| U.S. Department of the Interior BUREAU OF LAND MANAGEMENT | | Sundry Print Report 11/10/2021 |
|--|---|---|
| Well Name: RED HILLS FEDERAL | Well Location: T25S / R33E / SEC 31 / NENE / 32.0943496 / -103.6062614 | County or Parish/State: LEA / NM |
| Well Number: 106H | Type of Well: OIL WELL | Allottee or Tribe Name: |
| Lease Number: NMNM122620 | Unit or CA Name: | Unit or CA Number: |
| US Well Number: 3002547036 | Well Status: Approved Application for Permit to Drill | Operator: KAISER FRANCIS OIL COMPANY |

Notice of Intent

Sundry ID: 2635103

Type of Submission: Notice of Intent

Date Sundry Submitted: 09/30/2021

Date proposed operation will begin: 09/20/2021

Type of Action: Other Time Sundry Submitted: 02:57

Procedure Description: Kaiser-Francis Oil Company is requesting to move the SHL location of the Red Hills Federal 106H. Approved SHL 300 FNL 1055 FEL SEC 31-25S-33E Proposed SHL 340 FNL 2391 FEL Sec 31-25S-33E The well will be moving from Red Hills Pad 8 to Red Hills Pad 7. The pads are located in the same 1/2 section and are both existing locations. Moving to the proposed SHL will help prevent economic waste, reducing the amount of wells needed to be shut in for drilling and completion operations, and overall be a safer operation. No new surface disturbance is requested.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

RED_HILLS_106H_20210930145555.pdf

| Received by OCD: 11/11/2021 1:43:56 PM Well Name: RED HILLS FEDERAL | Well Location: T25S / R33E / SEC 31 / NENE / 32.0943496 / -103.6062614 | County or Parish/State: LEA/ |
|--|---|---|
| Well Number: 106H | Type of Well: OIL WELL | Allottee or Tribe Name: |
| Lease Number: NMNM122620 | Unit or CA Name: | Unit or CA Number: |
| US Well Number: 3002547036 | Well Status: Approved Application for Permit to Drill | Operator: KAISER FRANCIS OIL COMPANY |

Operator Certification

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

| Operator Electronic Signature: ERIC HANSEN | | | | | | | | |
|--|-----------|--|--|--|--|--|--|--|
| Name: KAISER FRANCIS OIL COMPANY | | | | | | | | |
| Title: Drilling Engineer | | | | | | | | |
| Street Address: 6733 S. Yale Ave. | | | | | | | | |
| City: Tulsa | State: OK | | | | | | | |
| Phone: (918) 491-4339 | | | | | | | | |
| Email address: EricH@kfoc.net | | | | | | | | |
| | | | | | | | | |

Field Representative

Representative Name: Jeremy ParentStreet Address: 88 Shell RoadCity: JalState: NMPhone: (580)504-2593Email address: JeremyP@kfoc.net

Zip: 88252

Signed on: SEP 30, 2021 02:57 PM

BLM Point of Contact

BLM POC Name: Cody Layton BLM POC Phone: 5752345959 Disposition: Approved Signature: Cody R. Layton

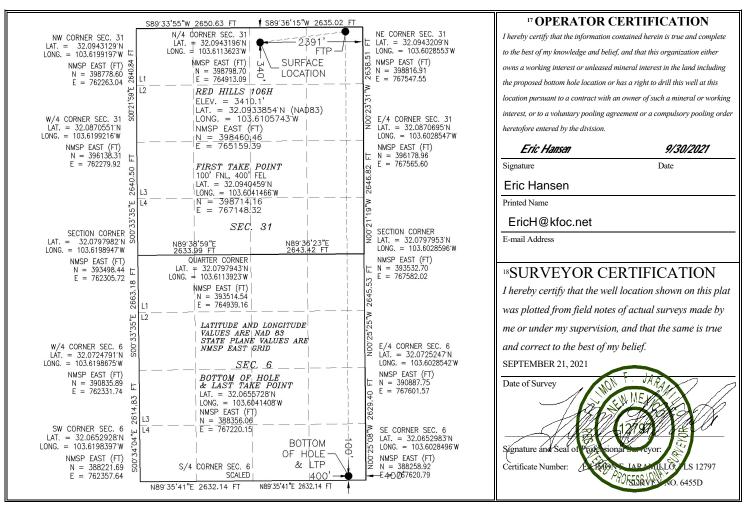
BLM POC Title: Assistant Field Manager Lands & Minerals BLM POC Email Address: clayton@blm.gov Disposition Date: 11/08/2021 State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

