CASE NO. 22975

APPLICATION OF KAISER-FRANCIS OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

EXHIBITS

- 1. Application and Proposed Notice
- 2. Landman's Affidavit
- 3.1 and 3.2. Geologist's Affidavits
- 4. Affidavit of Notice
- 5. Pooling Checklist

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF KAISER-FRANCIS OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 22975

APPLICATION

Kaiser-Francis Oil Company applies for an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 24, Township 23 South, Range 28 East, N.M.P.M. and Lot 1, NE/4NW/4, and N/2NE/4 (the N/2N/2) of Section 19, Township 23 South, Range 29 East, N.M.P.M., and in support thereof, states:

- 1. Applicant is an interest owner in the N/2N/2 of Section 24 and the N/2N/2 of Section 19, and has the right to drill a well or wells thereon.
- 2. Applicant proposes to drill the Mosaic Fed. 2419 1BS Well No. 1H and the Mosaic Fed. 2419 2BS Well No. 1H, and to dedicate the N/2N/2 of Section 24 and the N/2N/2 of Section 19 to the well. The wells have first take points in the NW/4NW/4 of Section 24 and last take points in the NE/4NE/4 of Section 19.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the Bone Spring formation underlying the N/2N/2 of Section 24 and the N/2N/2 of Section 19 for the purposes set forth herein.
- 4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the wells or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all uncommitted mineral interest owners in the Bone

EXHIBIT

Spring formation in the N/2N/2 of Section 24 and the N/2N/2 of Section 19, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying the N/2N/2 of Section 24 and the N/2N/2 of Section 19 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all uncommitted mineral interest owners in the Bone Spring formation underlying the N/2N/2 of Section 24 and the N/2N/2 of Section 19;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling and completing the wells, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Kaiser-Francis Oil Company

Application of Kaiser-Francis Oil Company for compulsory pooling, Eddy County, New Mexico. Kaiser-Francis Oil Company seeks an order pooling all uncommitted mineral interest owners in the Bone Spring formation in a horizontal spacing unit underlying the N/2N/2 of Section 24, Township 23 South, Range 28 East, NMPM and Lot 1, NE/4NW/4, and N/2NE/4 (the N/2N/2) of Section 19, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Mosaic Fed. 2419 1BS Well No. 1H and the Mosaic Fed. 2419 2BS Well No. 1H, with first take points in the NW/4NW/4 of Section 24 and last take points in the NE/4NE/4 of Section 19. Also to be considered will be the cost of drilling, completing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. The unit is located 4 miles southwest of Malaga, New Mexico.

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF KAISER-FRANCIS OIL COMPANYCOMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. <u>22975</u>

VERIFIED STATEMENT OF BRENDON KUSHNERICK

Brendon Kushnerick, being duly sworn upon his oath, deposes and states:

- 1. I am a landman for Kaiser-Francis Oil Company ("KFOC"), and have personal knowledge of the matters stated herein. I have been qualified by the Division as an expert petroleum landman.
- 2. The following information is submitted in support of the compulsory pooling application filed herein:
 - (a) The purpose of this application is to force pool working interest owners into the Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit.
 - (b) No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests to the well.
 - (c) A plat outlining the unit being pooled is attached hereto as Attachment A. KFOC seeks an order pooling the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2 N/2 of Section 24, Township 23 South, Range 28 East and the N/2 N/2 of Section 19, Township 23 South Range 29 East, NMPM, containing 318.28 acres.
 - (i) Pool Code: 15011 Pool Name: Culebra Bluff; Bone Springs, South, to be dedicated to the Mosaic Fed 2419 1BS 1H. The well is a horizontal well with a first take point in NW/4 NW/4 of Section 24 and final take point in NE/4 NE/4 of Section 19.

SHL: 1,075' FNL and 186' FWL of Section 24-23S-28E BHL: 660' FNL and 100' FEL of Section 19-23S-29E 17,750' MD / 7,450' TVD

EXHIBIT 2

(ii) Pool Code: 15011 Pool Name: Culebra Bluff; Bone Springs, South, to be dedicated to the Mosaic Fed 2419 2BS 1H. The well is a horizontal well with a first take point in NW/4 NW/4 of Section 24 and final take point in NE/4 NE/4 of Section 19.

