at 214 ft. Drilled cement and float equipment to 421 ft. Continue drilling to 493 ft and MWD tool failed. Tripped out of the hole to change out MWD tool. Tested the backup MWD tool on surface, but never passed the test. Currently, waiting on new set of directional tools.

NAME (PLEASE PRINT) Habib Guerrero TITLE Operations Engineer
SIGNATURE  DATE 6/16/2008

(This space for State use only)

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JUN 19 2008

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 80696
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Weaver Canyon 26-2	
2. NAME OF OPERATOR: Robert L. Bayless Producer LLC		9. API NUMBER: 4304739595
3. ADDRESS OF OPERATOR: P.O. BOX 168 CITY Farmington STATE NM ZIP 87499	PHONE NUMBER: (505) 326-2659	10. FIELD AND POOL, OR WILDCAT: Hells Hole
4. LOCATION OF WELL FOOTAGES AT SURFACE: 170'FNL & 2429'FEL		COUNTY: Unitah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 26 10S 25E		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>Drilling, Prod casing</u> <u>Survey and cement</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please find the final drilling report summary, surveys, Logs and BOPE test results attached.

NAME (PLEASE PRINT) <u>Habib Guerrero</u>	TITLE <u>Operations Engineer</u>
SIGNATURE	DATE <u>6/30/2008</u>

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JUL 07 2008

Robert L. Bayless, Producer LLC

Morning Report – Drilling

WEAVER CANYON #26-2

Surface: 170' FNL & 2429' FEL (NWNE)
Bottomhole: 188' FNL & 1539' FEL (NWNE) (actual BHL at TD)
Sec 26, T10S R25E
UINTAH, UTAH
API # 43-047-39595

05/18/08

Cutting wood and building road and location

06/04/08

Finished building location.

06/09/08

Moved in and rigged up Elenburg Rig #14 on June 7th. Moved in mud and chemicals, trailers, generators and other rig rentals. Rig crew has been working on rig equipment inspection and repairs. Expect to Spud June 11th at 9:00 am.

06/11/08

Pre-Spud meeting with Elenburg crew, drilling consultant and mud engineer. Spudded well at 9:00 am 06/11/2008. Drilled 12 ¼" surface hole to 278 ft. Performed rig service and worked on rig pump. Continue drilling to 308 ft. Clutch chain broke down. Repaired chain and continue drilling to 431 ft, total depth for surface hole. Circulated and condition the hole for casing. Tripped drilling pipe out of the hole for casing. Got pipe stuck at 218 ft on 06/11/08 (11:45 pm) while tripping out of the hole. Unable to move pipe up, down or to rotate the pipe but had full circulation. Waiting on surface jars.

06/12/08

Waited on Jars and air package all day. First set of jars arrived at 5:00 pm on location. Rigged up jars. Tried Jarring but did not work, no visible action from the Jars. Spotted 12 bbls of diesel. Wait on diesel for 1 hour to work on differential sticking. Worked pipe but did not move. Air truck finally arrived at 9:30 pm. Rigged up air package. Blew air down the hole and tried jarring again with a new set of jars. Worked drilling pipe, but unable to move pipe up, down or to rotate the pipe but had full circulation. The decision was made to free point drill pipe and back off. Pick up fishing tools and screw into fish and attempt to retrieve.

06/13/08

Rigged up Weatherford Wireline. Ran free point indicator and found free point at 187 ft. Shot thread and Back off 7 joint of drill pipe out of the hole applying reverse torque. Laid down drilling pipe. Made up fishing tools and run in the hole. Fishing string did not make it to the bottom because overshot at the bottom of the string was too close to hole size. Pulled out of the hole and changed fishing string configuration. Tripped back in the hole and retrieved fish. Worked jars three times and pipe came free. Started to trip out of the hole working tools several times, unable to get pass stuck point at 217ft. Trip back all the way to bottom (found not tight spots). Circulated and conditioned drilling mud. Tripped out of the hole and found no bridges or tight spots. Laid down fishing tools and bit. Rigged to run casing. Ran 13 joints of 9 5/8" 35 # J-55 ST&C surface casing. Casing was landed at 421 ft. Circulated and conditioned the mud for casing. Rigged up Big 4 cementers and cemented casing to Surface with 275 sx (316 cf) class B, 2% cacl₂ mixed at 15.8 ppg, 1.15 yield. Good cement returns throughout job circulated to reserve pit. Plug down at 06:34 am, 320 psi. Surface casing was pressure tested to 1580 psi for 30 minutes, held OK. Currently waiting on cement.

06/14/08

Waited on cement 4 hours. Break off landing joint and make up wellhead. Nipple up BOP. Pressure tested BOP, held OK. Installed swivel lock and Made up 8 3/4" directional BHA with motor and MWD. Tripped in the hole and tagged cement at 214 ft. Rig's Top drive and front drive line broke down for 5.5 hrs. Repaired top drive and front line. Currently, drilling cement shoe at 429 ft.

06/15/08

Drilled cement and float equipment to 421 ft. Continue drilling to 493 ft and MWD tool failed. Tripped out of the hole to change out MWD tool. Tested the backup MWD tool on surface, but never passed the test. Currently, waiting on new set of directional tools from Pathfinder.

06/16/08

Made up 8 3/4" directional BHA with motor and new MWD tool. Tripped in the hole and tagged at 493 ft. Drilled to 523 ft and worked on rig pump. Continue drilling to 554 ft and swivel's hydraulic motor broke down. Circulated and tripped out to shoe for repair. Waited on mechanic and parts. Repaired power swivel motor. Currently, drilling ahead at 889 ft.

06/17/08

Drilled to 1509 ft. Performed wiper trip to shoe. Continue drilling to 1964 ft with the hole moving 5 ft South and 300 ft East (surveys every hour). Currently, we are drilling ahead throughout the Wasatch formation at 2050 ft (MW 9.4, Vis 40). Daily Cost is \$ 38,003 and cumulative cost is \$396,384.