AMENDED REPORT

Page 3 of 19

| 1. | API Number | | | ² Pool Cod | | REAGE DEDIC | ³ Pool Na | | | | |
|--------------------------------|-----------------------|---|---|-----------------------|--|------------------|----------------------|-----------|--------------------------|--|--|
| - | | r | 0700 | | - | | | | | | |
| 30-0254703 | 6 | | 97994 WC-025 G-06 S253329D: Upper Bone Spring | | | | | | | | |
| ⁴ Property C | Code | | | | ⁵ Property | Name | | | ⁶ Well Number | | |
| | | | | | RED HI | LLS | | | 106H | | |
| ⁷ OGRID | No. | ⁸ Operator Name ⁹ Elevation | | | | | | | | | |
| 12361 | | KAISER-FRANCIS OIL COMPANY 3410.1 | | | | | | | | | |
| ¹⁰ Surface Location | | | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West | t line County | | |
| В | 31 | 25 S | 33 E | | 340 | NORTH | 2391 | EAS | Г LEA | | |
| | | | пE | Bottom H | Iole Location | If Different Fr | om Surface | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | ot Idn Feet from the North/South line Feet from the East/West line | | | | t line County | | |
| Р | 6 | 26 S | 33 E | | 100 SOUTH 400 EAST LEA | | | | | | |
| 12 Dedicated Acre | s ¹³ Joint | or Infill | ¹⁴ Consolidation | n Code | ¹⁵ Order No. | | | | | | |
| | | | | | R-204 | 405 | | | | | |

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.



| Intent |
|--------|
|--------|

| ^ | As |
|---|----|
| | |

Drilled

| API # | | | |
|------------------|-------------|----------------|-------------|
| Operator Name: | DIL COMPANY | Property Name: | Well Number |
| KAISER-FRANCIS (| | RED HILLS | 106H |

Kick Off Point (KOP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|--------|---------|----------|-------|-----|-----------|----------|------|----------|--------|
| Latitu | de | | | | Longitude | | | | NAD |

First Take Point (FTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|----|---------|----------|-------|-----|-----------------------|----------|------|----------|-----------|
| A | 31 | 25S | 33E | | 100 | NORTH | 400 | EAST | LEA |
| | 5 | | | | Longitude 103.6041 | 1466 | | | NAD 83 |

Last Take Point (LTP)

| UL P | Section 6 | Township 26S | Range 33E | Lot | Feet 100 | From N/S SOUTH | Feet 400 | From E/W EAST | County LEA |
|------------|--------------|-----------------|--------------|-----|-------------|-------------------|-------------|------------------|---------------|
| Latitude | | | | | Longitud | | | NAD | |
| 32.0655728 | | | | | 103.6 | 041408 | | 83 | |

Is this well the defining well for the Horizontal Spacing Unit?

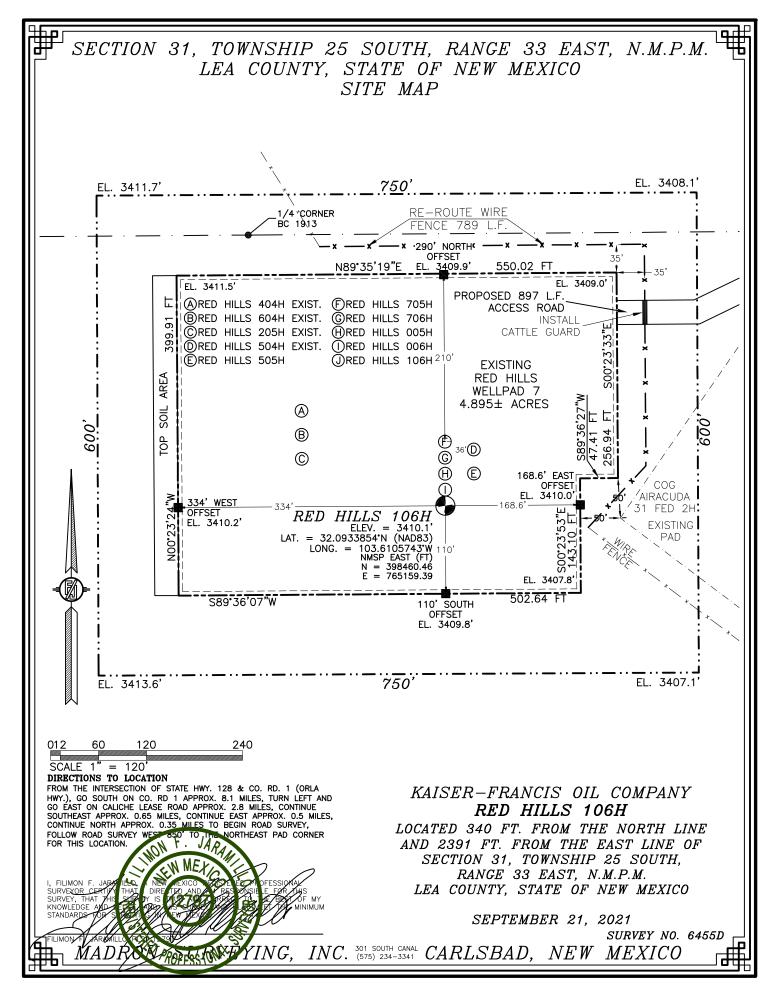
Is this well an infill well?

| ~ |
|---|
|---|

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

| API # | | |
|----------------|----------------|-------------|
| Operator Name: | Property Name: | Well Number |
| | | |