SHL: 1,155' FNL and 186' FWL of Section 24-23S-28E BHL: 660' FNL and 100' FEL of Section 19-23S-29E 19,200' MD / 8,900' TVD

A C-102 for each well is attached as Attachment B.

- (d) There is no depth severance in the Bone Spring formation.
- (d) The party being pooled and their interests are set forth in Attachment C. Their current and correct address are also set forth.
- (e) There were no unlocatable interest owners.
- (f) Attachment D contains a summary of contacts or attempted contacts with the interest owners, together with copies of the proposal letters sent to the interest owners.
- (g) KFOC has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed wells.
- (h) KFOC has the right to pool the overriding royalty owners in the well unit.
- (i) Attachment E contains the Authorizations for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and are comparable to the costs of other wells of similar depth and length drilled in this area of Eddy County.
- (j) KFOC requests overhead and administrative rates of \$8,000.00/month for a drilling well and \$800.00/month for a producing well. These rates are fair, and are comparable to the rates charged by other operators for wells of this type in this portion of Lea County. They are also the rates set forth in the Joint Operating Agreement for the well unit. KFOC requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- (k) KFOC requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- (l) KFOC requests that it be designated operator of the well.
- (m) The attachments to this affidavit were prepared by me, or compiled from company business records.
- (n) The granting of this application is in the interests of conservation and the prevention of waste.

VERIFICATION

STATE OF OKLHOMA)
) ss.
COUNTY OF TULSA)

Brendon Kushnerick, being duly sworn upon his oath, deposes and states that: He is a landman for Kaiser-Francis Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

SUBSCRIBED AND SWORN TO before me this M th day of August, 2022 by Brendon Kushnerick.

My Commission Expires: 8-17-2026

KAISER-FRANCIS OIL COMPANY

N/2 N/2 Sec 24 23S-28E & N/2 N/2 Sec 19 23S-29E Mosaic Fed 2419 1BS 1H & 2BS 1H Horizontal Spacing Unit Federal Lease Fee Acreage Township 23 South, Range 29 East Section Tract 5 Fee Acreage Tract 4
NMNM134866 Township 23 South, Range 28 East Tract 3 Section Tract 2 Fee Acreage Tract 1
Fee Acreage

ATTACHMENT

District 1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 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

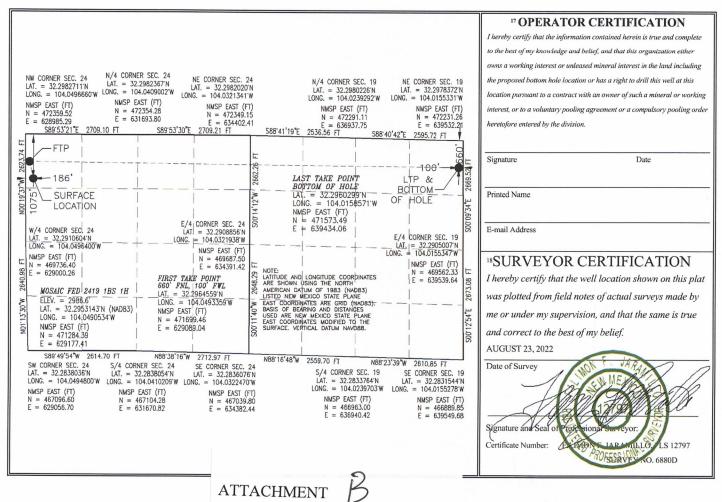
WELL	LOCA	TION	AND	ACREAC	GE DEDICATION PI	ΔТ
------	------	------	-----	--------	------------------	----

¹ API Number	² Pool Code 150/1	Culebra Bluffield Name	me Spring Son te
⁴ Property Code		roperty Name C FED 2419 1BS	6 Well Number
⁷ OGRID No. 12361	* 0 ₁ KAISER-FRAN	⁹ Elevation 2986.6	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	24	23 S	28 E		1075	NORTH	186	WEST	EDDY
			11 F	Bottom H	ole Location	If Different Fro	om Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	19	23 S	29 E		660	NORTH	100	EAST	EDDY
12 Dedicated Acres	s 13 Joint	or Infill 14	Consolidation	Code			15 Order No.		
		2.							