06/18/08

Drilled to 2171 ft. Stand pipe blew a hole. Order new valve assembly. Worked on drawwork's clutch assembly, it was missing 8 bolts. Tripped out of the hole to shoe to work on stand pipe. Performed rig service and repaired stand pipe (9hr). Tripped in the hole and drilled to 2485 ft with the hole moving 4.91 ft South and 437 ft East. Currently, drilling ahead throughout the Upper Segó formation at 2545 ft (MW 9.4, Vis 41).

06/19/08

Drilled to 2674 ft. Performed rig service. Drilled to 2925 ft and changed out two valves and broken spring on rig pump. Continue drilling to 3113 ft with the hole moving 5.21 ft south and 597 east. Reduced pump strokes while sliding because pump surging is causing MWD signal to fail. Drilled to 3161 ft. Changed out drawworks clutch assembly for a new one. Currently, drilling ahead throughout the Mancos formation at 3240 ft (MW 9.7, Vis 40).

06/20/08

Drilled to 3270 ft. Performed rig service. Drilled to 3297 ft and Tripped out of the hole to check bit and directional tools due to slow ROP while sliding (10-20 ft/hr). Performed wiper trip while tripping out of the hole. Worked stuck pipe at 1200 ft. Tripped out of the hole and laid down MWD and motor, bit was in good condition. Calibrated and shallow tested new MWD tool (3hr), ok. Ran in the hole with new set of directional tools and same bit. Wash and ream 3 stands to bottom. Drilled to 3332 ft with the hole moving 4 ft south and 642 east. Currently drilling ahead throughout the Mancos formation at 3365 ft (MW 9.4, Vis 37).

06/21/08

Drilled to 3369 ft. Performed rig service and changed out liners in pump. Drilled to 3695 ft with the hole moving 0.93 ft south and 734 ft east. Yesterday, after taking a survey with new MWD found out that old motor was apparently hot (magnetic interference) because the azimuth was off by 3 degrees. Currently drilling ahead throughout the Mancos A formation at 3841 ft (MW 9.6, Vis 45) with sliding rates of 4 to 5 ft/hr hurting penetrations rates. .

06/22/08

Drilled to 3924 ft. Performed rig service and changed out relay in drawworks. Drilled to 3986 and changed out transmission fluid and installed Throttle sensor. Drilled to 4079 ft and repair broken bolts in the swivels motor. Continue drilling to 4407 ft with the hole moving 12 ft south and 873 ft east. Currently drilling ahead throughout the Mancos B formation at 4507 ft (MW 9.8, Vis 61).

06/23/08

Drilled to TD at 4520 ft. Conditioned and circulated hole for logs (pumped gel sweep). Tripped out of the hole with directional BHA. Laid down directional tools. Rigged up PSI wireline truck. Picked up tools and ran in the hole. Tagged solid bridge at 1330 ft, unable to pass through. Tripped logging tools out of the hole. Changed out string configuration (made it short). Tripped in the hole with new string. Worked tools several times, unable to pass this bridge at 1330 ft. The decision was made to trip out of the hole lay down logging tools and pick up wiper assembly. Made up wiper assembly with Tri-cone bit, motor, 21 HWDP, jars, 9 HWDP and tripped in the hole. Wash and ream through bridges from shoe to 1200 ft. Continue tripping in the hole and wash through bridges at 1500 ft. Currently running in the hole at 3100 ft (MW 10.2, Vis 64).

06/24/08

Continue wiper trip to bottom. Ream from 2400 ft to 2500ft. Worked on centrifugal pump on mud tanks. Circulated and conditioned hole for logs (MW 73 vis). Tripped out of the hole with wiper assembly. Rigged up PSI wireline truck. Picked up tools and ran in the hole. Tools made it to bottom without problem.

06/25/08

Continue logging. Tripped out of the hole and laid down logging tools. Tripped back in the hole with drilling pipe to bottom. Circulated and conditioned the mud for casing. Tripped out of the hole and laid down drill pipe in singles. Rigged up to run casing.

06/26/08

Ran 102 joints of 4 ½ I-80 11.6#/ft new casing. Casing landed at 4511 ft as follow:

KB to landing point	11.00 ft	0 – 11 ft
80 joints casing	3511.28 ft	11 – 3522 ft
Marker Joint	21.83 ft	3522 – 3544 ft
21 joints casing	921.07 ft	3544 – 4465 ft
Float Collar	1.15 ft	4465 – 4466 ft
Shoe Joint	43.90 ft	4466 – 4510 ft
Guide Shoe	<u>0.90 ft</u>	4510 – 4511 ft
	4511.13 ft	

Marker Joint set @ 3522 ft above the Mancos B formation.

Circulated and conditioned hole for cementing. Rigged up Propetro Cementers and cement casing as follow:

Lead 280 sx (1070 cf) Premium Grade G w/ 16%gel, 10 #/sx gilsonite, 3 #/sx GR-3, 3% salt, and ¼ #/sx flocele. Mix weight 11.0#/gal, Wtr 23 gal/sx, yield 3.82 cf/sx
Tail 510 sx (658 cf) 50/50 poz w/ 3% fluid loss, .3% dispersant, and ¼ #/sx flocele, 10% salt, Mix weight 14.3 #/gal, Wtr 5.75 gal/sx, yield 1.29 cf/sx.

Displaced with 68.9 bbls of 2% KCl water. Plug down at 7:00 pm, 6/26/08. Good returns throughout job with 58 bbls good cement to reserve pit. Nipple down, clean tanks and rig down rig. Released rig on June 27th, 2008 at 6:00 am. Wait on completion.



