Form 3160-3 (June 2015)

OCD - HOBBS 12/04/2020

RECEIVED

FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMLC0061374A
6. If Indian, Allotee or Tribe Name

1a. Type of work: ✓ DRILL 1b. Type of Well: ✓ Oil Well Gas Well 1c. Type of Completion: Hydraulic Fracturing	REENTER Other Single Zone Multiple Zone	7. If Unit or CA Agreement, Name and No. BELL LAKE / NMNM 068292X 8. Lease Name and Well No. BELL LAKE UNIT SOUTH [316706]
Name of Operator KAISER FRANCIS OIL COMPANY [12361]		9. API Well No. 30-025-48174
3a. Address 6733 S. Yale Ave., Tulsa, OK 74121	3b. Phone No. (include area code) (918) 491-0000	10. Field and Pool, or Exploratory [98264] BELL LAKE/BONE SPRING, SOUTH
 Location of Well (Report location clearly and in accordance At surface SENE / 2276 FNL / 577 FEL / LAT 32.247 At proposed prod. zone SWSW / 330 FSL / 350 FWL / 	7581 / LONG -103.502416	11. Sec., T. R. M. or Blk. and Survey or Area SEC 6/T24S/R34E/NMP
14. Distance in miles and direction from nearest town or post α 20 miles	office*	12. County or Parish LEA 13. State NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease 17. S	pacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 30 feet		ELM/BIA Bond No. in file : WYB000055
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3600 feet	22. Approximate date work will start* 11/01/2020 24. Attachments	23. Estimated duration 40 days
The following completed in accordance with the requirement		the Hydraulia Erecturing rule nor 42 CED 21/2 2 2

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

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

25. Signature	Name (Printed/Typed)	Date
(Electronic Submission)	MELANIE WILSON / Ph: (918) 491-0000	07/14/2020
Title	·	·
Regulatory Analyst		
Approved by (Signature)	Name (Printed/Typed)	Date
(Electronic Submission)	Cody Layton / Ph: (575) 234-5959	11/23/2020
Title	Office	
Assistant Field Manager Lands & Minerals	Carlsbad 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

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.

GCP Rec 12/04/2020

IPPROVED WITH CONDITIONS **Approval Date: 11/23/2020**

SL

(Continued on page 2)

*(Instructions on page 2)

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the wen, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionany drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service wen or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record win be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM conects this information to anow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

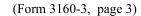
Additional Operator Remarks

Location of Well

0. SHL: SENE / 2276 FNL / 577 FEL / TWSP: 24S / RANGE: 34E / SECTION: 6 / LAT: 32.247581 / LONG: -103.502416 (TVD: 0 feet, MD: 0 feet) PPP: NWSW / 2600 FSL / 470 FWL / TWSP: 24S / RANGE: 34E / SECTION: 5 / LAT: 32.246481 / LONG: -103.499026 (TVD: 10200 feet, MD: 10894 feet) PPP: SWNW / 1320 FNL / 350 FWL / TWSP: 24S / RANGE: 34E / SECTION: 8 / LAT: 32.235707 / LONG: -103.499201 (TVD: 10200 feet, MD: 14514 feet) PPP: NWSW / 2640 FSL / 350 FWL / TWSP: 24S / RANGE: 34E / SECTION: 8 / LAT: 32.232079 / LONG: -103.49926 (TVD: 10200 feet, MD: 15834 feet) BHL: SWSW / 330 FSL / 350 FWL / TWSP: 24S / RANGE: 34E / SECTION: 8 / LAT: 32.225737 / LONG: -103.499364 (TVD: 10200 feet, MD: 18142 feet)

BLM Point of Contact

Name: Gavin Mickwee Title: Land Law Examiner Phone: (575) 234-5972 Email: gmickwee@blm.gov



Approval Date: 11/23/2020

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.



(Form 3160-3, page 4)



U.S. Department of the Interior **BUREAU OF LAND MANAGEMENT**

Application Data Report

APD ID: 10400059020

Operator Name: KAISER FRANCIS OIL COMPANY

Well Name: BELL LAKE UNIT SOUTH

Well Type: OIL WELL

Submission Date: 07/14/2020

Well Number: 113H

Well Work Type: Drill

Highlighted data reflects the most

recent changes

Show Final Text

Section 1 - General

APD ID:

10400059020

Tie to previous NOS? N

Submission Date: 07/14/2020

BLM Office: CARLSBAD

User: Melanie Wilson

Title: Regulatory Analyst

Federal/Indian APD: FED

Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMLC0061374A

Lease Acres:

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? YES

Federal or Indian agreement: FEDERAL

Agreement number: NMNM068292X

Agreement name: BELL LAKE

Keep application confidential? Y

Permitting Agent? YES

APD Operator: KAISER FRANCIS OIL COMPANY

Operator letter of designation:

Operator Info

Operator Organization Name: KAISER FRANCIS OIL COMPANY

Operator Address: 6733 S. Yale Ave.

Operator PO Box: PO Box 21468

Zip: 74121

Operator City: Tulsa

State: OK

Operator Phone: (918)491-0000

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO

Master Development Plan name:

Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO

Master Drilling Plan name:

Well Name: BELL LAKE UNIT SOUTH

Well Number: 113H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: BELL LAKE

Pool Name: BONE SPRING,

SOUTH

Is the proposed well in an area containing other mineral resources? NATURAL GAS,OIL

Well Name: BELL LAKE UNIT SOUTH Well Number: 113H

Is the proposed well in an area containing other mineral resources? NATURAL GAS,OIL

Is the proposed well in a Helium production area? N $\;\;$ Use Existing Well Pad? N

New surface disturbance?

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name: SOUTH BELL LAKE UNIT

Number of Legs: 1

Number: 10

Well Class: HORIZONTAL

Well Work Type: Drill Well Type: OIL WELL **Describe Well Type:**

Well sub-Type: EXPLORATORY (WILDCAT)

Describe sub-type:

Distance to town: 20 Miles

Distance to nearest well: 30 FT

Distance to lease line: 364 FT

Reservoir well spacing assigned acres Measurement: 480 Acres

Well plat:

BLUS 113H C102 20200714125000.pdf

BLUS_113H_Pymt_20200714155024.pdf

Well work start Date: 11/01/2020

Duration: 40 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number: 6753

Reference Datum: GROUND LEVEL

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this lease?
SHL Leg #1	227 6	FNL	577	FEL	24S	34E	6	Aliquot SENE	32.24758 1	- 103.5024 16	LEA	NEW MEXI CO	—	S	STATE	360 0	0	0	N
KOP Leg #1	227 6	FNL	577	FEL	24S	34E	6	Aliquot SENE	32.24758 1	- 103.5024 16	LEA	NEW MEXI CO		S	STATE	360 0	0	0	N

Well Name: BELL LAKE UNIT SOUTH Well Number: 113H

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this lease?
PPP Leg #1-1	264 0	FSL	350	FW L	24S	34E	8	Aliquot NWS W	32.23207 9	- 103.4992 6	LEA	NEW MEXI CO	—	F		- 660 0	158 34	102 00	Y
PPP Leg #1-2	132 0	FNL	350	FW L	24S	34E	8	Aliquot SWN W	32.23570 7	- 103.4992 01	LEA	NEW MEXI CO	—	F	NMNM 100594	- 660 0	145 14	102 00	Y
PPP Leg #1-3	260 0	FSL	470	FW L	24S	34E	5	Aliquot NWS W	32.24648 1	- 103.4990 26	LEA	NEW MEXI CO		F	NMLC0 061374 A	- 660 0	108 94	102 00	Y
EXIT Leg #1	330	FSL	350	FW L	24S	34E	8	Aliquot SWS W	32.22573 7	- 103.4993 64	LEA	NEW MEXI CO	NEW MEXI CO	F	NMLC0 069109	- 660 0	181 42	102 00	Y
BHL Leg #1	330	FSL	350	FW L	24S	34E	8	Aliquot SWS W	32.22573 7	- 103.4993 64	LEA	NEW MEXI CO	NEW MEXI CO	F	NMLC0 069109	- 660 0	181 42	102 00	Y

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 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, NM 87505