KZ 06/29/2018

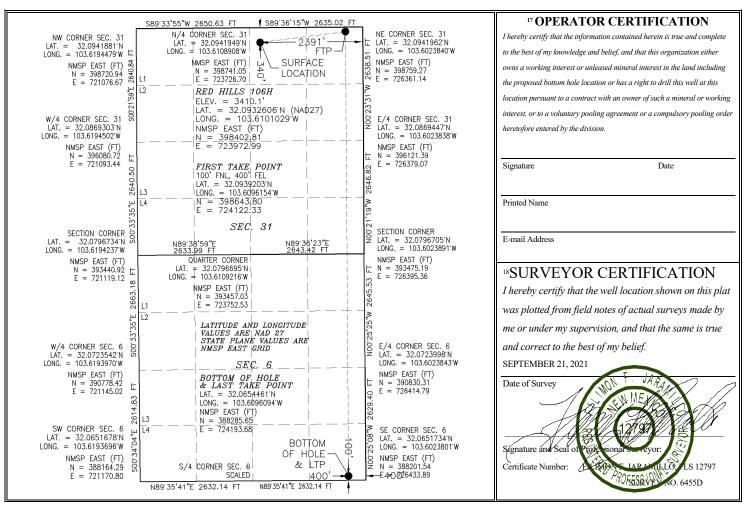


State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

AMENDED REPORT

| | | W | ELL LO | DCATIC | N AND AC | REAGE DEDIC | CATION PLA | АT | | | |
|---|--|-------------------------|--------------|---------|------------------------|------------------------|-------------------------|---------|--------------------------|------------------------|--|
| ¹ API Number ² Pool C | | | | | le | ³ Pool Name | | | | | |
| | | | | | | | | | | | |
| ⁴ Property Code | | | | | ⁵ Proper | y Name | | | ⁶ Well Number | | |
| | | | | | RED H | IILLS | | | | 106H | |
| ⁷ OGRID N | lo. | | | | ⁸ Operate | or Name | | | | ⁹ Elevation | |
| 12361 | | | | KAIS | ER-FRANCIS OIL COMPANY | | | | | 3410.1 | |
| | | | | | [™] Surfa | ce Location | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/We | est line | County | |
| В | 31 | 25 S | 33 E | | 340 | NORTH | 2391 | EAS | ST | 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/We | est line | County | |
| Р | 6 | 26 S | 33 E | | 100 | SOUTH | 400 | EAS | ST | LEA | |
| ¹² Dedicated Acres | ¹³ Joint | or Infill ¹⁴ | Consolidatio | n Code | | | 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.



| Intent | |
|--------|--|
|--------|--|

| As Dri | lled |
|--------|------|
|--------|------|

| Property Name: | Well Number |
|----------------|-------------|
| RED HILLS | 106H |
| | |
| | |

Kick Off Point (KOP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|--------|---------|----------|-------|-----|-----------|----------|------|----------|--------|
| Latitu | de | | | | Longitude | | | | NAD |

First Take Point (FTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|----------------|------------------------|----------|-------|-----|---------------------------|----------|------|----------|-----------|
| A | 31 | 25S | 33E | | 100 | NORTH | 400 | EAST | LEA |
| Latitu 32.0 | ^{de} 93920 | 3 | | | Longitude 103.6096 | 6154 | | | NAD 27 |

Last Take Point (LTP)

| UL P | Section 6 | Township 26S | Range 33E | Lot | Feet 100 | From N/S SOUTH | Feet 400 | From E/W EAST | County LEA |
|------------|--------------|-----------------|--------------|-----|-------------|-------------------|-------------|------------------|---------------|
| Latitude | | | | | Longitud | | | NAD | |
| 32.0654461 | | | | | 103.6 | 096094 | | | 27 |

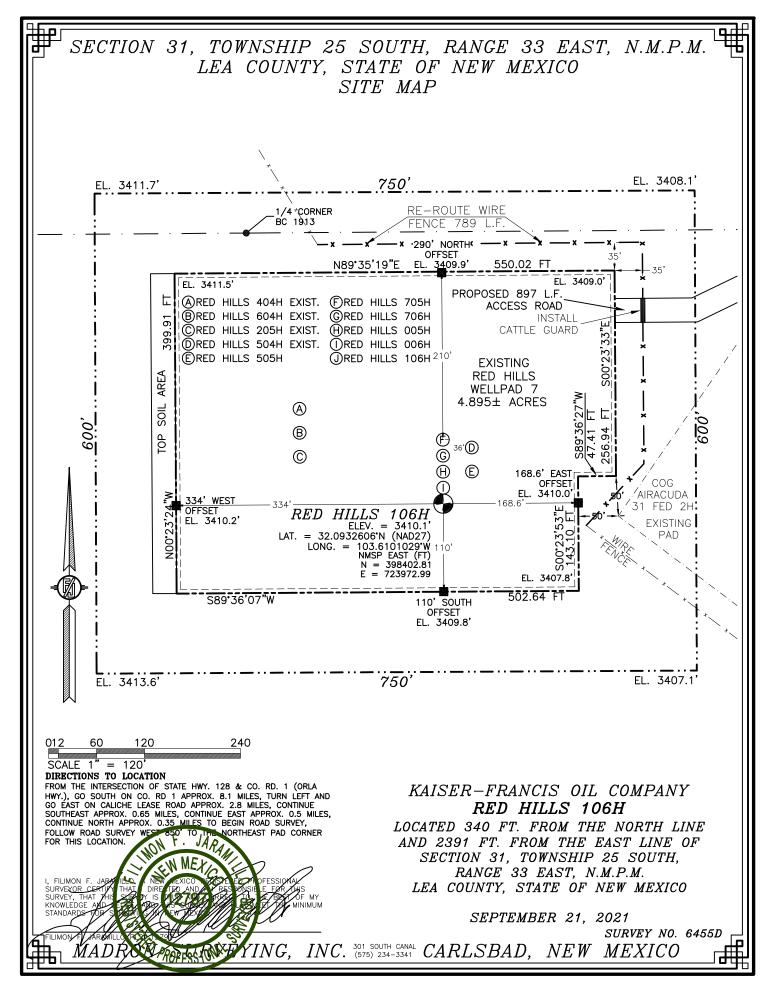
Is this well the defining well for the Horizontal Spacing Unit?