Job Number: 101007477 NM-NM
Company: Bayless Producers
Lease/Well: Weaver Canyon #26-2
Location: Uintah County
Rig Name: Elenburg #14
RKB: 12'
G.L. or M.S.L.: 5766'

State/Country: Utah / USA
Declination: 9.70°
Grid: Grid North
File name: C:\DOCUME~1\PDS\DESKTOP\BAYLESS\WEAVER-1V
Date/Time: 24-Jun-08 / 02:29
Curve Name: Actual Surveys

Pathfinder Drilling

WINSERVE SURVEY CALCULATIONS
Minimum Curvature Method
Vertical Section Plane 89.08
Vertical Section Referenced to Wellhead
Rectangular Coordinates Referenced to Wellhead

<i>Measured Depth</i> FT	<i>Incl Angle</i> Deg	<i>Drift Direction</i> Deg	<i>True Vertical Depth</i>	<i>N-S</i> FT	<i>E-W</i> FT	<i>Vertical Section</i> FT	<i>CLOSURE</i> Distance FT Direction Deg		<i>Dogleg Severity</i> Deg/100
Tie into surface									
.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
452.00	.30	156.20	452.00	-1.08	.48	.46	1.18	156.20	.07
481.00	.90	151.00	481.00	-1.35	.62	.60	1.49	155.40	2.08
512.00	1.90	114.80	511.99	-1.78	1.20	1.17	2.15	145.94	4.16
542.00	3.60	108.90	541.95	-2.29	2.55	2.51	3.43	132.02	5.74
573.00	5.30	106.80	572.86	-3.02	4.84	4.79	5.70	122.00	5.51
603.00	6.80	106.30	602.69	-3.92	7.87	7.80	8.79	116.49	5.00
634.00	7.90	104.50	633.43	-4.97	11.69	11.61	12.71	113.03	3.62
664.00	8.30	103.80	663.13	-6.00	15.79	15.69	16.89	110.81	1.37
694.00	8.50	103.30	692.81	-7.03	20.05	19.94	21.25	109.32	.71
724.00	8.40	101.10	722.49	-7.96	24.36	24.23	25.63	108.10	1.13
754.00	8.50	99.50	752.16	-8.75	28.70	28.55	30.00	106.96	.85
785.00	8.50	98.20	782.82	-9.45	33.22	33.07	34.54	105.88	.62
815.00	8.40	96.50	812.50	-10.02	37.60	37.43	38.91	104.92	.90
846.00	8.60	95.90	843.15	-10.51	42.15	41.98	43.44	104.00	.71
876.00	8.90	94.90	872.81	-10.94	46.69	46.51	47.96	103.19	1.12
907.00	9.60	92.10	903.40	-11.24	51.67	51.48	52.88	102.27	2.68
937.00	10.10	90.20	932.96	-11.34	56.80	56.61	57.92	101.29	1.99
968.00	10.80	87.80	963.45	-11.24	62.42	62.23	63.42	100.21	2.66
998.00	11.70	85.60	992.87	-10.90	68.26	68.08	69.12	99.07	3.32
1029.00	12.10	86.00	1023.20	-10.43	74.63	74.46	75.36	97.96	1.32
1060.00	12.70	86.00	1053.48	-9.97	81.28	81.10	81.88	96.99	1.94
1091.00	13.40	86.70	1083.68	-9.52	88.26	88.10	88.77	96.16	2.31
1123.00	14.70	86.90	1114.72	-9.09	96.02	95.86	96.45	95.41	4.07

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
1153.00	15.90	88.20	1143.66	-8.75	103.93	103.77	104.29	94.82	4.16
1185.00	16.70	89.50	1174.37	-8.58	112.90	112.75	113.23	94.34	2.75
1216.00	17.00	89.90	1204.04	-8.53	121.89	121.74	122.19	94.00	1.04
1248.00	16.90	90.20	1234.65	-8.54	131.22	131.07	131.50	93.72	.42
1280.00	16.80	89.70	1265.28	-8.53	140.50	140.34	140.75	93.47	.55
1311.00	15.70	88.30	1295.04	-8.38	149.17	149.01	149.40	93.22	3.77
1342.00	15.20	88.30	1324.92	-8.14	157.42	157.27	157.63	92.96	1.61
1372.00	14.90	89.30	1353.89	-7.97	165.21	165.06	165.40	92.76	1.32
1404.00	14.90	88.60	1384.81	-7.82	173.44	173.29	173.61	92.58	.56
1432.00	14.80	87.50	1411.88	-7.58	180.61	180.46	180.77	92.40	1.07
1467.00	14.90	86.40	1445.71	-7.10	189.57	189.43	189.70	92.15	.85
1498.00	14.80	85.10	1475.67	-6.51	197.49	197.36	197.60	91.89	1.12
1530.00	14.60	85.70	1506.63	-5.86	205.58	205.46	205.67	91.63	.79
1561.00	14.80	85.80	1536.61	-5.28	213.43	213.31	213.49	91.42	.65
1593.00	14.90	88.50	1567.54	-4.87	221.62	221.51	221.67	91.26	2.18
1624.00	15.00	91.20	1597.49	-4.85	229.61	229.50	229.66	91.21	2.27
1656.00	15.00	91.50	1628.40	-5.05	237.89	237.78	237.94	91.22	.24
1750.00	14.00	90.10	1719.41	-5.38	261.42	261.30	261.48	91.18	1.13
1813.00	14.70	89.30	1780.44	-5.30	277.04	276.92	277.09	91.10	1.15
1845.00	14.50	89.40	1811.41	-5.21	285.10	284.98	285.15	91.05	.63
1909.00	13.90	89.40	1873.45	-5.04	300.80	300.68	300.84	90.96	.94
1972.00	14.40	90.80	1934.54	-5.07	316.20	316.08	316.24	90.92	.96
2036.00	14.90	91.50	1996.46	-5.40	332.38	332.25	332.43	90.93	.83
2097.00	14.90	91.50	2055.41	-5.81	348.06	347.92	348.11	90.96	.00
2129.00	14.10	90.30	2086.39	-5.94	356.07	355.93	356.12	90.96	2.67
2191.00	14.60	89.70	2146.46	-5.94	371.44	371.30	371.49	90.92	.84
2255.00	15.00	88.60	2208.33	-5.69	387.79	387.64	387.83	90.84	.76
2318.00	15.30	89.10	2269.14	-5.36	404.25	404.11	404.28	90.76	.52
2381.00	15.50	89.40	2329.88	-5.14	420.98	420.84	421.01	90.70	.34
2443.00	14.80	88.80	2389.73	-4.89	437.18	437.04	437.20	90.64	1.16
2506.00	14.50	88.50	2450.68	-4.52	453.11	452.97	453.13	90.57	.49
2601.00	13.50	91.90	2542.86	-4.57	476.08	475.94	476.10	90.55	1.36
2664.00	13.90	91.30	2604.06	-4.99	490.99	490.85	491.02	90.58	.67
2727.00	14.30	91.60	2665.16	-5.38	506.34	506.18	506.36	90.61	.65
2789.00	14.60	91.50	2725.20	-5.80	521.80	521.64	521.83	90.64	.49
2852.00	14.40	90.10	2786.20	-6.02	537.57	537.41	537.61	90.64	.64
2914.00	14.20	90.20	2846.28	-6.06	552.89	552.72	552.92	90.63	.33
2977.00	13.80	89.70	2907.40	-6.05	568.13	567.96	568.16	90.61	.66
3039.00	13.40	88.00	2967.67	-5.76	582.70	582.53	582.73	90.57	.91
3103.00	13.40	87.60	3029.92	-5.19	597.52	597.36	597.55	90.50	.14
3166.00	13.80	87.00	3091.16	-4.49	612.32	612.17	612.34	90.42	.67
3228.00	13.90	87.80	3151.35	-3.81	627.15	627.00	627.16	90.35	.35
3260.00	14.50	92.00	3182.38	-3.81	634.99	634.85	635.00	90.34	3.72
3290.00	13.90	93.20	3211.46	-4.14	642.34	642.19	642.36	90.37	2.23
3354.00	14.20	94.90	3273.55	-5.24	657.84	657.67	657.86	90.46	.80