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

☐ AMENDED REPORT

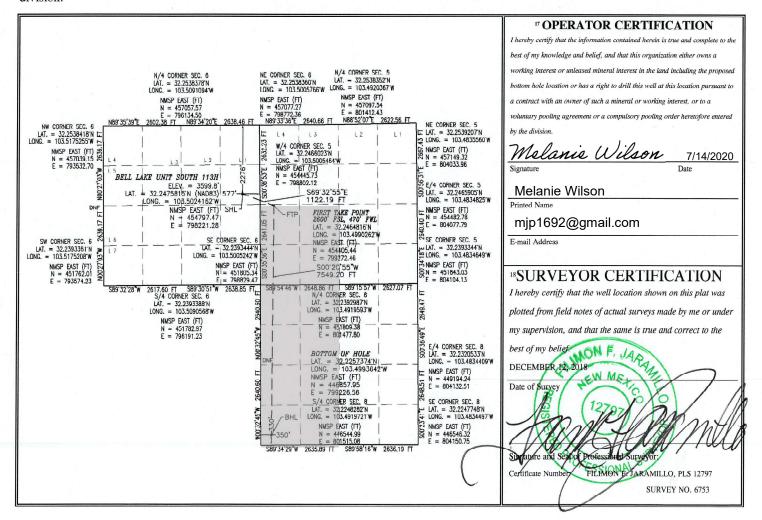
WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025-48174	² Pool Code 98264	³ Pool Name BELL LAKE; BONE SPRING, SOUTH			
⁴ Property Code	⁵ Prop	erty Name 6 Well N	lumber		
316706	BELL LAKE	UNIT SOUTH 11	13H		
⁷ OGRID No.	8 Oper	ator Name 'Elev	ation		
12361	KAISER-FRA	ANCIS OIL CO. 359	99.8		

¹⁰ Surface Location

			The Real Property of the Parket of the Parke		Duringe	Location			
UL or lot no.	Section	Township	p Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	6	24 S	34 E		2276	NORTH	577	EAST	LEA
			пB	ottom He	ole Location	If Different Fr	om Surface		
UL or lot no.	Section	Township	p Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	8	24 S	34 E		330	SOUTH	350	WEST	LEA
12 Dedicated Acre	s ¹³ Joint	or Infill	14 Consolidation	1 Code			15 Order No.		
480							R-14600		

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.



mjp1692@gmail.com

From: notification@pay.gov

Sent: Tuesday, July 14, 2020 3:49 PM

To: mjp1692@gmail.com

Subject: Pay.gov Payment Confirmation: BLM Oil and Gas Online Payment



An official email of the United States government



Your payment has been submitted to Pay.gov and the details are below. If you have any questions regarding this payment, please contact BLM OC CBS Customer Service at (303) 236-6795 or BLM_OC_CBS_Customer_Service@blm.gov.

Application Name: BLM Oil and Gas Online Payment

Pay.gov Tracking ID: 26PEIJTA Agency Tracking ID: 76016140403

Transaction Type: Sale

Transaction Date: 07/14/2020 05:49:23 PM EDT Account Holder Name: GEORGE B KAISER

Transaction Amount: \$10,230.00

Card Type: Visa

Card Number: *********0061

Company: Kaiser-Francis Oil Company

APD IDs: 10400059020

Lease Numbers: NMLC0061374A

Well Numbers: 113H

Note: You will need your Pay.gov Tracking ID to complete your APD transaction in AFMSS II.

Please ensure you write this number down upon completion of payment.

THIS IS AN AUTOMATED MESSAGE. PLEASE DO NOT REPLY.



Pay.gov is a program of the U.S. Department of the Treasury, Bureau of the Fiscal Service



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Drilling Plan Data Report

11/24/2020

APD ID: 10400059020

Submission Date: 07/14/2020

Highlighted data reflects the most recent changes

Operator Name: KAISER FRANCIS OIL COMPANY
Well Name: BELL LAKE UNIT SOUTH

Well Number: 113H

Show Final Text

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

ormation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
785831		3599	0	0	OTHER : Surface	NONE	N
785832	RUSTLER	2227	1372	1372	SANDSTONE	NONE	N
785833	SALADO	1852	1747	1747	SALT	NONE	N
785834	TOP SALT	1527	2072	2072	SALT	NONE	N
785835	BASE OF SALT	-1448	5047	5047	SALT	NONE	N
785836	LAMAR	-1673	5272	5272	SANDSTONE	NATURAL GAS, OIL	N
785837	BELL CANYON	-1748	5347	5347	SANDSTONE	NATURAL GAS, OIL	N
785838	CHERRY CANYON	-2598	6197	6197	SANDSTONE	NATURAL GAS, OIL	N
785839	BRUSHY CANYON	-4048	7647	7647	SANDSTONE	NATURAL GAS, OIL	N
785840	BONE SPRING	-5173	8772	8772	LIMESTONE	NATURAL GAS, OIL	N
785841	AVALON SAND	-5443	9042	9042	SANDSTONE	NATURAL GAS, OIL	N
785842	BONE SPRING 1ST	-6323	9922	9922	SANDSTONE	NATURAL GAS, OIL	Y
785849	BONE SPRING 2ND	-6853	10452	10452	SANDSTONE	NATURAL GAS, OIL	N

Section 2 - Blowout Prevention

Well Name: BELL LAKE UNIT SOUTH Well Number: 113H

Pressure Rating (PSI): 5M Rating Depth: 13000

Equipment: A 5M system will be installed according to Onshore Order #2 consisting of an Annular Preventer, BOP with two rams, a blind ram and safety valves and appropriate handles located on the rig floor. BOP will be equipped with 2 side outlets (choke side shall be a minimum 3 line, and kill side will be a minimum 2 line). Kill line will be installed with (2) valves and a check valve (2 min) of proper pressure rating for the system. Remote kill line (2 min) will be installed and ran to the outer edge of the substructure and be unobstructed. A manual and hydraulic valve (3 min) will be installed on the choke line, 3 chokes will be used with one being remotely controlled. Fill up line will be installed above the uppermost preventer. Pressure gauge of proper pressure rating will be installed on choke manifold. Upper and lower kelly cocks will be utilized with handles readily available in plain sight. A float sub will be available at all times. All connections subject to well pressure will be flanged, welded, or clamped.

Requesting Variance? YES

Variance request: Flex Hose Variance MultiBowl Wellhead

Testing Procedure: BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all of the components installed will be functional and tested.

Choke Diagram Attachment:

BLUS 113H Choke Manifold 20200714143102.pdf

BOP Diagram Attachment:

BLUS 113H BOP 20200714143116.pdf

BLUS_113H_Wellhead_20200714143243.pdf

BLUS Flex Hose Diagram 20200714143244.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	1400	0	1400	3600	2200	1400	J-55	54.5	BUTT	1.7	4.2	DRY	11.9	DRY	11.2
2	INTERMED IATE	12.2 5	9.625	NEW	API	N	0	5327	0	5300		-1700	5327	HCP -110		LT&C	1.7	3.2	DRY	6	DRY	5.9
3	PRODUCTI ON	8.75	5.5	NEW	API	N	0	18142	0	10200		-6600	18142	P- 110	1	OTHER - GBCD	2.4	2.7	DRY	3.3	DRY	3.1

Casing Attachments

Well Name: BELL LAKE UNIT SOUTH Well Number: 113H

Casing Atta	achments	
Casing	ID: 1	String Type:SURFACE
Inspect	ion Document:	
Spec De	ocument:	
Tapered	d String Spec:	
Casing	Design Assump	otions and Worksheet(s):
ВІ	_US_113H_Casi	ng_Assumptions_20200714152932.pdf
Casing	ID : 2	String Type: INTERMEDIATE
Inspect	ion Document:	
Spec Do	ocument:	
Tapered	d String Spec:	
Casing	Design Assump	otions and Worksheet(s):
Bl	_US_113H_Casi	ng_Assumptions_20200714152657.pdf
Casing		String Type: PRODUCTION
inspect	ion Document:	
Spec De	ocument:	
Tapered	d String Spec:	
Casing	Design Assump	otions and Worksheet(s):
Bl	_US 113H Prod	Csq Specs 20200714152727.pdf

Section 4 - Cement

Well Name: BELL LAKE UNIT SOUTH Well Number: 113H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1400	696	1.7	13.5	1216	75	Halcem	4% Bentonite
SURFACE	Tail		0	1400	365	1.3	14.8	486	75	Halcem	0.125 #/sk Poly Flake
INTERMEDIATE	Lead		0	5327	787	2.1	12.5	1644	50	Econocem	3 #/sk Kol Seal
INTERMEDIATE	Tail		0	5327	644	1.3	14.8	858	50	Halcem	N/A
PRODUCTION	Lead		4000	1814 2	416	3.5	10.5	1449	15	NeoCem	2 #/sk Kol Seal
PRODUCTION	Tail		4000	1814 2	2026	1.2	14.5	2431	15	Versacem	N/A

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all time.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (Ibs/gal)	Max Weight (Ibs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	ЬН	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
5300	1020 0	OIL-BASED MUD	8.7	8.9							
1400	5300	OTHER : Diesel- Brine Emulsion	8.7	8.9							
0	1400	OTHER : Fresh Water	8.4	9							

Well Name: BELL LAKE UNIT SOUTH Well Number: 113H

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Top of cement on production casing will be determined by calculation.

List of open and cased hole logs run in the well:

DIRECTIONAL SURVEY, GAMMA RAY LOG, MUD LOG/GEOLOGIC LITHOLOGY LOG, MUD LOG/GEOLOGICAL LITHOLOGY LOG.

