

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTCarlsbad Field Office
APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018
Lease Serial No.
NMNM15321**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		2. Well Name and No. RED HILLS 401H
2. Name of Operator KAISER FRANCIS OIL COMPANY Contact: ERIC HANSEN E-Mail: ErichH@KFOC.net		9. API Well No. 30-025-45572-00-X1
3a. Address TULSA, OK 74121-1468	3b. Phone No. (include area code) Ph: 918-491-4339	10. Field and Pool or Exploratory Area JENNINGS
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 31 T25S R33E 2165FSL 390FWL 32.085857 N Lat, 103.618187 W Lon		11. County or Parish, State LEA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original APD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Kaiser Francis Oil Company is proposing to run a Pilot Hole in the Red Hills 401H.

Kaiser Francis Plans to follow original APD drilling plan up to the 7-5/8" Casing shoe located at 11,700'. Once 7-5/8" Casing is cemented Kaiser Francis Oil Company will pick up 6-1/8" bit and drill to 13,000' TVD. Once drilling assembly is out of the hole a wire line truck will run a Triple Combo open hole logging tool to 13,000' TVD. Once open hole logs are ran, and the wireline company is off location Kaiser Francis Oil Company will cement the pilot hole. Cement job will consist of 1.22 yield class C Cement. Total sacks will be 218.03. This will leave the top of cement plug at the bottom of the 7-5/8" casing shoe. After pilot hole is cemented Kaiser Francis Oil Company will pick up a 6-3/4" bit and kick off the lateral and proceed drilling per APD drilling plan.

Pilot hole approved as written, provide plug top on subsequent drilling report
All previous conditions of Approval still apply
DR

14. I hereby certify that the foregoing is true and correct. Electronic Submission #459160 verified by the BLM Well Information System For KAISER FRANCIS OIL COMPANY, sent to the Hobbs Committed to AFMSS for processing by PRISCILLA PEREZ on 03/26/2019 (19PP1428SE)	
Name (Printed/Typed) ERIC HANSEN	Title DRILLING ENGINEER
Signature (Electronic Submission)	Date 03/25/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>DYLAN ROSSMANGO</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>06/17/2019</u>
Conditions of approval, if any, are attached. Approval of this notice 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.		Office Hobbs

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)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED *****KR*