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
3417.00	13.90	93.60	3334.66	-6.37	673.09	672.90	673.12	90.54	.69
3448.00	13.70	92.70	3364.77	-6.78	680.47	680.28	680.51	90.57	.95
3480.00	13.30	90.20	3395.88	-6.97	687.94	687.74	687.97	90.58	2.21
3510.00	12.50	85.40	3425.13	-6.72	694.63	694.43	694.66	90.55	4.46
3541.00	12.60	82.50	3455.39	-6.01	701.32	701.14	701.35	90.49	2.06
3572.00	12.30	79.50	3485.66	-4.97	707.92	707.75	707.94	90.40	2.30
3604.00	12.50	79.90	3516.91	-3.74	714.68	714.53	714.69	90.30	.68
3695.00	13.20	83.30	3605.63	-.80	734.70	734.59	734.70	90.06	1.13
3757.00	12.90	84.50	3666.03	.69	748.62	748.53	748.62	89.95	.65
3850.00	12.40	88.60	3756.78	1.93	768.93	768.86	768.94	89.86	1.10
3913.00	12.80	89.60	3818.26	2.14	782.67	782.61	782.68	89.84	.72
3976.00	12.70	92.90	3879.71	1.84	796.57	796.50	796.57	89.87	1.17
4038.00	11.60	95.60	3940.32	.88	809.58	809.49	809.58	89.94	2.00
4100.00	10.90	98.40	4001.13	-.58	821.58	821.47	821.58	90.04	1.43
4162.00	10.60	99.60	4062.04	-2.39	833.00	832.86	833.01	90.16	.60
4223.00	10.10	102.20	4122.04	-4.45	843.76	843.58	843.78	90.30	1.12
4285.00	9.80	104.20	4183.11	-6.90	854.19	853.97	854.22	90.46	.74
4344.00	9.50	106.00	4241.28	-9.47	863.74	863.48	863.79	90.63	.72
4407.00	9.30	107.60	4303.43	-12.44	873.59	873.28	873.68	90.82	.52
4470.00	8.90	110.20	4365.64	-15.66	883.02	882.65	883.16	91.02	.91
4478.00	8.90	110.40	4373.54	-16.09	884.18	883.81	884.32	91.04	.39
Projected to bit.									
4520.00	8.90	110.40	4415.04	-18.36	890.27	889.86	890.46	91.18	.00

