

**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 219260

**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 316100		3. API Number 30-025-43152
5. Property Name BELL LAKE UNIT 7		6. Well No. 001

**7. Surface Location**

UL - Lot	J	Section	7	Township	24S	Range	34E	Lot Idn	J	Feet From	2276	N/S Line	S	Feet From	1186	E/W Line	E	County	Lea
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**8. Proposed Bottom Hole Location**

UL - Lot	J	Section	7	Township	24S	Range	34E	Lot Idn	J	Feet From	2276	N/S Line	S	Feet From	1186	E/W Line	E	County	Lea
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**9. Pool Information**

WC-025 S243407I;DELAWARE (GAS)	98196
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**Additional Well Information**

11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3607
16. Multiple N	17. Proposed Depth 16085	18. Formation Cherry Canyon	19. Contractor	20. Spud Date 6/1/2016
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	48	650	575	0
Int1	12.25	9.625	40	5200	1400	0
Prod	8.75	7.625	39	12581	600	4847

**Casing/Cement Program: Additional Comments**

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**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	3000	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 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: 4/7/2016	<b>OIL CONSERVATION DIVISION</b>  Approved By: Paul Kautz Title: Geologist Approved Date: 4/14/2016 Expiration Date: 4/14/2018 Conditions of Approval Attached
Phone: 918-491-4372	

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Form C-102  
August 1, 2011  
Permit 219260

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-43152	2. Pool Code 98196	3. Pool Name WC-025 S243407I;DELAWARE (GAS)
4. Property Code 316100	5. Property Name BELL LAKE UNIT 7	6. Well No. 001
7. OGRID No. 12361	8. Operator Name KAISER-FRANCIS OIL CO	9. Elevation 3607

**10. Surface Location**

UL - Lot J	Section 7	Township 24S	Range 34E	Lot Idn J	Feet From 2276	N/S Line S	Feet From 1186	E/W Line E	County Lea
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**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 160.00				13. Joint or Infill	14. Consolidation Code N/A	15. 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**

<table border="1" style="width: 100%; border-collapse: collapse; height: 150px;"> <tr><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> </table>																	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information contained 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(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By:      Robert Major Title:                Manager Date:                4/7/2016</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By:      Earl Foote Date of Survey:    12/20/1996 Certificate Number: 8278</p>

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**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form APD Comments

Permit 219260

**PERMIT COMMENTS**

Operator Name and Address: KAISER-FRANCIS OIL CO [12361] PO BOX 21468 TULSA , OK 74121	API Number: 30-025-43152
	Well: BELL LAKE UNIT 7 #001

Created By	Comment	Comment Date
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Form APD Conditions

Permit 219260

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: KAISER-FRANCIS OIL CO [12361] PO BOX 21468 TULSA, OK 74121	API Number: 30-025-43152
	Well: BELL LAKE UNIT 7 #001

OCD Reviewer	Condition
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	Must notify OCD Hobbs Office of any water flows in the Castile Formation at 575-370-3186. Report depth and flow rate
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.
pkautz	Will require a administrative order for non-standard location prior to placing the well on production.
pkautz	If this well is completed as an oil well must submit a sundry requesting a pool change to Bell Lake, Delaware, South with a C-102 with acreage dedication of 40 acres.