Coring operation description for the well:

None planned

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4721

Anticipated Surface Pressure: 2477

Anticipated Bottom Hole Temperature(F): 165

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

BLUS_Pad_10_H2S_Plan_20200714153634.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

BLUS_113H_Directional_Plan_20200714153652.pdf

Other proposed operations facets description:

Gas Capture Plan attached

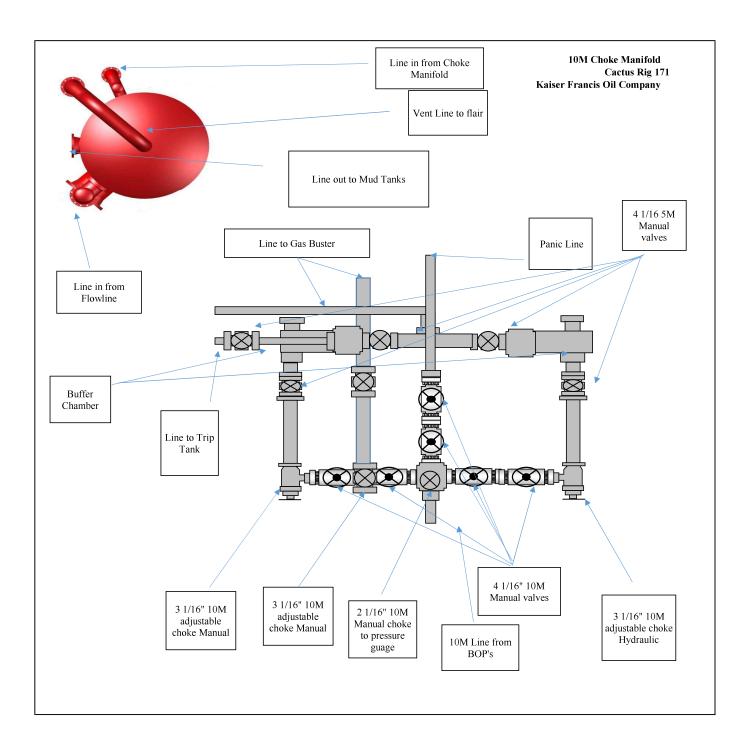
Other proposed operations facets attachment:

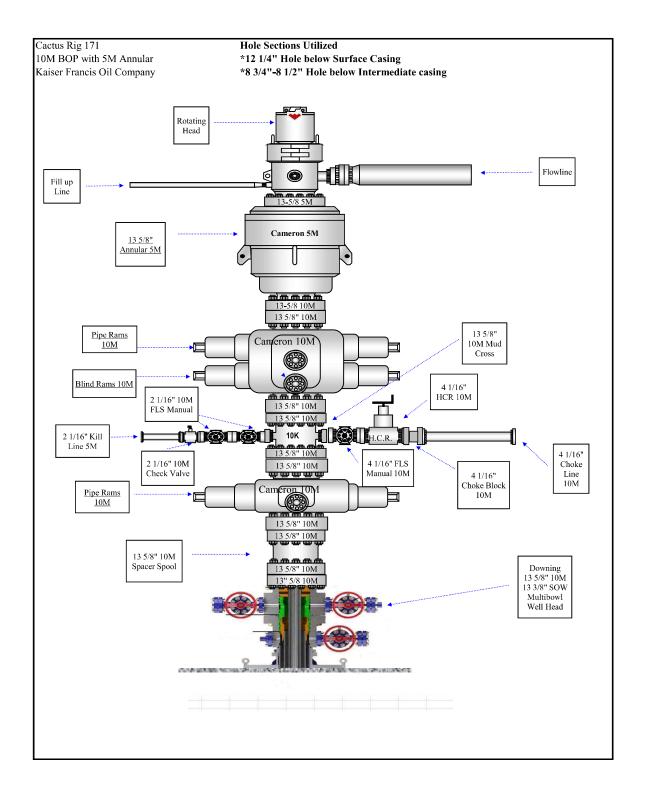
BLUS Pad 10 GCP 20200714153702.pdf

Other Variance attachment:

BLUS_Flex_Hose_Diagram_20200714153725.pdf BLUS_113H_Wellhead_20200714153725.pdf







Kaiser-Francis Oil Company Bell Lake Unit South 113H Casing Assumptions

Interval	Length	Casing Size	Weight (#/ft)	Grade	Thread	Condition	Hole Size	TVD (ft)
Conductor	120'	20"				New		120
Surface	1400	13-3/8"	54.5	J-55	BTC	New	17-1/2"	1400
Intermediate	5327	9-5/8"	40	HCP-110	LTC	New	12-1/4"	5300
Production	18142	5-1/2"	20	P110	GBCD	New	8-3/4"	10200

Mud Type	Mud Weight Hole Control	Viscosity	Fluid Loss		
FW	8.4 - 9.0	32 - 34	NC		
DBE	8.7-8.9	28	NC		
OBM	8.7 - 8.9	28-29	NC		

Anticipated Mud Weight (ppg)	Max Pore Pressure (psi)	Collapse (psi)	Burst (psi)	Body Tensile Strength	Joint Tensile Strength
9	655	1130	2730	853000	909000
8.9	2453	4230	7900	1260000	1266000
8.9	4721	11100	12640	641000	667000

Collapse Safety Factor (Min 1.1)	Burst Safety Factor (Min 1.0)	Body Tensile Safety Factor (Min 1.8)	Joint Tensile Safety Factor (Min 1.8)
1.7	4.2	11.2	11.9
1.7	3.2	5.9	6.0

KAISER-FRANCIS OIL COMPANY HYDROGEN SULFIDE (H₂S) CONTINGENCY PLAN FOR DRILLING/COMPLETION WORKOVER/FACILITY

BELL LAKE UNIT SOUTH Pad 10

SECTION 6 -T24S-R33E LEA COUNTY, NM

This well/facility is not expected to have H_2S , but due to the sensitive location, the following is submitted as requested.

TABLE OF CONTENTS

Emergency Response Activation and General Responsibilities	J
Individual Responsibilities During An H ₂ S Release	4
Procedure For Igniting An Uncontrollable Condition	5
Emergency Phone Numbers	6
Protection Of The General Public/Roe	7
Characteristics Of H ₂ S And SO ₂	8
Training	8
Public Relations	8
Maps	

EMERGENCY RESPONSE ACTIVATION AND GENERAL RESPONSIBILITIES

Activation of the Emergency Action Plan

In the event of any emergency situation, all personnel on location should first ensure that the following items are initiated. After that, they should refer to the appropriate Specific Emergency Guidance sections below for further responsibilities:

- 1. Notify the senior ranking contract representative on site.
- 2. Notify Kaiser-Francis representative in charge.
- 3. Notify civil authorities if the Kaiser-Francis Representative cannot be contacted and the situation dictates.
- 4. Perform rescue and first aid as required (without jeopardizing additional personnel).

General Responsibilities

In the event of an H₂S emergency, the following plan will be initiated.

- 1) All personnel will immediately evacuate to an up-wind and if possible up-hill "safe area".
- 2) If for any reason a person must enter the hazardous area, they must wear a SCBA (Self contained breathing apparatus).
- 3) Always use the "buddy system".
- 4) Isolate the well/problem if possible.
- 5) Account for all personnel
- 6) Display the proper colors, warning all unsuspecting personnel of the danger at hand
- 7) Contact the Company personnel as soon as possible if not at the location. (use the enclosed call list as instructed)

At this point the company representative will evaluate the situation and coordinate the necessary duties to bring the situation under control, and if necessary, the notification of emergency response agencies and residents.

INDIVIDUAL RESPONSIBILITIES DURING AN H2S RELEASE

The following procedures and responsibilities will be implemented on activation of the H₂S siren and lights.

All Personnel:

1. On alarm, don escape unit (if available) and report to upwind briefing area.

Rig Manager/Tool Pusher:

- 1. Check that all personnel are accounted for and their condition.
- 2. Administer or arrange for first aid treatment, and/or call EMTs as needed.
- 3. Identify two people best suited to secure well and perform rescue, and instruct them to don SCBA.
- 4. Notify Contract management and Kaiser-Francis Representative.
- 5. Remain at the briefing area, assess and monitor personnel and overall situation for hazards or conditions that might warrant a change in the action plan.

Two People Responsible for Shut-in and Rescue:

- 1. Don SCBA and acquire tools to secure well and perform rescue, i.e., wrenches, retrieval ropes, etc.
- 2. Utilize the buddy system to secure well and perform rescue(s).
- 3. Return to the briefing area and stand by for further instructions.

All Other Personnel:

1. Isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder(s) must evacuate any public places encompassed by the 100 ppm ROE. First responder(s) must take care not to injure themselves during this operation. Company and/or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

Kaiser-Francis Oil Company Representative:

- 1. Remain at the briefing area, assess and monitor personnel and overall situation for hazards or conditions that might warrant a change in the action plan.
- 2. Notify company management or Local Incident Commander, and Police, Fire Department, or other local emergency services as required.