6 AM

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

CHART NO. MP-10000

METER _____

CHART PUT ON _____

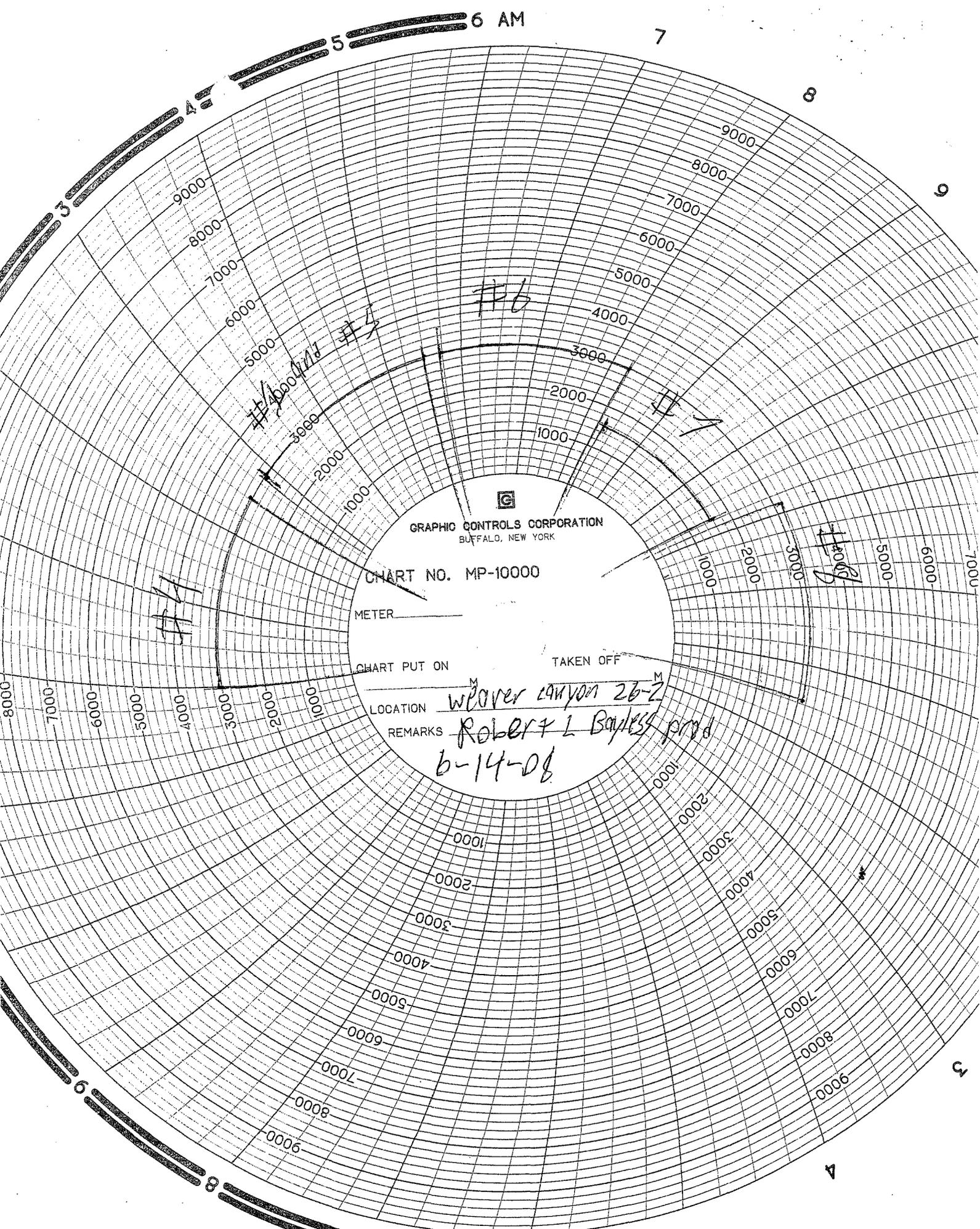
TAKEN OFF _____

LOCATION

Weaver Canyon 26-2^M

REMARKS

*Robert L Bayless prod
b-14-08*



B&C Quick Test, INC. Testing Sheet

OPERATOR: Robert L Bayless prod
 WELL #: weaver canyon 26-Z
 DATE: 6-14-08

Test	Item Tested	PSI HIGH	PSI LOW	MINUTES	REMARKS
1	UPPER KELLY VALVE	3000	/	10	no leaks
2	LOWER KELLY VALVE	/	/	/	/
3	INSIDE BOP	/	/	/	/
4	SAFETY VALVE	3000	/	10	no leaks
5	PIPE RAMS & INSIDE VALVE	3000	/	10	no leaks
6	PIPE RAMS & OUTSIDE VALVE	3000	/	10	no leaks
7	ANNULAR PREVENTER	1500	/	10	no leaks
8	BLIND RAM, KILL LINE, CHOKE LINE & MANIFOLD	3000	/	10	no leaks
9	BLIND RAM, KILL LINE, CHOKE LINE & OUTSIDE MANIFOLD VALVES	3000	/	10	/
10	SURFACE CASING	1500	/	30	/
11	super choke	500	/	10	/

TESTER: Milton K Cooper

UTAH DIVISION OF OIL, GAS AND MINING
NOTICE OF REPORTING PROBLEMS

Operator: Bayless, Robert L Prod Account: N7950 Today's Date: 10/23/2008

Problems:

- Late Report(s)
- Inaccurate Report(s)
- Incomplete Report(s)
- Other: _____

Failure to submit reports in a timely, accurate, and complete manner may result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

To avoid compliance action, these reporting problems should be resolved within 7 days.

Send reports to:

Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 P.O. Box 145801
 Salt Lake City, Utah 84114-5801

Fax to:

(801) 359-3940

26 10s 25e

Type of Report	Month(s) of Problem Report		
<input type="checkbox"/> Production – Form 10 <input type="checkbox"/> Disposition – Form 11 <input type="checkbox"/> Gas Plant – Form 13 <input type="checkbox"/> Enhanced Recovery – UIC Form 2 <input type="checkbox"/> Injection – UIC Form 3 <input type="checkbox"/> Other _____			
Type of Report	Well Name(s)	API Number(s)	Drilling Commenced
<input type="checkbox"/> Spud Notice – Form 9 <input checked="" type="checkbox"/> Drilling Reports – Form 9 <input type="checkbox"/> Well Completion Report – Form 8 <input type="checkbox"/> Other _____	Weaver Cyn 26-2 <input type="checkbox"/> List Attached	4304739595	06/12/2008

Description of Problem:

Per R649-3-6 2.4 The operator shall submit a monthly status report for each drilling well on Form 9, Sundry Notices and Reports on Wells. The report should include the well depth and a description of the operations conducted on the well during the month.

If you have questions or concerns regarding this matter, please contact Rachel Medina at (801) 538-5260 .

cc: Compliance File
 RAM
 Well File
 CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 80696		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT OR CA AGREEMENT NAME		8. WELL NAME and NUMBER: Weaver Canyon 26-2
9. API NUMBER: 4304739595		10. FIELD AND POOL, OR WILDCAT Hells Hole
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 26 10S 25E		12. COUNTY Unitah
		13. STATE UTAH

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____	14. DATE SPUNDED: 6/11/2008	15. DATE T.D. REACHED: 6/23/2008	16. DATE COMPLETED: 10/27/2008	ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): 5766 GL
d. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____	2. NAME OF OPERATOR: Robert L. Bayless Producer LLC		3. ADDRESS OF OPERATOR: P.O. BOX 168 CITY Farmington STATE NM ZIP 87499		PHONE NUMBER: (505) 326-2659
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 170' FNL & 2429' FEL AT TOP PRODUCING INTERVAL REPORTED BELOW: 170' FNL & 1610' FEL AT TOTAL DEPTH: 188' FNL & 1539' FEL			21. DEPTH BRIDGE MD PLUG SET: TVD		
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) CBL, GR, DIG, CD, CN				23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input type="checkbox"/> YES <input checked="" type="checkbox"/> (Submit copy)	

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4	9 5/8 J-55	36 #/ft	0	421		ClassG 275	49	Surface	
8 3/4	4 1/2 I-80	11.6 #/ft	0	4,511		PremG 280	50	Surf (lead)	
						PremG 510	91	2781'(tail)	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	4,338							