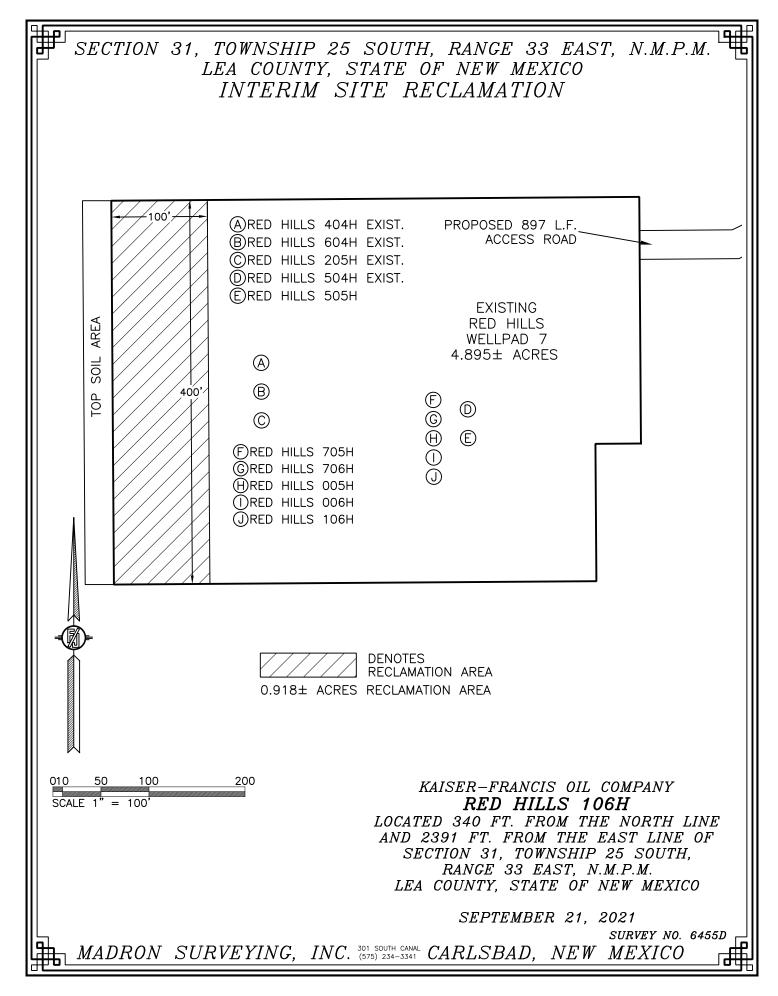
Is this well an infill well?

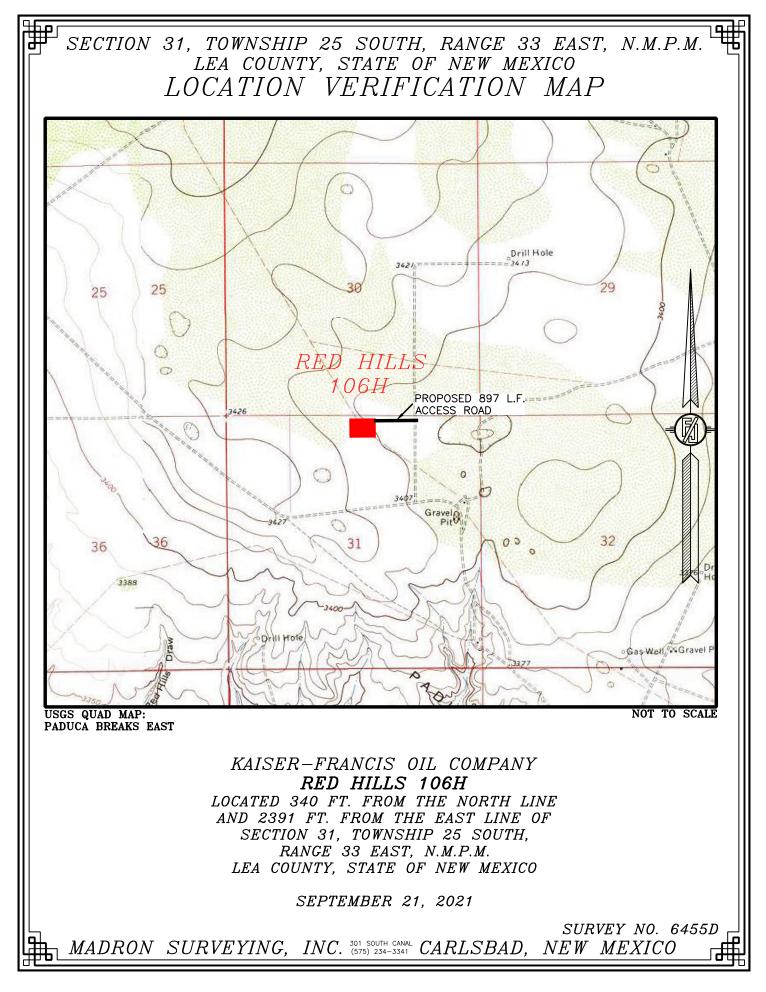
If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