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 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

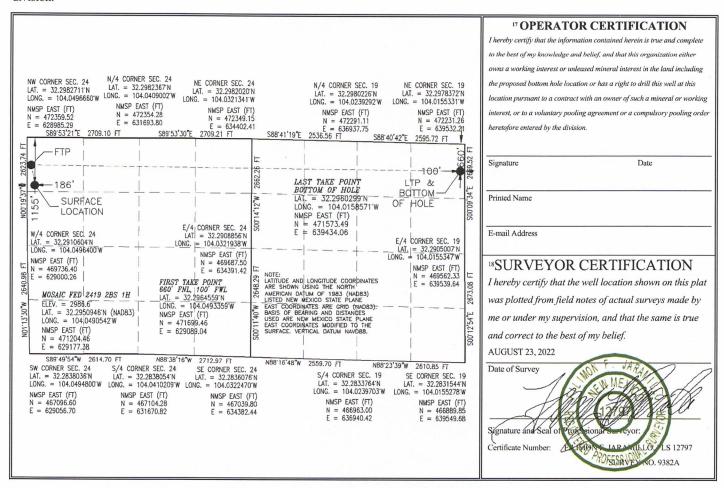
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	15011	Culebra B	Pool Name Wit; Bone Spring, South
⁴ Property Code		roperty Name C FED 2419 2BS	Well Number 1H
⁷ OGRID No. 12361)	perator Name NCIS OIL COMPANY	⁹ Elevation 2986.6

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	24	23 S	28 E		1155	NORTH	186	WEST	EDDY
			11 F	Bottom H	lole Location	If Different Fro	om Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	19	23 S	29 E		660	NORTH	100	EAST	EDDY
12 Dedicated Acre	s 13 Joint	or Infill 14	Consolidation	1 Code			15 Order No.		
		1		1					

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.



Pooling Respondent list for Pooling of the N/2 N/2 of Section 24-23S-28E and the N/2 N/2 of Section 19-23S-29E; Eddy County, New Mexico

Mosaic Federal 2419 1BS 1H & 2BS 1H

Chevron U.S.A. Inc.

Attn: NOJV Delaware Basin

1400 Smith Street

Houston, TX 77002

ATTACHMENT C

Summary of Communications

Mosaic Fed 2419 1BS 1H

Mosaic Fed 2419 2BS 1H

Company Nam	e: Chevron U.S.A., Inc.
Date:	Comments/Actions
4/21/2022	Mailed well proposals via certified mail
5/3/2022	Proposals received by Chevron
5/11/2022	Exchanged emails with Scott Sabrsula
5/12/2022	Exchanged emails and provided Scott Sabrsula a copy of Kaiser's proposed
	JOA
6/6/2022	Technical call between Kaiser-Francis and Chevron
6/15/2022	Exchanged emails with Evan Perlitz
6/27/2022	Emailed Scott Sabrsula requesting an update on Chevron's review of the JOA
7/6/2022	Emailed Scott Sabrsula requesting an update on Chevron's review of the JOA
7/22/2022	Traded emails with Scott Sabrsula about revisions to the JOA
7/25/2022	Exchanged emails with Evan Perlitz
8/4/2022	Technical meeting held with Chevron
8/18/2022	Emailed Scott Sabrsula for update on the JOA review

ATTACHMENT D

KAISER-FRANCIS OIL COMPANY

P.O. BOX 21468 TULSA OKLAHOMA 74121-1468

6733 South Yale Avenue, 74136 (918) 494-0000 Fax: (918) 491-4383

April 21, 2022

SENT VIA CERTIFIED MAIL 7019 0140 0000 3677 1282

Chevron USA, Inc. Attn: New Mexico NOJV 1400 Smith Street Houston, Texas 77002

Re:

Mosaic Fed. 2419 1BS 1H Mosaic Fed. 2419 2BS 1H

N/2 N/2 Section 24 T23S R28E & N/2 N/2 Section 19 T23S R29E

Eddy County, New Mexico

To Whom it May Concern:

Kaiser-Francis Oil Company ("KFOC") hereby proposed to drill the Mosaic Fed. 2419 1BS 1H ("Well 1") and Mosaic Fed. 2419 2BS 1H ("Well 2") at a legal location in the N/2 N/2 of Section 24 T23S R28E & N/2 N/2 of Section 19 T23S R29E, Eddy County, New Mexico. KFOC intends to develop this area by utilizing pad drilling.