26. PRODUCING INTERVALS					27. PERFORATION RECORD			
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Mancos B	4,084	4,324	3,986	4,220	4,088 - 4,320	0.34	42	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
4088 - 4214	1000 gal 7 1/2 HCL acid 86,416 gals of Hybrid 18# Delta 140 gelled fluid, 82,088 lbs 20/40 Sand
4233 - 4320	1000 gal 7 1/2 HCL acid 106,890 gals of Hybrid 18# Delta 140 gelled fluid, 134,700 lbs 20/40 Sand

29. ENCLOSED ATTACHMENTS: <input checked="" type="checkbox"/> ELECTRICAL/MECHANICAL LOGS <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION	<input type="checkbox"/> GEOLOGIC REPORT <input type="checkbox"/> CORE ANALYSIS	<input type="checkbox"/> DST REPORT <input type="checkbox"/> OTHER: _____	<input type="checkbox"/> DIRECTIONAL SURVEY	30. WELL STATUS: Shut in
--	--	--	---	------------------------------------

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE: 11/3/2008		HOURS TESTED: 3hr		TEST PRODUCTION RATES: →		OIL – BBL: 0	GAS – MCF: 0	WATER – BBL: 4	PROD. METHOD: PUMPING
CHOKE SIZE: N/A	TBG. PRESS. 0	CSG. PRESS. 20	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 0	WATER – BBL: 83	INTERVAL STATUS: open	

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:	

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:	

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:	

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

NO MEASURABLE GAS AT THIS TIME.

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of 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.

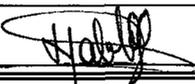
34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Wasatch	918	1,458		Green River	0
Mesaverde	1,458	2,650		Wasatch	918
Castlegate	3,120	3,248		Mesaverde	1,458
Mancos B	4,084	4,324		Upper Sego	2,650
				Lower Sego	2,846
				Buck Tongue	2,882
				Castlegate	3,120
				Mancos	3,248
				Mancos A	3,848
				Mancos B	4,084

35. ADDITIONAL REMARKS (Include plugging procedure)

Directional surveys have been previously submitted

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

NAME (PLEASE PRINT) Habib J. GuerreroTITLE Petroleum EngineerSIGNATURE DATE 11/12/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

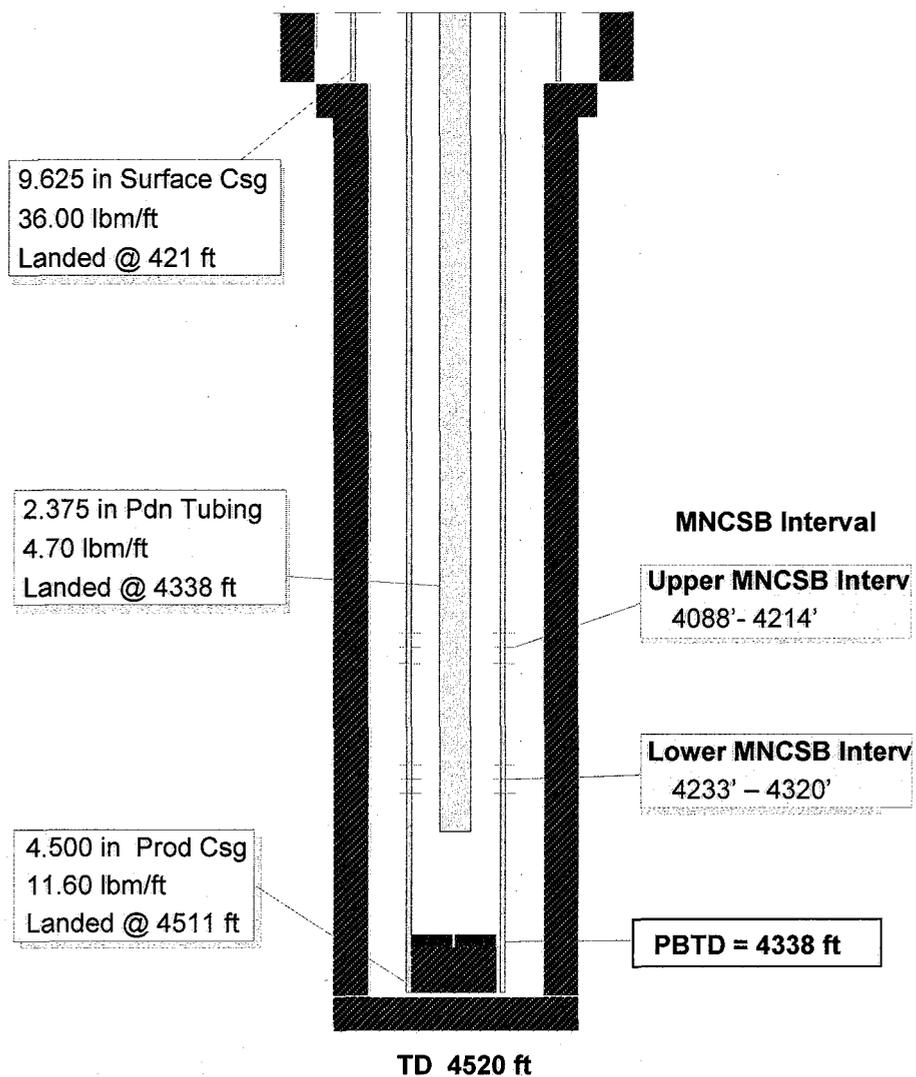
Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

ROBERT L. BAYLESS, PRODUCER LLC
WEAVER CANYON #26-2
SECTION 26, T10S, R25E
SHL: 170' FNL & 2429' FEL (NWNE)
BHL: 188' FNL & 1539' FEL (NWNE) (actual BHL at TD)
Uintah County, Utah
API # 43- 047 - 39595

Wellbore Diagram after Mancos B Completion



ROBERT L. BAYLESS, PRODUCER LLC
WEAVER CANYON #26-2
SECTION 26, T10S R25E
SHL: 170' FNL & 2429' FEL (NWNE)
BHL: 188' FNL & 1539' FEL (NWNE) (actual BHL at TD)
Uintah County, Utah
API # 43- 047 - 39595

MANCOS B COMPLETION REPORT

08/27/08 Set one 500 bbl frac tank on location. Filled up tank with 3 % water KCL.