PROCEDURE FOR IGNITING AN UNCONTROLLABLE CONDITION:

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police shall be the Incident Command of any major release.

The decision to ignite a well should be a last resort and one if not both of the following pertain.

- 1) Human life and/or property are in danger.
- 2) There is no hope of bringing the situation under control with the prevailing conditions at the site.

INSTRUCTIONS FOR IGNITION:

- 1) Two people are required. They must be equipped with positive pressure; self contained breathing apparatus and a "D"-ring style, full body, OSHA approved safety harness. Non-flammable rope will be attached.
- 2) One of the people will be a qualified safety person who will test the atmosphere for H₂S, Oxygen, & LFL. The other person will be the company supervisor; he is responsible for igniting the well.
- 3) Ignite up-wind from a distance no closer than necessary. Make sure that where you ignite from has the maximum escape avenue available. A 25mm flare gun shall be used, with a +/-500' range to ignite the gas.
- 4) Prior to ignition, make a final check for combustible gases.
- 5) Following ignition, continue with the emergency actions & procedures as before.

CONTACTING AUTHORITIES

Kaiser-Francis personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. This response plan must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER).

EMERGENCY CALL LIST: (Start and continue until ONE of these people have been reached)

Kaiser-Francis Oil Co.	<u>OFFCE</u> 918/494-0000	<u>MOBILE</u>
Bill Wilkinson	580/668-2335	580/221-4637
David Zerger	918/491-4350	918/557-6708
Charles Lock	918/491-4337	918/671-6510
Stuart Blake	918/491-4347	918/510-4126
Robert Sanford	918/491-4201	918/770-2682
Matt Warner	918/491-4379	720/556-2313

EMERGENCY RESPONSE NUMBERS: Lea County, New Mexico

State Police – Artesia	575/748-9718
State Police – Hobbs	575/392-5580
State Police – Carlsbad	575/885-3138
Lea County Sheriff - Lovington	575/396-3611
Local Emergency Planning Center – Lea County	575/396-8607
Local Emergency Planning Center – Eddy County	575/885-3581
Fire Fighting, Rescue & Ambulance – Carlsbad	911 or 575/885-3125
Fire Fighting, Rescue & Ambulance – Hobbs	911 or 575/397-9308
Fire Fighting – Jal Volunteer Fire Department	911 or 505/395-2221
New Mexico Oil & Gas Commission – Artesia	575/748-1283
New Mexico Oil & Gas Commission – Hobbs	575/393-6161
Air Medical Transport Services – Hobbs	800/550-1025
Med Flight Air Ambulance – Albuquerque	505/842-4433
Angel MedFlight	844/553-9033
DXP	432/580-3770
BJ Services	575/392-5556
Halliburton	575/392-6531 800/844-8451

PROTECTION OF THE GENERAL PUBLIC/ROE:

In the event of a release with a concentration greater than 100 ppm H₂S, the ROE (Radius of Exposure) calculations will be done to determine if the following conditions have been met:

- Does the 100 ppm ROE include any public area (any place not associated with this site)
- Does the 500 ppm ROE include any public road (any road which the general public may travel)
- Is the 100 ppm ROE equal to or greater than 3000 feet

If any one of these conditions have been met then the Contingency Plan will be implemented. The following shows how to calculate the radius of exposure and an example.

Calculation for the 100 ppm ROE:

X = [(1.589)(concentration)(Q)] (0.6258)

(H2S concentrations in decimal form)

10,000 ppm +=1.+

1,000 ppm +=.1+

100 ppm +=.01+

10 ppm +=.001+

Calculation for the 500 ppm ROE:

X+[(0.4546)(concentration)(Q)] (.06258)

EXAMPLE: If a well/facility has been determined to have 150 ppm H₂S in the gas mixture and the well/facility is producing at a gas rate of 200 MCFPD then:

ROE for 100 PPM X=[(1.589)(.0150)(200)] (0.6258)

X=2.65'

ROE for 500 PPM X=[(...]]

X=[(.4546)(.0150)(200)] (0.6258)

X=1.2'

(These calculations will be forwarded to the appropriate District NMOCD office when applicable.)

PUBLIC EVACUATION PLAN:

(When the supervisor has determined that the General Public will be involved, the following plan will be implemented)

- 1) Notification of the emergency response agencies of the hazardous condition and Implement evacuation procedures.
- 2) A trained person in H₂S safety, shall monitor with detection equipment the H₂S Concentration, wind and area of exposure (ROE). This person will determine the outer perimeter of the hazardous area. The extent of the evacuation area will be determined from the data being collected. Monitoring shall continue until the situation has been resolved. (All monitoring equipment will be UL approved, for use in class I groups A,B,C & D, Division I, hazardous locations. All monitors will have a minimum capability of measuring H₂S, oxygen, and flammable values.)
- 3) Law enforcement shall be notified to set up necessary barriers and maintain such for the duration of the situation as well as aid in the evacuation procedure.
- 4) The company supervising personnel shall stay in communication with all agencies through out the duration of the situation and inform such agencies when the situation has been contained and the effected area(s) is safe to enter.

CHARACTERISTICS OF H2S AND SO2

Common	Chemical	Specific	Threshold	Hazardous	Lethal
Name	Formula	Gravity	Limit	Limit	Concentration
Hydrogen		1.189			
Sulfide	H ₂ S	Air = 1	10 ppm	100 ppm	600 ppm
		2.21			
Sulfur Dioxide	SO ₂	Air = 1	2 ppm	N/A	1000 ppm

TRAINING:

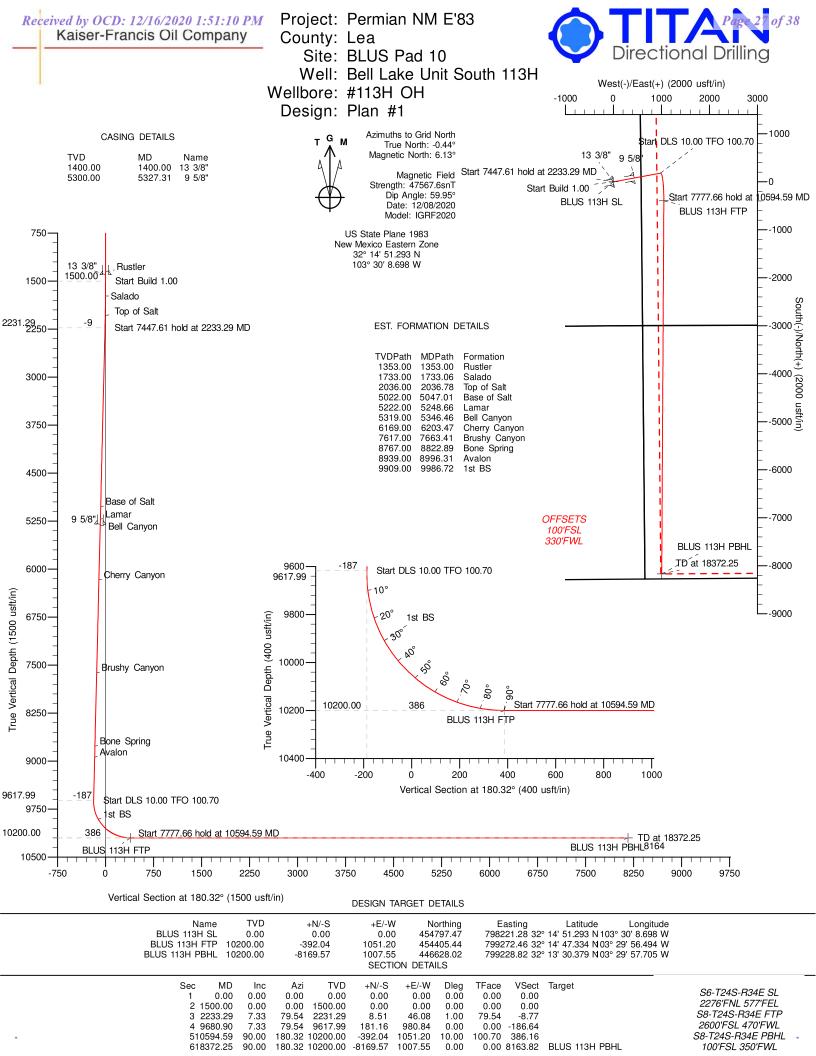
All responders must have training in the detection of H_2S measures for protection against the gas, equipment used for protection and emergency response. Weekly drills by all crews will be conducted and recorded in the IADC daily log. Additionally, responders must be equipped with H_2S monitors at all times.

PUBLIC RELATIONS

Kaiser-Francis recognizes that the news media have a legitimate interest in incidents at Kaiser-Francis facilities that could affect the public. It is to the company's benefit to cooperate with the news media when incidents occur because these media are our best liaison with the public.