The intended surface hole location for the wells are as follows: 1,105' FNL and 186' FWL for Well 1 and 1,035' FNL and 186' FWL for Well 2 all in Section 24, T23S R28E.

The intended bottom hole location for the wells are as follows: 660' FNL and 100' FEL for Well 1 and 2, both in Section 19, T23S R29E.

Well 1 is proposed to drill vertically to a depth of approximately 7,450' and horizontally in an Eastern direction within its targeted formation to the referenced bottom hole location. Total measured depth of the wells is proposed to be approximately 17,750' from surface to terminus.

Well #2 is proposed to drill vertically to a depth of approximately 8,900' and horizontally in an Eastern direction within its targeted formation to the referenced bottom hole location. Total measured depth of the wells is proposed to be approximately 19,200' from surface to terminus.

Enclosed are multiple documents for your review and execution including detailed AFEs for each well, reflecting estimated costs associated with each well. If you intend to participate, please execute in the appropriate box on each AFE, for each individual well, and return to the undersigned within 30 days of receipt of this proposal. The AFEs represent an estimated cost and are subject to change once wells are drilled/completed and actual costs are incurred. Parties electing to participate are responsible for their proportionate share of actual costs incurred.

An AAPL Form 610- 1989 Model Form Operating Agreement shall be sent to all parties subsequent to this letter.

KFOC intends to submit an application for a Compulsory Pooling Order with the New Mexico Oil Conservation Division within 30 days of your receipt of this letter. This will allow KFOC to move forward

with planning and drilling the subject wells while allowing time to properly executed a JOA amongst the interested parties.

Should you have any questions, I can be reached at 918-491-4431 or brendonk@kfoc.net.