09/20/08 Installed WSI frac valve on casing. Rigged up Blue Jet Wireline Service. Ran GR-CLL and CBL log from corrected PBTD of 4438 ft to surface. Checked depth of maker joint (3473 ft - 3495 ft). Rigged up Adler pump truck and pressure tested frac valve and 4 ½" casing to 3500 psi, held OK. Perforated the lower portion of Mancos B interval with 20 holes, 120 degree phasing and 0.34" diameter as follow:

4233	4254	4267	4287	4300
4239	4255	4271	4288	4318
4240	4259	4272	4289	4319
4241	4260	4273	4294	4320

09/20/08 Rigged up Halliburton Acid crew to perform Diagnostic Fracture Injection Test (DFIT). Broke down lower Mancos B perforations with 3 % KCL water and pumped into formation at 10 bpm at 1850 psi. Formation Broke at 2977 psi. Pumped 14.27 Bbl and pump truck went down. Shut-In for 2 hours and resumed test. ISIP of 1550 psi (0.80 FG). Pumped 9.6 bpm at 1790 psi. Pumped 69.25 Bbl of 3% KCL. Shutdown and get an ISIP of 1491 psi (0.77 FG). See DFIT PowerPoint file for results.

10/27/08 Rigged up Halliburton crew. Broke down lower Mancos B perforations at 1850 psi with 10 bbls of 2% KCL water into formation at 12.0 bpm. Acidized the lower Mancos B interval with 1000 gallons of 7 ½ % HCL acid containing 33 RCN ball sealers at 12 BPM and 1750 psi. Had good ball action and balled off to 3500 psi. Pumped remaining acid into perforations at a final rate of 4 bpm and 1650 psi with ISIP of 1440 psi (0.77 FG). Ran wireline junk basket and recovered 33 balls sealers. Fracture stimulated the lower Mancos B interval with 86,416 gallons of hybrid 18# Delta 140 gelled fluid containing 82,088 lbs of 20/40 mesh sand as follows:

14,810 gals of hybrid 2% KCL pad	40.0 bpm @ 3300 psi
5,459 gals 18# Delta 140 gel with 0.5 ppg 20-40 sand	37.0 bpm @ 3200 psi
16,944 gals 18# Delta 140 gel with 1.0 ppg 20-40 sand	37.0 bpm @ 2800 psi
27,929 gals 18# Delta 140 gel with 1.5 ppg 20-40 sand	39.0 bpm @ 2750 psi
13,890 gals 18# Delta 140 gel with 2.0 ppg 20-40 sand	39.0 bpm @ 2700 psi
2,812 gals of flush	39.0 bpm @ 2750 psi

Initial shut in pressure was 1460 psi, decreasing to 1433 psi after 15 minutes (0.78 FG). Average rate 38 bpm, average pressure 2790 psi. Maximum pressure 3,542 psi, minimum pressure 2726 psi. Total fluid pumped 2009 bbls.

10/28/08

Ran Composite bridge plug in hole on wireline and set plug at 4226 ft. Pressure tested plug to 3500 psi, held OK. Perforated the upper portion of Mancos B interval with 22 holes, 120 degree phasing and 0.34" diameter as follow:

4088	4106	4132	4150	4174	4205
4095	4112	4134	4152	4185	4214
4096	4113	4141	4168	4187	
4098	4120	4143	4172	4192	

Total 22 holes (1 SPF) with 120 degree phasing creating 0.34" diameter Riggged up to perform Diagnostic Fracture Injection Test (DFIT). Broke down Upper Mancos B perforations with 2 % KCL water and pumped into formation at 10 bpm at 2033 psi. Formation Broke at 2489 psi. Injected 41.9 Bbl of 2% KCl Water. Shutdown with an ISIP of 1123 psi (0.66 FG). Analyzed pressure fall off. DFIT Revealed Pressure dependent leakoff dominated by transverse storage. A Fracture closure pressure of 2500 psi. Maximum reservoir pressure of 1773 psi. A before closure permeability of 0.015 mD and an maximum after closure permeability of 0.33 mD. See post job profile.

Acidized upper Mancos B interval with 1000 gallons of 7 ½ % HCL acid containing 33 RCN ball sealers at 12 BPM and 2000 psi. Had good ball action and balled off to 3500 psi. Pumped remaining acid into perforations at a final rate of 3 bpm and 2400 psi with ISIP of 1550 psi (0.81 FG). Ran junk basket on wireline and recovered 32 ball sealers. Fracture stimulated the upper Mancos B interval with 106,890 gallons of hybrid 18# Delta 140 gelled fluid containing 134,700 lbs of 20/40 mesh sand as follows:

12,956 gals of hybrid 2% KCL pad	42.0 bpm @ 3050 psi
4,979 gals 18# Delta 140 gel with 0.5 ppg 20-40 sand	42.0 bpm @ 3000 psi
16,239 gals 18# Delta 140 gel with 1.0 ppg 20-40 sand	42.0 bpm @ 2800 psi
42,804 gals 18# Delta 140 gel with 1.5 ppg 20-40 sand	42.0 bpm @ 2700 psi
21,005 gals 18# Delta 140 gel with 2.0 ppg 20-40 sand	42.0 bpm @ 2650 psi
2,661 gals of flush	42.0 bpm @ 2750 psi

Initial shut in pressure was 1580 psi, decreasing to 1414 psi after 5 minutes (0.82 FG). Average rate 42 bpm, average pressure 2825 psi. Maximum pressure 3607 psi, minimum pressure 2650 psi. Total fluid pumped 2453 bbls. Waiting on Completion rig.

10/29/08 Moved in Hayes Petroleum completion rig to location. Spot rig and shut down overnight.

10/30/08 Overnight pressure: annulus 100 psi. Rigged up completion rig and unloaded tubing. Rigged up ½ choke and opened well to flow. Well was unloading thick gel water and no sand. Nipple down and released Frac valve. Nipple up wellhead and BOP. Picked up 3 7/8" mill bit on 2 3/8' tubing. Tripped in the hole with 114 joints. Secure well. Shut in well and shut down overnight.