Our objective is to see that all reports of any emergency are factual and represent the company's position fairly and accurately. Cooperation with news media representatives is the most reliable guarantee that this objective will be met.

All contract and Kaiser-Francis employees are instructed <u>NOT</u> to make any statement to the media concerning the emergency incident. If a media representative contacts any employee, they should refer them to the designated Emergency Command Center where they should contact the Incident Commander or his designated relief for any information concerning the incident.



Survey Report

Company: Kaiser-Francis Oil Company

Project: Permian NM E'83 BLUS Pad 10 Site:

Well: Bell Lake Unit South 113H

#113H OH Wellbore: Design: Plan #1

Map Zone:

Local Co-ordinate Reference:

Well Bell Lake Unit South 113H est.GL+KB @ 3625.00usft (Planning) **TVD Reference:** est.GL+KB @ 3625.00usft (Planning) MD Reference:

North Reference:

Minimum Curvature **Survey Calculation Method:**

EDM 5k-14 Database:

Permian NM E'83 **Project**

US State Plane 1983 Map System: North American Datum 1983 Geo Datum:

New Mexico Eastern Zone

System Datum:

Mean Sea Level

Using geodetic scale factor

Site BLUS Pad 10, Centered on 112 aka 012

Northing: 454,797.76 usft Site Position: Latitude: 32° 14' 51.294 N 103° 30' 8.350 W 798,251.18 usft From: Мар Easting: Longitude: 0.44°

0.00 usft 13-3/16 " **Position Uncertainty:** Slot Radius: **Grid Convergence:**

Well Bell Lake Unit South 113H **Well Position** +N/-S 0.00 usft Northing: 454,797.47 usft Latitude: 32° 14' 51.293 N +E/-W 0.00 usft Easting: 798,221.28 usft Longitude: 103° 30' 8.698 W 0.00 usft Wellhead Elevation: usft Ground Level: 3,599.80 usft **Position Uncertainty**

#113H OH Wellbore Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (°) (°) (nT) IGRF2020 12/08/20 6.58 59.95 47,567.57137768

Plan #1 Design **Audit Notes: PROTOTYPE** Version: Phase: Tie On Depth: 0.00 **Vertical Section:** Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (°) 0.00 0.00 0.00 180.32

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,353.00	0.00	0.00	1,353.00	0.00	0.00	0.00	0.00	0.00	0.00
Rustler									

Survey Report

Company: Kaiser-Francis Oil Company

Project: Permian NM E'83
Site: BLUS Pad 10

Well: Bell Lake Unit South 113H

Wellbore: #113H OH
Design: Plan #1

Local Co-ordinate Reference:

Survey Calculation Method:

TVD Reference:
MD Reference:
North Reference:

Grid

Database:

Well Bell Lake Unit South 113H est.GL+KB @ 3625.00usft (Planning) est.GL+KB @ 3625.00usft (Planning)

Minimum Curvature

ned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
13 3/8"									
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00		79.54	1,599.99	0.16	0.86	-0.16	1.00	1.00	0.00
1,700.00		79.54	1,699.96	0.63	3.43	-0.65	1.00	1.00	0.00
1,733.06		79.54	1,733.00	0.86	4.66	-0.89	1.00	1.00	0.00
Salado			.,						
Galado									
1,800.00	3.00	79.54	1,799.86	1.43	7.72	-1.47	1.00	1.00	0.00
1,900.00		79.54	1,899.68	2.53	13.72	-2.61	1.00	1.00	0.00
2,000.00		79.54	1,999.37	3.96	21.44	-4.08	1.00	1.00	0.00
2,036.78		79.54	2,036.00	4.56	24.71	-4.70	1.00	1.00	0.00
Top of Salt		7 3.04	2,000.00	4.50	27.71	-4.70	1.00	1.00	0.00
2,100.00		79.54	2,098.90	5.70	30.87	-5.87	1.00	1.00	0.00
2,100.00	0.00	79.54	2,090.90	5.70	30.07	-5.67	1.00	1.00	0.00
2,200.00	7.00	79.54	2,198.26	7.76	42.00	-7.99	1.00	1.00	0.00
2,233.29		79.54 79.54	2,130.20	8.51	46.08	-8.77	1.00	1.00	0.00
2,300.00		79.54 79.54	2,297.45	10.06	54.45	-10.36	0.00	0.00	0.00
·			•						
2,400.00		79.54	2,396.64	12.38	67.00	-12.75	0.00	0.00	0.00
2,500.00	7.33	79.54	2,495.82	14.69	79.56	-15.14	0.00	0.00	0.00
2 600 00	7.33	70.54	2,595.00	17.01	92.11	17 59	0.00	0.00	0.00
2,600.00		79.54				-17.53			
2,700.00		79.54	2,694.18	19.33	104.66	-19.91	0.00	0.00	0.00
2,800.00		79.54	2,793.36	21.65	117.21	-22.30	0.00	0.00	0.00
2,900.00		79.54	2,892.55	23.97	129.76	-24.69	0.00	0.00	0.00
3,000.00	7.33	79.54	2,991.73	26.29	142.31	-27.08	0.00	0.00	0.00
3,100.00	7.33	79.54	3,090.91	28.60	154.86	-29.47	0.00	0.00	0.00
3,200.00		79.54 79.54	3,190.09	30.92	167.41	-31.86	0.00	0.00	0.00
3,300.00			3,190.09	33.24	179.96	-34.24	0.00	0.00	0.00
		79.54							
3,400.00		79.54	3,388.46	35.56	192.52	-36.63	0.00	0.00	0.00
3,500.00	7.33	79.54	3,487.64	37.88	205.07	-39.02	0.00	0.00	0.00
3,600.00	7.33	79.54	3,586.82	40.19	217.62	-41.41	0.00	0.00	0.00
3,700.00		79.54 79.54	3,586.82	40.19 42.51	230.17	-41.41 -43.80	0.00	0.00	0.00
3,700.00									
3,800.00		79.54	3,785.19	44.83	242.72	-46.19	0.00	0.00	0.00
		79.54	3,884.37	47.15 40.47	255.27	-48.57	0.00	0.00	0.00
4,000.00	7.33	79.54	3,983.55	49.47	267.82	-50.96	0.00	0.00	0.00
4,100.00	7.33	79.54	4,082.73	51.79	280.37	-53.35	0.00	0.00	0.00
4,100.00		79.54 79.54	4,082.73 4,181.91	51.79 54.10	280.37 292.92	-53.35 -55.74	0.00	0.00	0.00
4,300.00		79.54	4,281.10	56.42	305.48	-58.13	0.00	0.00	0.00
4,400.00		79.54	4,380.28	58.74	318.03	-60.52	0.00	0.00	0.00
4,500.00	7.33	79.54	4,479.46	61.06	330.58	-62.90	0.00	0.00	0.00
4 600 00	7.00	70.54	4 E70 C4	60.00	040.40	GE 00	0.00	0.00	0.00
4,600.00		79.54	4,578.64	63.38	343.13	-65.29	0.00	0.00	0.00
4,700.00		79.54	4,677.83	65.69	355.68	-67.68	0.00	0.00	0.00
4,800.00		79.54	4,777.01	68.01	368.23	-70.07	0.00	0.00	0.00
4,900.00		79.54	4,876.19	70.33	380.78	-72.46	0.00	0.00	0.00
5,000.00	7.33	79.54	4,975.37	72.65	393.33	-74.84	0.00	0.00	0.00

Survey Report

Company: Kaiser-Francis Oil Company

Project: Permian NM E'83
Site: BLUS Pad 10

Well: Bell Lake Unit South 113H

Wellbore: #113H OH
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:

Survey Calculation Method:

North Reference: Gr

Database:

Well Bell Lake Unit South 113H est.GL+KB @ 3625.00usft (Planning) est.GL+KB @ 3625.00usft (Planning)