Respectfully,

KAISER-FRANCIS OIL COMPANY

Brendon J. Kushnerick

Enclosure

Kaiser-Francis Oil Company

Authority for Expenditure

	: Kaiser-Francis Oil Company ne Mosaic FED 2419 1BS 1H		Date: Field:	8/22/2022	ones Springs Sout
Prospect:			County / Psh	Eddy	ones Springs Sout
Location:	Sec 24 23S 28E		State:	NM	
Depth:	17750 MD 7450 TVD		Preparer:	RS/CJ/DZ	
Horizon:					
	: Drill and complete a 9500' Bone springs lateral on a multi well pad				
JIB Code	Intangible Drilling and Completion Costs Location / Road Expense / Frac Pit Construction	Drilling	Completion	Eqpt/Const	Total
501/***	Cond, Rat Hole, Mouse Hole Services	\$45,000	\$14,000	\$36,000	\$95,000
	Location Damages	\$26,000 \$20,000	-		\$26,000
	Environmental, Regulatory, and Permitting	\$30,000			\$20,000
504/604	Turnkey Completion Rig	\$30,000	\$308,000		\$308,000
	Footage @ per foot		\$300,000		\$0
	Daywork 15 days at \$28,000	\$420,000			\$420,000
	Coiled Tubing & Related Services				\$0
	Rig Mob / Demob	\$255,500			\$255,500
	Directional Drilling Services	\$426,500			\$426,500
	Bits & Reamers Fuel/Power	\$73,440			\$73,440
	Drilling Water / Completion Fluid	\$135,000	\$000 C25		\$135,000
	Mud & Chemicals	\$35,000 \$160,000	\$890,625		\$925,625
	Closed Loop System / Mud & Cuttings Disposal / SWD	\$190,000	\$20,000		\$185,000 \$210,000
	Surface Equipment Rental / Inspection	\$224,975	\$293,370		\$518,345
517/617	Downhole Equipment Rental / Inspection	\$136,100	\$84,500		\$220,600
	Transportation & Loading	\$65,000	\$50,000		\$115,000
	DST, Coring & Analysis				\$0
	Downhole tools: Whipstocks, Liner Hangers, Frac Plugs		\$50,400		\$50,400
522/622	OH Logs / CH Logs / Perforating / Slickline Mud Logging / Geosteering / LWD	A	\$233,700		\$233,700
	Cementing & Squeezing	\$18,000			\$18,000
	Casing Crews & Equipment	\$171,000 \$61,500			\$171,000
	Plug & Abandon	\$61,500			\$61,500 \$0
	Stimulation		\$3,990,000		\$3,990,000
532/632	Geological & Engineering		\$3,330,000		\$0
	Supervision	\$78,000	\$48,750		\$126,750
	Miscellaneous Contract Labor	\$55,000	\$48,000	\$45,000	\$148,000
	Prof. Fees & Abstracts	\$10,000			\$10,000
	Liability Insurance / Bonds				\$0
		\$6,000	\$5,250		\$11,250
544/644	Miscellaneous & Unforeseen	\$112,547	\$303,080	\$4,050	\$419,677
	Total Intangible Drilling & Completion	\$2,754,562	\$6,364,675	\$85,050	\$9,204,287
W11-10-1007-100	MATERIAL PROPERTY AND ADDRESS OF THE PROPERTY ADDRESS OF THE PROPERTY AND ADDRESS OF THE PROPERTY				
JIB Code	Tangible Well and Lease Equipment Costs	Drilling	Completion	Eqpt/Const	Total
700	Conductor		Completion	Eqpt/Const	Total \$0
	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500	\$48,855	Completion	Eqpt/Const	Total \$0 \$48,855
700 701	Conductor		Completion	Eqpt/Const	Total \$0 \$48,855 \$198,572
700 701 702	Conductor 50rface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing 0rilling Liner (BCP)	\$48,855	Completion	Eqpt/Const	Total \$0 \$48,855
700 701 702 702 704 703	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP)	\$48,855	Completion	Eqpt/Const	Total \$0 \$48,855 \$198,572 \$0
700 701 702 702 704 703 706	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) S-1/2" P110 23 ppf Eagle SFH 17750	\$48,855		Eqpt/Const	Total \$0 \$48,855 \$198,572 \$0 \$0
700 701 702 702 704 703 706 710	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) S-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500	\$48,855 \$198,572 \$1,025,780	\$79,900	Eqpt/Const	Total \$0 \$48,855 \$198,572 \$0 \$0 \$0 \$1,025,780 \$79,900