10/31/08 Overnight shut in pressures: tubing 0 psi, annulus 20 psi. Continue tripping in the hole with tubing and tagged fill at 4220 ft (6ft above top of frac plug). Rigged up air unit. Tripped in the hole and drilled out plug. Circulated with air and cleaned out hole to 4438 ft PBDT (118 ft of rat hole). Tripped out of the hole and laid down mill bit. Tripped in the hole with landing string on tubing (tubing anchor, seat nipple and tail joint) and landed tubing as follow:

<u>Description</u>	<u>Length</u>	<u>Depth</u>
KB to landing point	9.00	0 - 9
120 jts of 2 3/8" 4.7#/ft J55 EUE	3884.68	9 - 3893
Tubing anchor	3.00	3893 - 3896
13 jts of 2 3/8" 4.7#/ft J55 EUE	421.83	3896 - 4318
Seating nipple	1.50	4318 - 4320
1 tail joint of 2 3/8" tubing	<u>18.00</u>	4320 - 4338
	4338.01	

Nipple down BOP. Nipple up wellhead. Shut in well and shut down over the weekend.

11/03/08 Rigged to swab. Found initial fluid level at 2800 ft. Made a total 14 swab runs during the day. At the end of the day, the fluid level had dropped to approximately 3200 ft, recovering a total of 83 bbls of fluid (water) with no annulus pressure while swabbing at an approximate recovery rate of 6 bbls per hour. Rigged down swab. Rigged up to run rods. Tripped in the hole with pump and rods and landed as follow:

<u>Description</u>	<u>Length</u>	<u>Depth</u>
KB to landing point	9.00	0 - 9
1 ¼ x 21ft polished rod (8 ft out)	13.00	9 - 22
4 - 3/4" Subs (2ft, 4ft, 6ft, 8ft)	20.00	22 - 42
113 - 3/4" molded guide rods	2825.00	42 - 2867
49 - 3/4" slick rods	1225.00	2867 - 4092
9 - 3/4" guide rods on bottom	225.00	4092 - 4317
1 - 2 x 1½ x 16 RWAC top hold	<u>16.00</u>	4317 - 4333
	4333.00	

Spaced out pump. Hung rods off. Waiting on pumping unit. Rigged down and moved rig to Weaver Ridge 13-9.

RECEIVED

FEB 23 2009

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

DIV. OF OIL, GAS & MINING

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU 80696

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
Weaver Canyon 26-2

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

9. API NUMBER:
4304739595

3. ADDRESS OF OPERATOR:
P.O. BOX 168 CITY Farmington STATE NM ZIP _____

PHONE NUMBER:
(505) 326-2659

10. FIELD AND POOL, OR WILDCAT:
Hells Hole

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 170'FNL & 2429'FEL (NWNE)

COUNTY: Utah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 26 10S 25E 6

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

First production of the Weaver Canyon 26-2 took place on 02/12/2009 at 8:00 AM. Estimated Initial Rate was 268 Mcf, tubing pressure 0 psi and annulus pressure of 1100 psi.

NAME (PLEASE PRINT) Habib Guerrero

TITLE Operations Engineer

SIGNATURE 

DATE 2/12/2009

(This space for State use only)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-80696
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: WEAVER CYN 26-2
2. NAME OF OPERATOR: ROBERT L. BAYLESS, PRODUCER LLC	9. API NUMBER: 43047395950000
3. ADDRESS OF OPERATOR: P.O. Box 168 , Farmington, NM, 87499	PHONE NUMBER: 505 564-7802 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0170 FNL 2429 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 26 Township: 10.0S Range: 25.0E Meridian: S	9. FIELD and POOL or WILDCAT: HELL'S HOLE COUNTY: UINTAH STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: Shut in
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/18/2009			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Robert L. Bayless Producer LLC shut in this well on 5/18/2009 for long term pressure build up testing (3 to 6 months).

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

May 26, 2009

NAME (PLEASE PRINT) Habib Guerrero	PHONE NUMBER 505 564-7810	TITLE Operations Engineer
SIGNATURE N/A	DATE 5/27/2009	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-80696
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: WEAVER CYN 26-2
2. NAME OF OPERATOR: ROBERT L. BAYLESS, PRODUCER LLC	9. API NUMBER: 43047395950000
3. ADDRESS OF OPERATOR: P.O. Box 168 , Farmington, NM, 87499	PHONE NUMBER: 505 564-7802 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0170 FNL 2429 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 26 Township: 10.0S Range: 25.0E Meridian: S	9. FIELD and POOL or WILDCAT: HELL'S HOLE COUNTY: UINTAH STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: Shut in
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/18/2009			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Robert L. Bayless Producer LLC shut in this well on 5/18/2009 for long term pressure build up testing (3 to 6 months).

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

May 26, 2009

NAME (PLEASE PRINT) Habib Guerrero	PHONE NUMBER 505 564-7810	TITLE Operations Engineer
SIGNATURE N/A	DATE 5/27/2009	

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SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: WEAVER CYN 26-2
2. NAME OF OPERATOR: ROBERT L BAYLESS PRODUCER, LLC	9. API NUMBER: 43047395950000
3. ADDRESS OF OPERATOR: P.O. Box 168 , Farmington, NM, 87499	PHONE NUMBER: 505 564-7802 Ext
9. FIELD and POOL or WILDCAT: HELL'S HOLE	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0170 FNL 2429 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 26 Township: 10.0S Range: 25.0E Meridian: S	COUNTY: UINTAH STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 6/1/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="SI Notice"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

ROBERT L. BAYLESS, PRODUCER LLC INTENDS TO SI THIS WELL FOR
 LONG TERM TESTING AROUND JUNE 1, 2014.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 May 22, 2014**

Date: _____

By: Dark Quif

NAME (PLEASE PRINT) Helen Trujillo	PHONE NUMBER 505 326-2659	TITLE Office Manager
SIGNATURE N/A	DATE 5/21/2014	