Grid

Minimum Curvature

•	FIAII # I			Database:			EDIVI 5K-14		
d Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,047.0	7.33	79.54	5,022.00	73.74	399.23	-75.97	0.00	0.00	0.00
Base of S	Salt								
5,100.0	7.33	79.54	5,074.55	74.97	405.88	-77.23	0.00	0.00	0.00
5,200.0	7.33	79.54	5,173.74	77.29	418.44	-79.62	0.00	0.00	0.00
5,248.6	7.33	79.54	5,222.00	78.41	424.54	-80.78	0.00	0.00	0.00
Lamar									
5,300.0	7.33	79.54	5,272.92	79.60	430.99	-82.01	0.00	0.00	0.00
5,327.3	31 7.33	79.54	5,300.00	80.24	434.41	-82.66	0.00	0.00	0.00
9 5/8"									
5,346.4	7.33	79.54	5,319.00	80.68	436.82	-83.12	0.00	0.00	0.00
Bell Cany	yon								
5,400.0	7.33	79.54	5,372.10	81.92	443.54	-84.40	0.00	0.00	0.00
5,500.0		79.54	5,471.28	84.24	456.09	-86.79	0.00	0.00	0.00
5,600.0	7.33	79.54	5,570.46	86.56	468.64	-89.17	0.00	0.00	0.00
5,700.0	00 7.33	79.54	5,669.65	88.88	481.19	-91.56	0.00	0.00	0.00
5,800.0	7.33	79.54	5,768.83	91.19	493.74	-93.95	0.00	0.00	0.00
5,900.0	00 7.33	79.54	5,868.01	93.51	506.29	-96.34	0.00	0.00	0.00
6,000.0	7.33	79.54	5,967.19	95.83	518.84	-98.73	0.00	0.00	0.00
6,100.0	7.33	79.54	6,066.38	98.15	531.40	-101.12	0.00	0.00	0.00
6,200.0		79.54	6,165.56	100.47	543.95	-103.50	0.00	0.00	0.00
6,203.4	7.33	79.54	6,169.00	100.55	544.38	-103.59	0.00	0.00	0.00
Cherry C	-								
6,300.0		79.54	6,264.74	102.79	556.50	-105.89	0.00	0.00	0.00
6,400.0		79.54	6,363.92	105.10	569.05	-108.28	0.00	0.00	0.00
6,500.0	00 7.33	79.54	6,463.10	107.42	581.60	-110.67	0.00	0.00	0.00
6,600.0	00 7.33	79.54	6,562.29	109.74	594.15	-113.06	0.00	0.00	0.00
6,700.0	7.33	79.54	6,661.47	112.06	606.70	-115.45	0.00	0.00	0.00
6,800.0	7.33	79.54	6,760.65	114.38	619.25	-117.83	0.00	0.00	0.00
6,900.0	7.33	79.54	6,859.83	116.70	631.80	-120.22	0.00	0.00	0.00
7,000.0	00 7.33	79.54	6,959.01	119.01	644.36	-122.61	0.00	0.00	0.00
7,100.0	7.33	79.54	7,058.20	121.33	656.91	-125.00	0.00	0.00	0.00
7,200.0	7.33	79.54	7,157.38	123.65	669.46	-127.39	0.00	0.00	0.00
7,300.0		79.54	7,256.56	125.97	682.01	-129.78	0.00	0.00	0.00
7,400.0	7.33	79.54	7,355.74	128.29	694.56	-132.16	0.00	0.00	0.00
7,500.0	7.33	79.54	7,454.93	130.60	707.11	-134.55	0.00	0.00	0.00
7,600.0	00 7.33	79.54	7,554.11	132.92	719.66	-136.94	0.00	0.00	0.00
7,663.4	11 7.33	79.54	7,617.00	134.39	727.62	-138.45	0.00	0.00	0.00
Brushy C	Canyon								
7,700.0	7.33	79.54	7,653.29	135.24	732.21	-139.33	0.00	0.00	0.00
7,800.0	7.33	79.54	7,752.47	137.56	744.76	-141.72	0.00	0.00	0.00
7,900.0	7.33	79.54	7,851.65	139.88	757.32	-144.10	0.00	0.00	0.00
8,000.0	7.33	79.54	7,950.84	142.20	769.87	-146.49	0.00	0.00	0.00
8,100.0		79.54	8,050.02	144.51	782.42	-148.88	0.00	0.00	0.00
8,200.0		79.54	8,149.20	146.83	794.97	-151.27	0.00	0.00	0.00
8,300.0	7.33	79.54	8,248.38	149.15	807.52	-153.66	0.00	0.00	0.00

Survey Report

Company: Kaiser-Francis Oil Company

Project: Permian NM E'83
Site: BLUS Pad 10

Well: Bell Lake Unit South 113H

Wellbore: #113H OH
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:

North Reference: Grid

Survey Calculation Method: Database:

est.GL+KB @ 3625.00usft (Planning) est.GL+KB @ 3625.00usft (Planning)

Well Bell Lake Unit South 113H

Grid

Minimum Curvature

Manager			Vantie - I			Vantic - I	Dawler	D	Т.:
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
8,400.00	7.33	79.54	8,347.56	151.47	820.07	-156.05	0.00	0.00	0.00
8,500.00	7.33	79.54	8,446.75	153.79	832.62	-158.43	0.00	0.00	0.00
8,600.00	7.33	79.54	8,545.93	156.10	845.17	-160.82	0.00	0.00	0.00
8,700.00	7.33	79.54	8,645.11	158.42	857.72	-163.21	0.00	0.00	0.00
8,800.00	7.33	79.54	8,744.29	160.74	870.28	-165.60	0.00	0.00	0.00
8,822.89	7.33	79.54	8,767.00	161.27	873.15	-166.15	0.00	0.00	0.00
Bone Spring									
8,900.00	7.33	79.54	8,843.48	163.06	882.83	-167.99	0.00	0.00	0.00
8,996.31	7.33	79.54	8,939.00	165.29	894.91	-170.29	0.00	0.00	0.00
	7.55	73.54	0,939.00	103.29	034.91	-170.29	0.00	0.00	0.00
Avalon 9,000.00	7.33	79.54	8,942.66	165.38	895.38	-170.38	0.00	0.00	0.00
9,000.00	7.33 7.33	79.54 79.54	9,041.84	167.70	907.93	-170.36 -172.76	0.00	0.00	0.00
•			·						
9,200.00	7.33	79.54	9,141.02	170.01	920.48	-175.15	0.00	0.00	0.00
9,300.00	7.33	79.54	9,240.20	172.33	933.03	-177.54	0.00	0.00	0.00
9,400.00	7.33	79.54	9,339.39	174.65	945.58	-179.93	0.00	0.00	0.00
9,500.00	7.33	79.54	9,438.57	176.97	958.13	-182.32	0.00	0.00	0.00
9,600.00	7.33	79.54	9,537.75	179.29	970.68	-184.71	0.00	0.00	0.00
9,680.90	7.33	79.54	9,617.99	181.16	980.84	-186.64	0.00	0.00	0.00
9,700.00	7.22	94.63	9,636.94	181.29	983.23	-186.78	10.00	-0.57	79.03
9,750.00	9.08	128.05	9,686.46	178.60	989.48	-184.12	10.00	3.71	66.83
9,800.00	12.75	146.34	9,735.56	171.57	995.65	-177.13	10.00	7.33	36.59
9,850.00	17.09	156.05	9,783.87	160.26	1,001.69	-165.85	10.00	8.70	19.41
9,900.00	21.72	161.82	9,831.02	144.75	1,007.56	-150.37	10.00	9.25	11.54
9,950.00	26.47	165.62	9,876.65	125.15	1,013.22	-130.81	10.00	9.51	7.60
9,986.72	30.01	167.68	9,909.00	108.24	1,017.22	-113.92	10.00	9.64	5.62
1st BS			-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		.,				
10,000.00	31.30	168.32	9,920.42	101.62	1,018.62	-107.31	10.00	9.69	4.83
10,050.00	36.17	170.36	9,961.99	74.34	1,023.73	-80.06	10.00	9.74	4.09
10,100.00	41.07	171.98	10,001.05	43.51	1,028.49	-49.25	10.00	9.80	3.23
10,150.00	45.98	173.31	10.037.29	9.37	1,032.88	-15.14	10.00	9.83	2.65
10,200.00	50.91	174.43	10,070.44	-27.82	1,036.86	22.03	10.00	9.86	2.24
10,250.00	55.85	175.40	10,100.26	-67.78	1,040.41	61.97	10.00	9.88	1.95
10,300.00	60.80	176.27	10,126.51	-110.21	1,043.49	104.38	10.00	9.89	1.73
10,350.00	65.75	177.06	10,148.99	-154.78	1,046.08	148.93	10.00	9.90	1.57
10,400.00	70.70	177.78	10,167.53	-201.15	1,048.16	195.29	10.00	9.91	1.46
10,450.00	75.66	177.76	10,182.00	-201.13 -248.97	1,049.72	243.10	10.00	9.91	1.40
10,430.00	80.62	179.12	10,182.00	-246.97 -297.87	1,049.72	292.00	10.00	9.92	1.31
10,550.00	85.58	179.12	10,192.27	-297.67 -347.49	1,050.75	341.62	10.00	9.92	1.27
		180.32	10,198.28			341.62			1.27
10,594.59	90.00	100.32	10,200.00	-392.04	1,051.20	300.10	10.00	9.92	1.20
10,600.00	90.00	180.32	10,200.00	-397.45	1,051.17	391.57	0.00	0.00	0.00
10,700.00	90.00	180.32	10,200.00	-497.45	1,050.60	491.57	0.00	0.00	0.00
10,800.00	90.00	180.32	10,200.00	-597.45	1,050.04	591.57	0.00	0.00	0.00
10,900.00	90.00	180.32	10,200.00	-697.44	1,049.48	691.57	0.00	0.00	0.00