700 701 702 702 704 703 706 710	Conductor 3 3/8 54.5 J 55 BTC 500 Surface Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing 9 5/8 40# P110 HP BTC 4800 Production Liner (ACP) Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP 45/2" P110 23 ppf Eagle SFH 17750	\$48,855 \$198,572	\$79,900 \$50,000	Eqpt/Const	Total \$0 \$48,855 \$198,572 \$0 \$0 \$0 \$1,025,780 \$79,900 \$95,000
700 701 702 702 704 703 706 710 721/720 724	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing	\$48,855 \$198,572 \$1,025,780	\$79,900	Eqpt/Const	Total \$0 \$48,855 \$198,572 \$0 \$0 \$0 \$1,025,780 \$79,900 \$95,000 \$20,000
700 701 702 702 704 703 706 710 721/720 724 726	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing	\$48,855 \$198,572 \$1,025,780	\$79,900 \$50,000		Total \$0 \$48,855 \$198,572 \$0 \$0 \$1,025,780 \$79,900 \$95,000 \$20,000 \$0
700 701 702 702 704 703 706 710 721/720 724 726 737	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Production Liner (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP 8 500 Packers & Downhole Equipment 8 605 & Pumps Line Pipe / Fittings / Pipeline 9 5/8 40# P110 HP BTC 2800 Intermediate Casing 13 3/8 54.5 J 55 BTC 500 Extraction Liner (ACP) 5 5/8 40# P110 HP BTC 2800 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 15 5/8 40# P110 HP BTC 2800 Intermediate Casing 15 5/8 40# P110 HP BTC	\$48,855 \$198,572 \$1,025,780	\$79,900 \$50,000	\$275,000	Total \$0 \$48,855 \$198,572 \$0 \$0 \$0 \$1,025,780 \$79,900 \$95,000 \$0 \$2275,000
700 701 702 702 704 703 706 710 721/720 724 726 737	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing	\$48,855 \$198,572 \$1,025,780	\$79,900 \$50,000	\$275,000 \$40,000	Total \$0 \$48,855 \$198,572 \$0 \$0 \$1,025,780 \$79,900 \$95,000 \$20,000 \$0 \$2775,000 \$40,000
700 701 702 702 704 703 706 710 721/720 724 726 737 738 747	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP Packers & Downhole Equipment Rods & Pumps Line Pipe / Fittings / Pipeline Automation/SCADA/Misc Electrical Equipment	\$48,855 \$198,572 \$1,025,780	\$79,900 \$50,000	\$275,000	Total \$0 \$48,855 \$198,572 \$0 \$0 \$0 \$1,025,780 \$79,900 \$95,000 \$0 \$2275,000
700 701 702 702 703 706 710 721/720 724 726 737 738 747 752 765	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP Packers & Downhole Equipment Rods & Pumps Line Pipe / Fittings / Pipeline Automation/SCADA/Misc Electrical Equipment Valves Tanks & Walkways Heaters / Treaters / Separator / VRU	\$48,855 \$198,572 \$1,025,780	\$79,900 \$50,000	\$275,000 \$40,000 \$45,000	Total \$0 \$48,855 \$198,572 \$0 \$0 \$1,025,780 \$79,900 \$95,000 \$20,000 \$0 \$2775,000 \$40,000 \$45,000
700 701 702 702 704 703 706 710 721/720 724 726 737 738 747 752 765 768	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP Packers & Downhole Equipment Rods & Pumps Line Pipe / Fittings / Pipeline Automation/SCADA/Misc Electrical Equipment Valves Tanks & Walkways Heaters / Treaters / Separator / VRU Artificial Lift / Compressor	\$48,855 \$198,572 \$1,025,780	\$79,900 \$50,000	\$275,000 \$40,000 \$45,000 \$100,000 \$77,000 \$45,000	Total \$0 \$48,855 \$198,572 \$0 \$0 \$1,025,780 \$79,900 \$95,000 \$20,000 \$0 \$275,000 \$40,000 \$45,000 \$100,000
700 701 702 702 703 706 710 721/720 724 726 737 738 747 752 765 768 770	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP Packers & Downhole Equipment Rods & Pumps Line Pipe / Fittings / Pipeline Automation/SCADA/Misc Electrical Equipment Valves Tanks & Walkways Heaters / Treaters / Separator / VRU Artificial Lift / Compressor Gas Sales Unit / Dehy / Line Heater / Flare	\$48,855 \$198,572 \$1,025,780	\$79,900 \$50,000 \$20,000	\$275,000 \$40,000 \$45,000 \$100,000 \$77,000 \$45,000 \$12,000	Total \$0 \$448,855 \$198,572 \$0 \$0 \$0 \$1,025,780 \$79,900 \$95,000 \$20,000 \$0 \$275,000 \$40,000 \$45,000 \$77,000 \$45,000 \$12,000
