

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 215882

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|--|--|-------------------------------|
| 1. Operator Name and Address KAISER-FRANCIS OIL CO PO BOX 21468 TULSA, OK 74121 | | 2. OGRID Number 12361 |
| 4. Property Code 315967 | | 3. API Number 30-025-43060 |
| 5. Property Name SOUTH BELL LAKE UNIT 6 2BSS | | 6. Well No. 001H |

7. Surface Location

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| I | 6 | 24S | 34E | | 2240 | S | 375 | E | Lea |

8. Proposed Bottom Hole Location

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| B | 31 | 23S | 34E | B | 330 | N | 1700 | E | Lea |

9. Pool Information

| | |
|----------------------------------|------|
| ANTELOPE RIDGE;BONE SPRING, WEST | 2209 |
|----------------------------------|------|

Additional Well Information

| | | | | |
|---------------------------|-----------------------------|--|-------------------------|------------------------------------|
| 11. Work Type New Well | 12. Well Type OIL | 13. Cable/Rotary | 14. Lease Type State | 15. Ground Level Elevation 3600 |
| 16. Multiple N | 17. Proposed Depth 18000 | 18. Formation 2nd Bone Spring Sand | 19. Contractor | 20. Spud Date 2/27/2016 |
| Depth to Ground water | | Distance from nearest fresh water well | | Distance to nearest surface water |

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5 | 13.375 | 54.5 | 1400 | 1125 | 0 |
| Int1 | 12.25 | 9.625 | 40 | 6700 | 1982 | 0 |
| Prod | 8.5 | 5.5 | 20 | 18000 | 1840 | 6500 |

Casing/Cement Program: Additional Comments

| |
|--|
| |
|--|

22. Proposed Blowout Prevention Program

| | | | |
|------------|------------------|---------------|--------------|
| Type | Working Pressure | Test Pressure | Manufacturer |
| Double Ram | 5000 | 5000 | Cameron |

| | |
|---|--|
| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature: _____ Printed Name: Electronically filed by Robert Major Title: Manager Email Address: BobM@KFOC.net Date: 1/29/2016 | <div style="text-align: center;">OIL CONSERVATION DIVISION</div> Approved By: Paul Kautz Title: Geologist Approved Date: 1/29/2016 Expiration Date: 1/29/2018 Conditions of Approval Attached |
| Phone: 918-491-4372 | |

DISTRICT I
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DISTRICT III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| API Number | Pool Code | Pool Name |
|---------------|------------------------------------|--------------|
| Property Code | Property Name | Well Number |
| | SOUTH BELL LAKE UNIT 6 2BSS | IH |
| OGRID No. | Operator Name | Elevation |
| | KAISER-FRANCIS OIL COMPANY | 3600' |

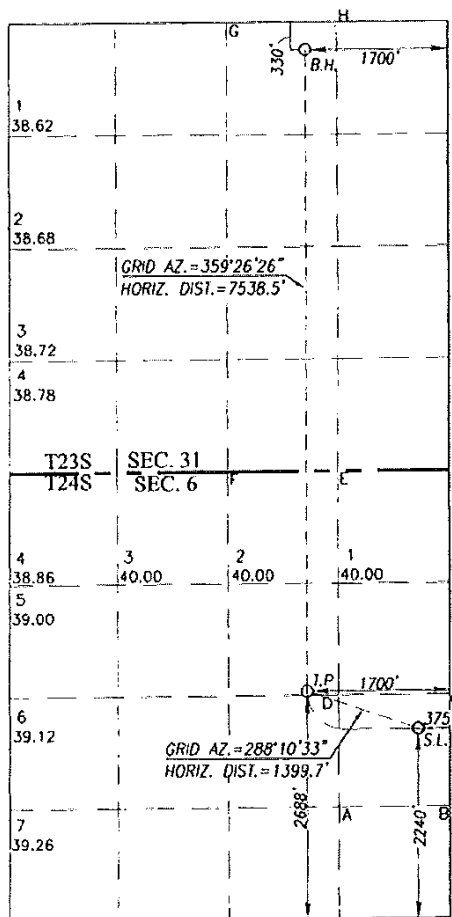
Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|------------|
| I | 6 | 24-S | 34-E | | 2240 | SOUTH | 375 | EAST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------|-----------------|--------------------|-------------|---------|---------------|------------------|---------------|----------------|------------|
| B | 31 | 23-S | 34-E | | 330 | NORTH | 1700 | EAST | LEA |
| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. | | | | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