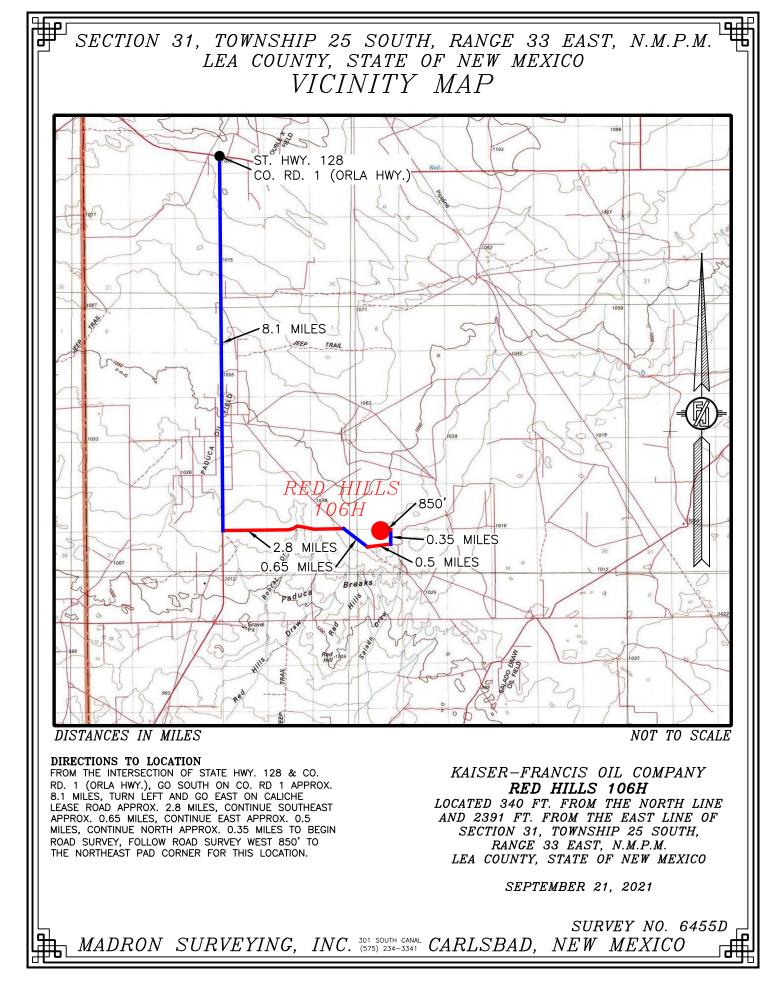
| API # | | |
|----------------|----------------|-------------|
| Operator Name: | Property Name: | Well Number |
| | | |