Survey Report

Company: Kaiser-Francis Oil Company

Project: Permian NM E'83
Site: BLUS Pad 10

Well: Bell Lake Unit South 113H

Wellbore: #113H OH
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Database:

Well Bell Lake Unit South 113H est.GL+KB @ 3625.00usft (Planning) est.GL+KB @ 3625.00usft (Planning)

Grid

Survey Calculation Method: Minimum Curvature

ed Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
44 400 00	00.00	400.00	40.000.00	007.44	4.040.20	004.57	0.00	0.00	0.00
11,100.00	90.00	180.32	10,200.00	-897.44	1,048.36	891.57	0.00	0.00	0.00
11,200.00	90.00	180.32	10,200.00	-997.44	1,047.80	991.57	0.00	0.00	0.00
11,300.00	90.00	180.32	10,200.00	-1,097.44	1,047.24	1,091.57	0.00	0.00	0.00
11,400.00	90.00	180.32	10,200.00	-1,197.44	1,046.68	1,191.57	0.00	0.00	0.00
11,500.00	90.00	180.32	10,200.00	-1,297.43	1,046.12	1,291.57	0.00	0.00	0.00
11,600.00	90.00	180.32	10,200.00	-1,397.43	1,045.55	1,391.57	0.00	0.00	0.00
11,700.00	90.00	180.32	10,200.00	-1,497.43	1,044.99	1,491.57	0.00	0.00	0.00
11,800.00	90.00	180.32	10,200.00	-1,597.43	1,044.43	1,591.57	0.00	0.00	0.00
11,900.00	90.00	180.32	10,200.00	-1,697.43	1,043.87	1,691.57	0.00	0.00	0.00
12,000.00	90.00	180.32	10,200.00	-1,797.43	1,043.31	1,791.57	0.00	0.00	0.00
12,100.00	90.00	180.32	10,200.00	-1,897.43	1,042.75	1,891.57	0.00	0.00	0.00
12,200.00	90.00	180.32	10,200.00	-1,997.42	1,042.19	1,991.57	0.00	0.00	0.00
12,300.00	90.00	180.32	10,200.00	-2,097.42	1,042.19	2,091.57	0.00	0.00	0.00
12,400.00	90.00	180.32	10,200.00	-2,097.42 -2,197.42	1,041.03	2,091.57	0.00	0.00	0.00
12,500.00	90.00	180.32	10,200.00	-2,197.42 -2,297.42	1,041.07	2,191.57	0.00	0.00	0.00
12,300.00	90.00	100.32	10,200.00	-2,231.42	1,040.50	۵,291.31	0.00	0.00	0.00
12,600.00	90.00	180.32	10,200.00	-2,397.42	1,039.94	2,391.57	0.00	0.00	0.00
12,700.00	90.00	180.32	10,200.00	-2,497.42	1,039.38	2,491.57	0.00	0.00	0.00
12,800.00	90.00	180.32	10,200.00	-2,597.41	1,038.82	2,591.57	0.00	0.00	0.00
12,900.00	90.00	180.32	10,200.00	-2,697.41	1,038.26	2,691.57	0.00	0.00	0.00
13,000.00	90.00	180.32	10,200.00	-2,797.41	1,037.70	2,791.57	0.00	0.00	0.00
13,100.00	90.00	180.32	10,200.00	-2,897.41	1,037.14	2,891.57	0.00	0.00	0.00
13,200.00	90.00	180.32	10,200.00	-2,997.41	1,036.58	2,991.57	0.00	0.00	0.00
13,300.00	90.00	180.32	10,200.00	-3,097.41	1,036.02	3,091.57	0.00	0.00	0.00
13,400.00	90.00	180.32	10,200.00	-3,197.40	1,035.45	3,191.57	0.00	0.00	0.00
13,500.00	90.00	180.32	10,200.00	-3,297.40	1,034.89	3,291.57	0.00	0.00	0.00
13,600.00	90.00	180.32	10,200.00	-3,397.40	1,034.33	3,391.57	0.00	0.00	0.00
13,700.00	90.00	180.32	10,200.00	-3,397.40 -3,497.40	1,034.33	3,491.57	0.00	0.00	0.00
13,700.00	90.00	180.32	10,200.00	-3,497.40 -3,597.40	1,033.77	3,491.57 3,591.57	0.00	0.00	0.00
			10,200.00				0.00		
13,900.00	90.00 90.00	180.32 180.32	10,200.00	-3,697.40 3,797.40	1,032.65	3,691.57 3,791.57	0.00	0.00 0.00	0.00 0.00
14,000.00	90.00	100.32	10,200.00	-3,797.40	1,032.09	3,181.31	0.00	0.00	0.00
14,100.00	90.00	180.32	10,200.00	-3,897.39	1,031.53	3,891.57	0.00	0.00	0.00
14,200.00	90.00	180.32	10,200.00	-3,997.39	1,030.97	3,991.57	0.00	0.00	0.00
14,300.00	90.00	180.32	10,200.00	-4,097.39	1,030.40	4,091.57	0.00	0.00	0.00
14,400.00	90.00	180.32	10,200.00	-4,197.39	1,029.84	4,191.57	0.00	0.00	0.00
14,500.00	90.00	180.32	10,200.00	-4,297.39	1,029.28	4,291.57	0.00	0.00	0.00
14,600.00	90.00	180.32	10,200.00	-4,397.39	1,028.72	4,391.57	0.00	0.00	0.00
14,700.00	90.00	180.32	10,200.00	-4,397.39 -4,497.38	1,028.12	4,391.57	0.00	0.00	0.00
14,700.00	90.00	180.32	10,200.00	-4,497.36 -4,597.38	1,026.16	4,491.57 4,591.57	0.00	0.00	0.00
					1,027.60	4,591.57 4,691.57			
14,900.00	90.00	180.32	10,200.00	-4,697.38 4 707.38	*		0.00	0.00	0.00
15,000.00	90.00	180.32	10,200.00	-4,797.38	1,026.48	4,791.57	0.00	0.00	0.00
15,100.00	90.00	180.32	10,200.00	-4,897.38	1,025.91	4,891.57	0.00	0.00	0.00
15,200.00	90.00	180.32	10,200.00	-4,997.38	1,025.35	4,991.57	0.00	0.00	0.00
15,300.00	90.00	180.32	10,200.00	-5,097.38	1,024.79	5,091.57	0.00	0.00	0.00

Survey Report

Company: Kaiser-Francis Oil Company

Project: Permian NM E'83
Site: BLUS Pad 10

Well: Bell Lake Unit South 113H

Wellbore: #113H OH
Design: Plan #1

Local Co-ordinate Reference:

Survey Calculation Method:

TVD Reference:
MD Reference:
North Reference:

Database:

Well Bell Lake Unit South 113H est.GL+KB @ 3625.00usft (Planning) est.GL+KB @ 3625.00usft (Planning)