700 701 702 704 703 706 710 721/720 724 726 737 738 747 752 765 768 770 775/774	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP Packers & Downhole Equipment Rods & Pumps Line Pipe / Fittings / Pipeline Automation/SCADA/Misc Electrical Equipment Valves Tanks & Walkways Heaters / Treaters / Separator / VRU Artificial Lift / Compressor Gas Sales Unit / Dehy / Line Heater / Flare Tranportation and Freight BCP/ACP	\$48,855 \$198,572 \$1,025,780 \$45,000	\$79,900 \$50,000 \$20,000 \$2,000	\$275,000 \$40,000 \$45,000 \$100,000 \$77,000 \$45,000	Total \$0 \$48,855 \$198,572 \$0 \$0 \$0 \$1,025,780 \$79,900 \$20,000 \$0 \$275,000 \$440,000 \$100,000 \$77,000 \$45,000 \$45,000 \$45,000 \$45,000 \$45,000 \$45,000
700 701 702 702 704 703 706 710 721/720 724 726 737 738 747 752 765 768 770 775/774	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP Packers & Downhole Equipment Rods & Pumps Line Pipe / Fittings / Pipeline Automation/SCADA/Misc Electrical Equipment Valves Tanks & Walkways Heaters / Treaters / Separator / VRU Artificial Lift / Compressor Gas Sales Unit / Dehy / Line Heater / Flare Tranportation and Freight BCP/ACP Inspect/Test Tubulars BCP/ACP	\$48,855 \$198,572 \$1,025,780 \$45,000	\$79,900 \$50,000 \$20,000 \$2,000 \$5,000	\$275,000 \$40,000 \$45,000 \$100,000 \$77,000 \$45,000 \$12,000 \$45,000	Total \$0 \$48,855 \$198,572 \$0 \$0 \$0 \$1,025,780 \$79,900 \$20,000 \$0 \$275,000 \$40,000 \$445,000 \$100,000 \$77,000 \$45,000 \$12,000 \$29,000
700 701 702 702 704 703 706 710 721/720 724 726 737 738 747 752 765 768 770 775/774	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP Packers & Downhole Equipment Rods & Pumps Line Pipe / Fittings / Pipeline Automation/SCADA/Misc Electrical Equipment Valves Tanks & Walkways Heaters / Treaters / Separator / VRU Artificial Lift / Compressor Gas Sales Unit / Dehy / Line Heater / Flare Tranportation and Freight BCP/ACP Inspect/Test Tubulars BCP/ACP Non-Controllable Equipment BCP/ACP	\$48,855 \$198,572 \$1,025,780 \$45,000 \$45,000	\$79,900 \$50,000 \$20,000 \$2,000 \$5,000 \$5,000 \$7,845	\$275,000 \$40,000 \$45,000 \$100,000 \$77,000 \$45,000 \$12,000 \$45,000	Total \$0 \$48,855 \$198,572 \$0 \$0 \$0 \$1,025,780 \$79,900 \$95,000 \$0 \$2275,000 \$40,000 \$45,000 \$12,000 \$45,000 \$47,000 \$47,000 \$29,000 \$29,000
700 701 702 702 704 703 706 710 721/720 724 726 737 738 747 752 765 768 770 775/774	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP Packers & Downhole Equipment Rods & Pumps Line Pipe / Fittings / Pipeline Automation/SCADA/Misc Electrical Equipment Valves Tanks & Walkways Heaters / Treaters / Separator / VRU Artificial Lift / Compressor Gas Sales Unit / Dehy / Line Heater / Flare Tranportation and Freight BCP/ACP Inspect/Test Tubulars BCP/ACP Non-Controllable Equipment 8CP/ACP Total Well and Lease Equipment	\$48,855 \$198,572 \$1,025,780 \$45,000	\$79,900 \$50,000 \$20,000 \$2,000 \$5,000	\$275,000 \$40,000 \$45,000 \$100,000 \$77,000 \$45,000 \$12,000 \$45,000	Total \$0 \$48,855 \$198,572 \$0 \$0 \$0 \$1,025,780 \$79,900 \$20,000 \$0 \$275,000 \$40,000 \$445,000 \$100,000 \$77,000 \$45,000 \$12,000 \$29,000
700 701 702 702 704 703 706 710 721/720 724 726 737 738 747 752 765 768 770 775/774	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP Packers & Downhole Equipment Rods & Pumps Line Pipe / Fittings / Pipeline Automation/SCADA/Misc Electrical Equipment Valves Tanks & Walkways Heaters / Treaters / Separator / VRU Artificial Lift / Compressor Gas Sales Unit / Dehy / Line Heater / Flare Tranportation and Freight BCP/ACP Inspect/Test Tubulars BCP/ACP Non-Controllable Equipment BCP/ACP	\$48,855 \$198,572 \$1,025,780 \$45,000 \$45,000	\$79,900 \$50,000 \$20,000 \$2,000 \$5,000 \$5,000 \$7,845	\$275,000 \$40,000 \$45,000 \$100,000 \$77,000 \$45,000 \$12,000 \$45,000	Total \$0 \$48,855 \$198,572 \$0 \$0 \$0 \$1,025,780 \$79,900 \$95,000 \$0 \$2275,000 \$40,000 \$45,000 \$12,000 \$45,000 \$47,000 \$47,000 \$29,000 \$29,000