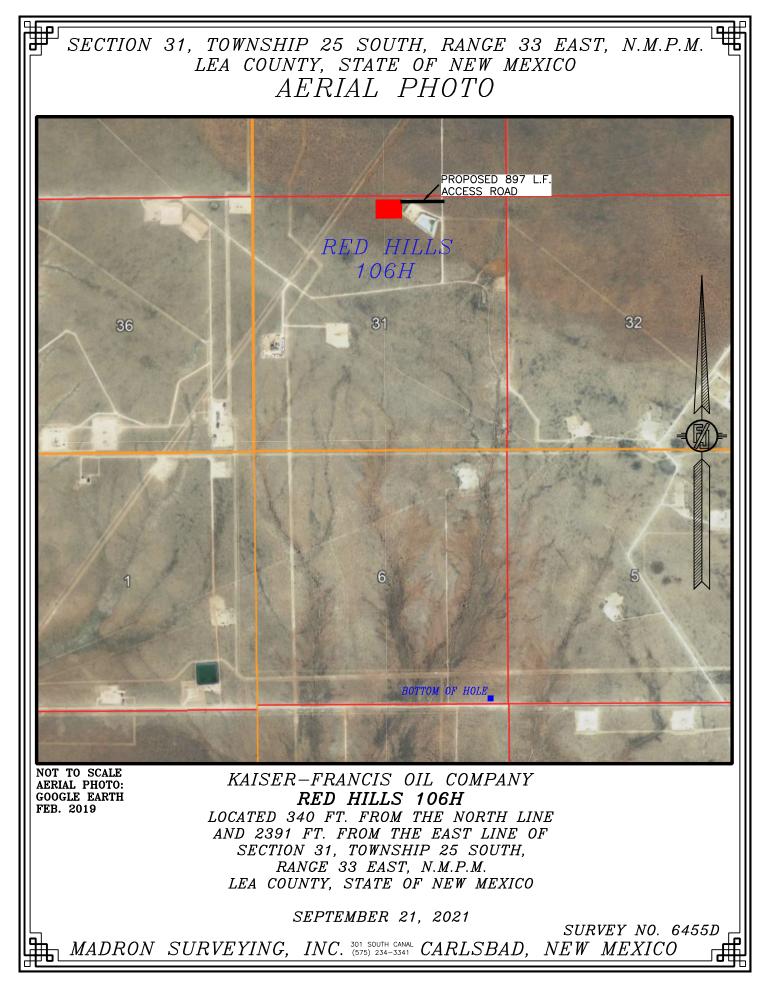
KZ 06/29/2018

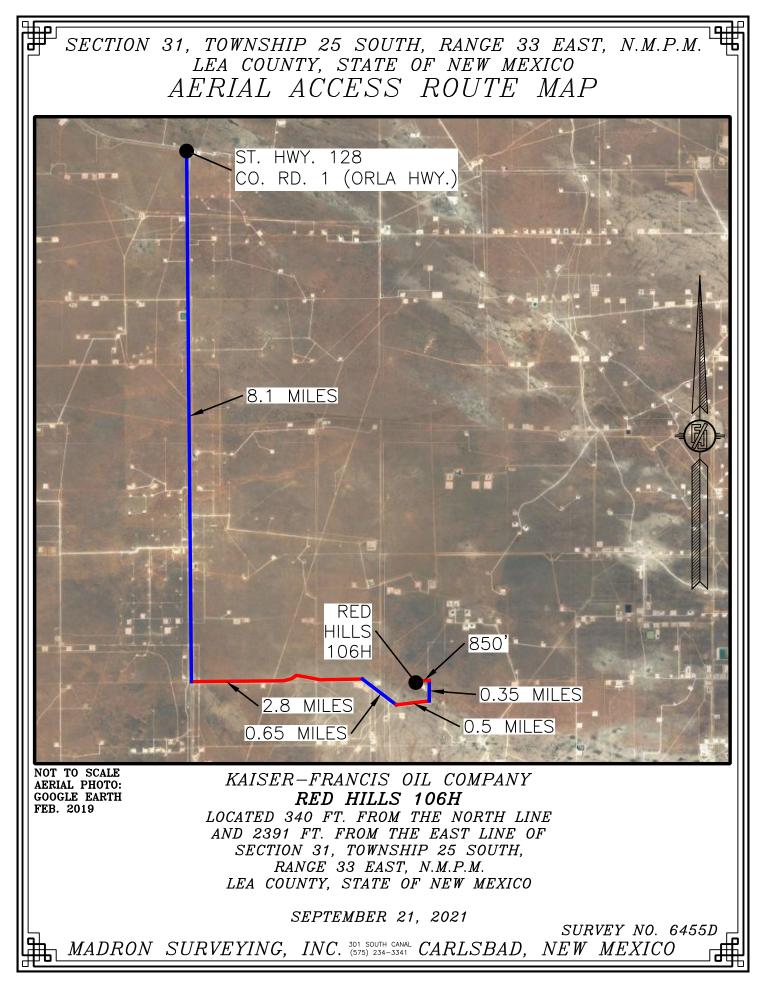


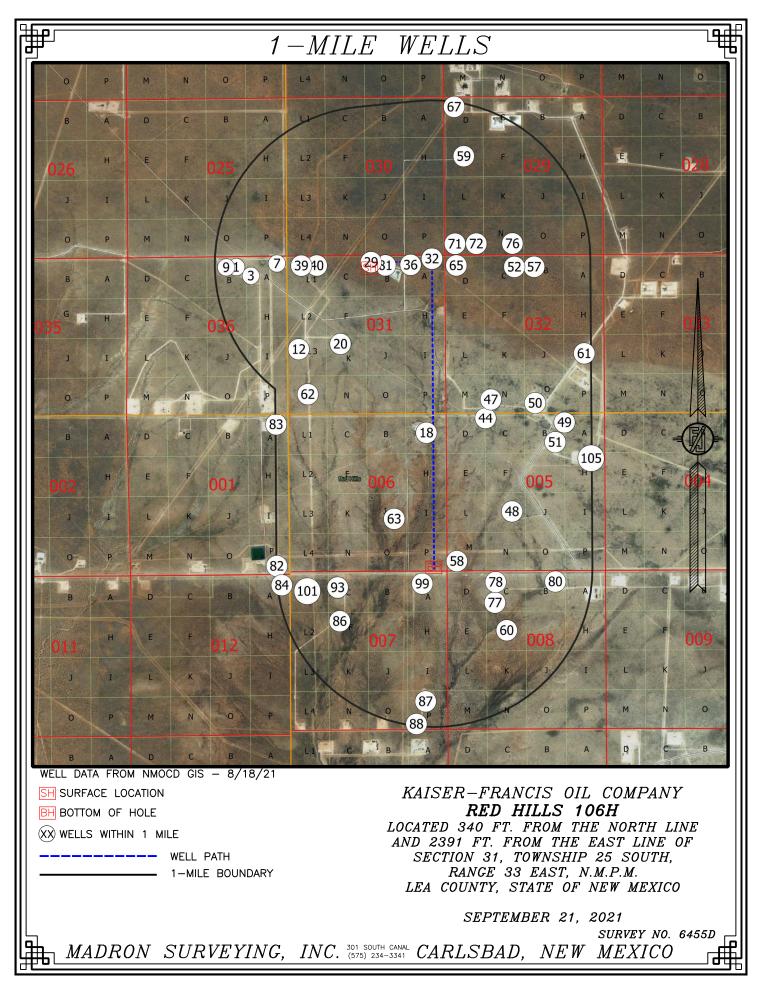


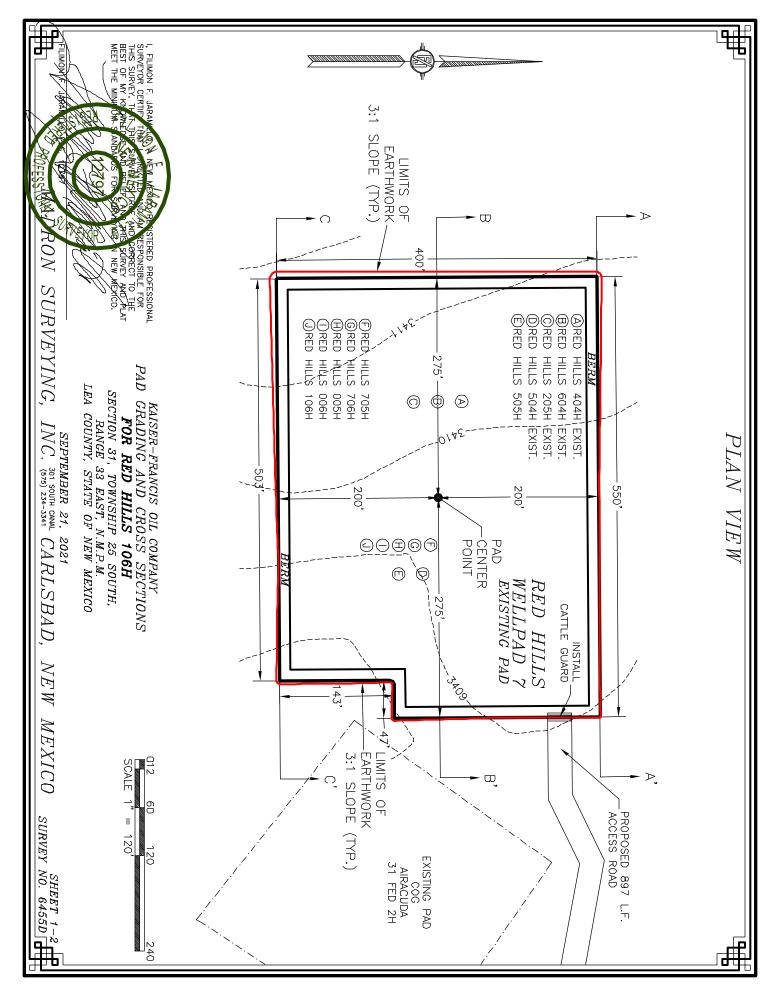


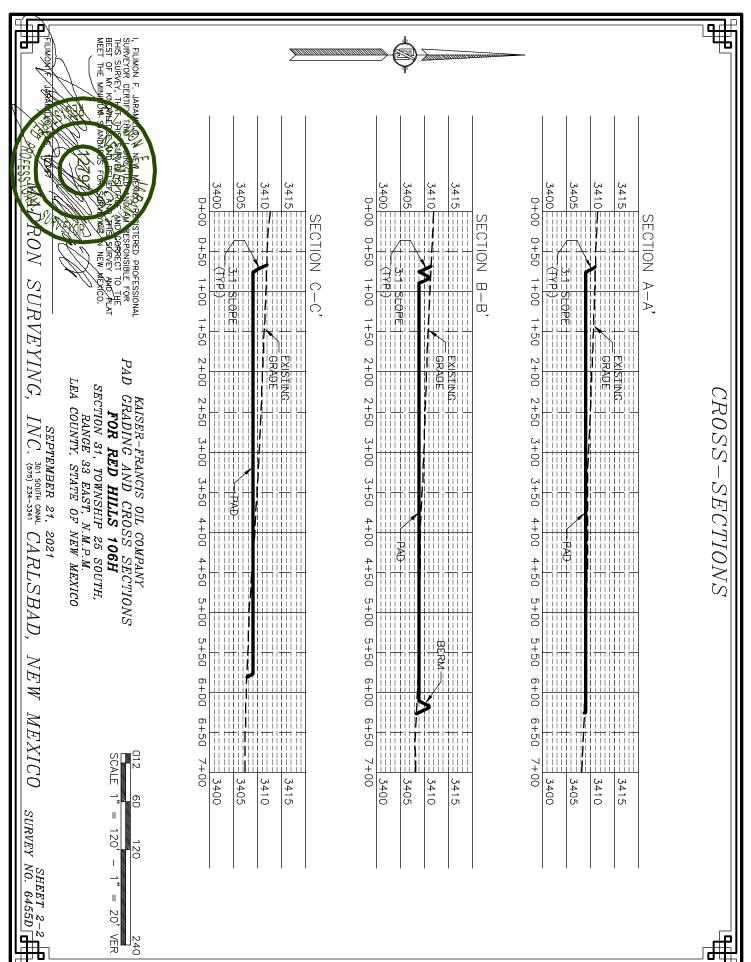




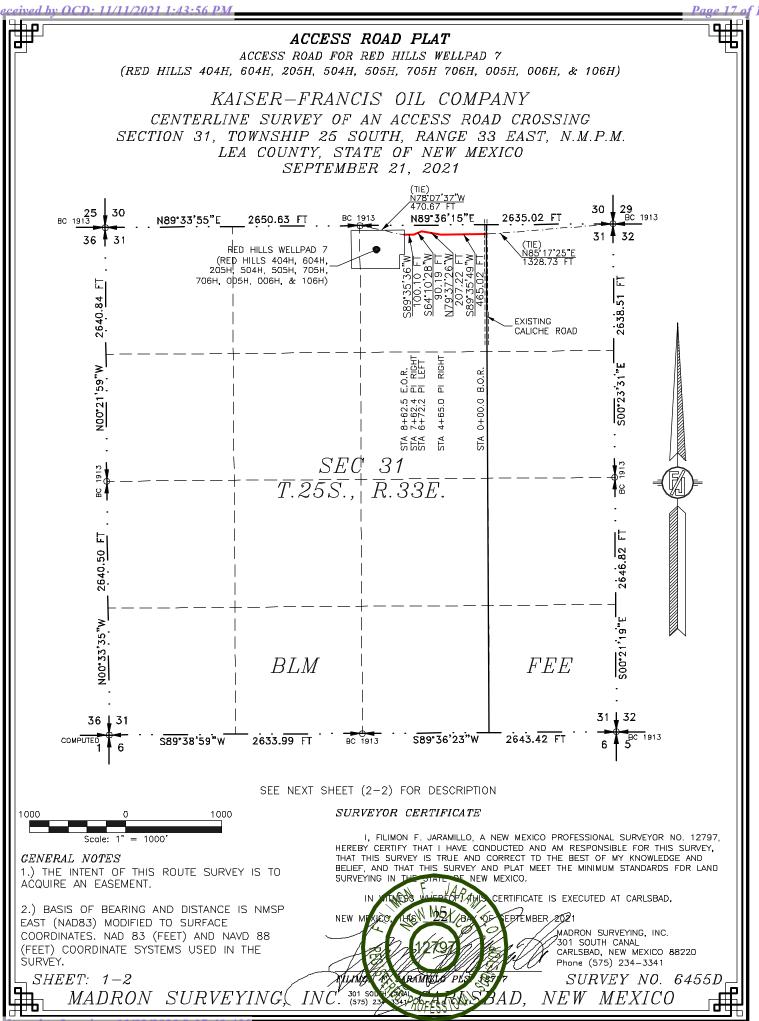












Released to Imaging: 11/12/2021 8:37:40 AM

ACCESS ROAD PLAT

ACCESS ROAD FOR RED HILLS WELLPAD 7 (RED HILLS 404H, 604H, 205H, 504H, 505H, 705H 706H, 005H, 006H, & 106H)

KAISER-FRANCIS OIL COMPANY CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 31, TOWNSHIP 25 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO SEPTEMBER 21, 2021

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 31, TOWNSHIP 25 SOUTH, RANGE 33 EAST, N.M.P.M., LEA COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE NW/4 NE/4 OF SAID SECTION 31, TOWNSHIP 25 SOUTH, RANGE 33 