SCALE: 1"=2000'

GEODETIC COORDINATES
NAD 83 NME
BOTTOM HOLE LOCATION
Y= 462014.9 N
X= 797028.6 E
LAT.=32.267445° N
LONG.=103.506094° W

GEODETIC COORDINATES
NAD 27 NME
BOTTOM HOLE LOCATION
Y= 461955.7 N
X= 755844.9 E
LAT.=32.267321° N
LONG.=103.505615° W

CORNER COORDINATES TABLE

NAD 27 NME
A - Y= 453055.3 N, X= 756313.1 E
B - Y= 453066.4 N, X= 757632.9 E
C - Y= 454386.4 N, X= 757618.5 E
D - Y= 454375.1 N, X= 756298.8 E
E - Y= 457008.1 N, X= 756270.3 E
F - Y= 456998.3 N, X= 754951.2 E
G - Y= 462278.5 N, X= 754903.2 E
H - Y= 462288.5 N, X= 756222.4 E

CORNER COORDINATES TABLE

NAD 83 NME
A - Y= 453114.2 N, X= 797497.0 E
B - Y= 453125.4 N, X= 798816.8 E
C - Y= 454445.4 N, X= 798802.3 E
D - Y= 454434.0 N, X= 797482.7 E
E - Y= 457067.2 N, X= 797454.1 E
F - Y= 457057.3 N, X= 796135.0 E
G - Y= 462337.7 N, X= 796086.8 E
H - Y= 462347.7 N, X= 797406.0 E

GEODETIC COORDINATES
TAKE POINT
NAD 83 NME
Y= 454478.2 N
X= 797102.2 E
LAT.=32.246728° N
LONG.=103.506044° W

GEODETIC COORDINATES
TAKE POINT
NAD 27 NME
Y= 454419.2 N
X= 755918.3 E
LAT.=32.246604° N
LONG.=103.505566° W

GEODETIC COORDINATES
SURFACE LOCATION
NAD 83 NME
Y= 454041.6 N
X= 798431.8 E
LAT.=32.245500° N
LONG.=103.501754° W

GEODETIC COORDINATES
SURFACE LOCATION
NAD 27 NME
Y= 453982.7 N
X= 757247.9 E
LAT.=32.245376° N
LONG.=103.501276° W

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Steven A. Dowdy 128-16
Signature Date

Steven A. Dowdy
Printed Name

trimanres@sbcglobal.net
E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

OCTOBER 2, 2015

Date of Survey
Signature & Seal of Professional Surveyor.

Ronald J. Eidson 1123/2015
Certificate Number Gary G. Eidson 12641
Ronald J. Eidson 3239

LSL REL W O 15 11 0934 JWSC W O 15 13 1035

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Energy, Minerals and Natural Resources
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Form APD Comments

Permit 215882

PERMIT COMMENTS

| | |
|---|--|
| Operator Name and Address: KAISER-FRANCIS OIL CO [12361] PO BOX 21468 TULSA , OK 74121 | API Number: 30-025-43060 |
| | Well: SOUTH BELL LAKE UNIT 6 2BSS #001H |

| | | |
|------------|---------|--------------|
| Created By | Comment | Comment Date |
|------------|---------|--------------|

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Form APD Conditions

Permit 215882

PERMIT CONDITIONS OF APPROVAL

| | |
|--|--|
| Operator Name and Address: KAISER-FRANCIS OIL CO [12361] PO BOX 21468 TULSA, OK 74121 | API Number: 30-025-43060 |
| | Well: SOUTH BELL LAKE UNIT 6 2BSS #001H |

| OCD Reviewer | Condition |
|--------------|--|
| pkautz | Will require a directional survey with the C-104 |
| pkautz | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string |
| pkautz | If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well. |
| pkautz | 1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing -- |
| pkautz | If cement does not circulate to surface, must run temperature survey or other log to determine top of cement |
| pkautz | Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water |
| pkautz | Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186 |
| pkautz | 1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe. |