Grid

Minimum Curvature

ned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
15,400.00	90.00	180.32	10,200.00	-5,197.37	1,024.23	5,191.57	0.00	0.00	0.00
15,500.00	90.00	180.32	10,200.00	-5,297.37	1,023.67	5,291.57	0.00	0.00	0.00
15,600.00	90.00	180.32	10,200.00	-5,397.37	1,023.11	5,391.57	0.00	0.00	0.00
15,700.00	90.00	180.32	10,200.00	-5,497.37	1,022.55	5,491.57	0.00	0.00	0.00
15,800.00	90.00	180.32	10,200.00	-5,597.37	1,021.99	5,591.57	0.00	0.00	0.00
15,900.00	90.00	180.32	10,200.00	-5,697.37	1,021.43	5,691.57	0.00	0.00	0.00
16,000.00	90.00	180.32	10,200.00	-5,797.36	1,020.86	5,791.57	0.00	0.00	0.00
16,100.00	90.00	180.32	10,200.00	-5,897.36	1,020.30	5,891.57	0.00	0.00	0.00
16,200.00	90.00	180.32	10,200.00	-5,997.36	1,019.74	5,991.57	0.00	0.00	0.00
16,300.00	90.00	180.32	10,200.00	-6,097.36	1,019.18	6,091.57	0.00	0.00	0.00
16,400.00	90.00	180.32	10,200.00	-6,197.36	1,018.62	6,191.57	0.00	0.00	0.00
16,500.00	90.00	180.32	10,200.00	-6,297.36	1,018.06	6,291.57	0.00	0.00	0.00
16,600.00	90.00	180.32	10,200.00	-6,397.35	1,017.50	6,391.57	0.00	0.00	0.00
16,700.00	90.00	180.32	10,200.00	-6,497.35	1,016.94	6,491.57	0.00	0.00	0.00
16,800.00	90.00	180.32	10,200.00	-6,597.35	1,016.38	6,591.57	0.00	0.00	0.00
16,900.00	90.00	180.32	10,200.00	-6,697.35	1,015.81	6,691.57	0.00	0.00	0.00
17,000.00	90.00	180.32	10,200.00	-6,797.35	1,015.25	6,791.57	0.00	0.00	0.00
17,100.00	90.00	180.32	10,200.00	-6,897.35	1,014.69	6,891.57	0.00	0.00	0.00
17,200.00	90.00	180.32	10,200.00	-6,997.35	1,014.13	6,991.57	0.00	0.00	0.00
17,300.00	90.00	180.32	10,200.00	-7,097.34	1,013.57	7,091.57	0.00	0.00	0.00
17,400.00	90.00	180.32	10,200.00	-7,197.34	1,013.01	7,191.57	0.00	0.00	0.00
17,500.00	90.00	180.32	10,200.00	-7,297.34	1,012.45	7,291.57	0.00	0.00	0.00
17,600.00	90.00	180.32	10,200.00	-7,397.34	1,011.89	7,391.57	0.00	0.00	0.00
17,700.00	90.00	180.32	10,200.00	-7,497.34	1,011.33	7,491.57	0.00	0.00	0.00
17,800.00	90.00	180.32	10,200.00	-7,597.34	1,010.76	7,591.57	0.00	0.00	0.00
17,900.00	90.00	180.32	10,200.00	-7,697.33	1,010.20	7,691.57	0.00	0.00	0.00
18,000.00	90.00	180.32	10,200.00	-7,797.33	1,009.64	7,791.57	0.00	0.00	0.00
18,100.00	90.00	180.32	10,200.00	-7,897.33	1,009.08	7,891.57	0.00	0.00	0.00
18,200.00	90.00	180.32	10,200.00	-7,997.33	1,008.52	7,991.57	0.00	0.00	0.00
18,300.00	90.00	180.32	10,200.00	-8,097.33	1,007.96	8,091.57	0.00	0.00	0.00
18,372.25	90.00	180.32	10,200.00	-8,169.57	1,007.55	8,163.82	0.00	0.00	0.00

Casing Points							
	Measured Depth (usft)	Vertical Depth (usft)		Name	Casing Diameter (")	Hole Diameter (")	
	1,400.00	1,400.00	13 3/8"	Name	13-3/8	17-1/2	
	5,327.31	5,300.00	9 5/8"		9-5/8	12-1/4	

Survey Report

Company: Kaiser-Francis Oil Company

Project: Permian NM E'83
Site: BLUS Pad 10

Well: Bell Lake Unit South 113H

Wellbore: #113H OH
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Well Bell Lake Unit South 113H est.GL+KB @ 3625.00usft (Planning) est.GL+KB @ 3625.00usft (Planning)

Grid

Survey Calculation Method: Minimum Curvature

Database: EDM 5k-14

Formations								
	Measured Depth (usft)	Vertical Depth (usft)		Name	Lithology	Dip (°)	Dip Direction (°)	
	1,353.00	1,353.00	Rustler					
	1,733.06	1,733.00	Salado					
	2,036.78	2,036.00	Top of Salt					
	5,047.01	5,022.00	Base of Salt					
	5,248.66	5,222.00	Lamar					
	5,346.46	5,319.00	Bell Canyon					
	6,203.47	6,169.00	Cherry Canyon					
	7,663.41	7,617.00	Brushy Canyon					
	8,822.89	8,767.00	Bone Spring					
	8,996.31	8,939.00	Avalon					
	9,986.72	9,909.00	1st BS					



Certificate of Registration

3042

This certifies that the quality management system of

COPPER STATE RUBBER, INC. 10485 W. Roosevelt Street Avondale, AZ

has been assessed by the American Petroleum Institute Quality Registrar (APIOR®) and found it to be in conformance with the following standard:

ISO 9001:2015

The scope of this registration and the approved quality management system applies to the

Design and Manufacture of Oilfield, Marine and Other Industrial Hoses

APIQR® approves the organization's justification for excluding:

No Exclusions Identified as Applicable

Effective Date:

APRIL 21, 2019

Expiration Date:

APRIL 21, 2022

Registered Since:

APRIL 21, 2016

Dema Opflueija Vice President of Global Industry Services

Accredited by Member of the International Accreditation Forum Multilateral Recognition Arrangement for Quality Management Systems



This certificate is valid for the period specified herein. The registered organization must continually meet all requirements of APIQR's Registration Program and the requirements of the Registration Agreement. Registration is maintained and regularly monitored through annual full system audits. Further clarifications regarding the scope of this certificate and the applicability of ISO 9001 standard requirements may be obtained by consulting the registered organization. This certificate has been issued from APIQR offices located at 200 Massachusetts Avenue, NW Suite 1100, Washington, DC 20001-5571, U.S.A., it is the property of APIQR, and must be returned upon request. To verify the authenticity of this certificate, go to www.api.org/compositelist.

Form C-102

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

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

District IV

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, NM 87505

Partment Revised August 1, 2011
Submit one copy to appropriate
OCD – HOBBS District Office

12/04/2020 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

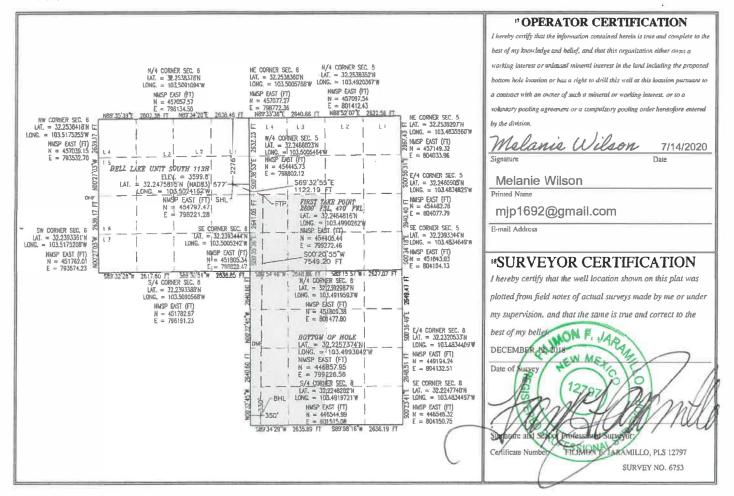
¹ API Number	² Pool Code	Pool Code Pool Name				
30-025-48174	98264	BELL LAKE; BONE SPRING, SOUTH				
4 Property Code	s P	⁶ Well Number				
316706	BELL LAI	BELL LAKE UNIT SOUTH				
OGRID No.	8 O	⁸ Operator Name				
12361	KAISER-F	KAISER-FRANCIS OIL CO.				

Surface Location

	UL or let no.	Section 6	Township 24 S	Range 34 E	Lot Idn	Feet from the 2276	North/South line NORTH	Feet from the 577	East/West line EAST	County LEA	
ľ	¹¹ Bottom Hole Location If Different From Surface										
n	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	

Ш	UL or lot no.	Section	Township	p Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	M	8	24 S	34 E		330	SOUTH	350	WEST	LEA
	13 Dedicated Acres	" Joint	or Infill	14 Consolidation	Code			15 Order No.		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
	480							R-14600		

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.



District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Date: 07/02/2018

State of New Mexico Energy, Minerals and Natural Resources Department

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

OCD – HOBBS 12/04/2020 RECEIVED Submit Original to Appropriate District Office

GAS CAPTURE PLAN

□ Original	Operator & OGRID No.: <u>Kaiser-Francis Oil Company</u> , 12361
☐ Amended - Reason for Amendment:	

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility - Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name		API	Well	Footages	Expected	Flared or	Comments
			Location		MCF/D	Vented	
Bell Lake Unit South 113H	30-	025-4817	4 H-Sec 6-24S-34E	2276' FNL & 577' FEL	2000	0	

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to <u>Targa</u> and will be connected to <u>Targa</u> low/high pressure gathering system located in <u>Lea_County</u>, New Mexico. It will require <u>_11,000'</u> of pipeline to connect the facility to low/high pressure gathering system. <u>Kaiser-Francis Oil Company</u> provides (periodically) to <u>Targa</u> a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, <u>Kaiser-Francis Oil Company</u> and <u>Targa</u> have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at <u>Targa</u> Processing Plant located in Sec. <u>_36_, Twn.__198_, Rng._36E, __Lea__</u> County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on <u>Targa</u> system at that time. Based on current information, it is <u>Kaiser-Francis Oil Company's</u> belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation On lease
 - o Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease
 - o Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease
 - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

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 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

Action 12323

CONDITIONS OF APPROVAL

Operator:			OGRID:	Action Number:	Action Type:
KAISER-FRANCIS OIL CO	P.O. Box 21468	Tulsa, OK74121	12361	12323	FORM 3160-3

OCD	Condition
Reviewer	
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	Oil base muds are not to be used until freshwater zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.