EAST, N.M.P.M., WHENCE THE NORTHEAST CORNER OF SAID SECTION 31, TOWNSHIP 25 SOUTH, RANGE 33 EAST, N.M.P.M. BEARS N85'17'25"E, A DISTANCE OF 1328.73 FEET; THENCE S89'35'49"W A DISTANCE OF 465.02 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N79'37'26"W A DISTANCE OF 207.22 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE S64'10'28"W A DISTANCE OF 90.19 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE S89'35'36"W A DISTANCE OF 100.10 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE NORTH QUARTER CORNER OF SAID SECTION 31, TOWNSHIP 25 SOUTH, RANGE 33 EAST, N.M.P.M. BEARS N78'07'37"W, A DISTANCE OF 470.67 FEET;

SAID STRIP OF LAND BEING 862.53 FEET OR 52.27 RODS IN LENGTH, CONTAINING 0.564 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NW/4 NE/4 862.53 L.F. 52.27 RODS 0.564 ACRES

SURVEYOR CERTIFICATE

NEW M

GENERAL NOTES 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 2-2 MADRON SURVEYING, INC. 301 S

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

AD

BTEMBER 2021 MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

NEW MEXICO

SURVEY NO. 6455D

CERTIFICATE IS EXECUTED AT CARLSBAD,

of 19

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 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) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

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

| CONDITIONS |
|------------|
|------------|

| OGRID: |
|--------------------------------------|
| 12361 |
| Action Number: |
| 61427 |
| Action Type: |
| [C-103] NOI Change of Plans (C-103A) |
| |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|-----------|----------------|
| pkautz | None | 11/12/2021 |

CONDITIONS

Page 19 of 19

Action 61427