700 701 702 702 704 703 706 710 721/720 724 726 737 738 747 752 765 768 770 775/774	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP Packers & Downhole Equipment Rods & Pumps Line Pipe / Fittings / Pipeline Automation/SCADA/Misc Electrical Equipment Valves Tanks & Walkways Heaters / Treaters / Separator / VRU Artificial Lift / Compressor Gas Sales Unit / Dehy / Line Heater / Flare Tranportation and Freight BCP/ACP Inspect/Test Tubulars BCP/ACP Non-Controllable Equipment 8CP/ACP Total Well and Lease Equipment	\$48,855 \$198,572 \$1,025,780 \$45,000 \$45,000 \$15,821 \$1,358,028	\$79,900 \$50,000 \$20,000 \$20,000 \$5,000 \$5,000 \$7,845 \$164,745	\$275,000 \$40,000 \$45,000 \$100,000 \$77,000 \$45,000 \$12,000 \$45,000 \$29,950 \$668,950	Total \$0 \$48,855 \$198,572 \$0 \$0 \$1,025,780 \$79,900 \$20,000 \$0 \$275,000 \$45,000 \$100,000 \$77,000 \$45,000 \$45,000 \$21,000 \$22,000 \$31,00
700 701 702 702 704 703 706 710 722 724 726 737 738 747 752 765 768 770 75/774	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP Packers & Downhole Equipment Rods & Pumps Line Pipe / Fittings / Pipeline Automation/SCADA/Misc Electrical Equipment Valves Tanks & Walkways Heaters / Treaters / Separator / VRU Artificial Lift / Compressor Gas Sales Unit / Dehy / Line Heater / Flare Tranportation and Freight BCP/ACP Inspect/Test Tubulars BCP/ACP Non-Controllable Equipment BCP/ACP Total Well and Lease Equipment Total Drilling and Completion Cost	\$48,855 \$198,572 \$1,025,780 \$45,000 \$45,000 \$15,821 \$1,358,028	\$79,900 \$50,000 \$20,000 \$20,000 \$5,000 \$5,000 \$7,845 \$164,745	\$275,000 \$40,000 \$45,000 \$10,000 \$77,000 \$45,000 \$12,000 \$45,000 \$29,950 \$668,950 \$754,000	Total \$0 \$48,855 \$198,572 \$0 \$0 \$0 \$1,025,780 \$79,900 \$20,000 \$0 \$275,000 \$44,000 \$100,000 \$77,000 \$45,000 \$47,000 \$29,000 \$29,000 \$21,000
700 701 702 702 704 703 706 710 722 724 726 737 738 747 752 765 768 770 75/774	Conductor Surface Casing 13 3/8 54.5 J 55 BTC 500 Intermediate Casing 9 5/8 40# P110 HP BTC 2800 Intermediate Casing Drilling Liner (BCP) Production Liner (ACP) Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 17750 Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 8500 Wellhead Equip. BCP/ACP Packers & Downhole Equipment Rods & Pumps Line Pipe / Fittings / Pipeline Automation/SCADA/Misc Electrical Equipment Valves Tanks & Walkways Heaters / Treaters / Separator / VRU Artificial Lift / Compressor Gas Sales Unit / Dehy / Line Heater / Flare Tranportation and Freight BCP/ACP Inspect/Test Tubulars BCP/ACP Non-Controllable Equipment BCP/ACP Total Well and Lease Equipment Total Drilling and Completion Cost KFOC APPROVALS Robert Sanford (918) 491-4201 Drilling Jake Crissup (918) 491-4685 Completion	\$48,855 \$198,572 \$1,025,780 \$45,000 \$45,000 \$15,821 \$1,358,028	\$79,900 \$50,000 \$20,000 \$2,000 \$5,000 \$7,845 \$164,745 \$6,529,420 PARTNER	\$275,000 \$40,000 \$45,000 \$100,000 \$77,000 \$45,000 \$12,000 \$45,000 \$29,950 \$668,950 \$754,000	Total \$0 \$48,855 \$198,572 \$0 \$0 \$0 \$1,025,780 \$79,900 \$20,000 \$0 \$275,000 \$445,000 \$100,000 \$77,000 \$445,000 \$27,000 \$29,000 \$29,000 \$29,000 \$29,000

Date

Mike Raines (918) 491-4658 Asset Manager

Tom Redman (918) 491-4201 Chief Operating Officer

Kaiser-Francis Oil Company

Operator	Authority for Expend: Kaiser-Francis Oil Company	diture		- 1 :	
	te Mosaic FED 2419 2BS 1H		Date:	8/22/2022	
Prospect:			Field: County / Psh	Eddy	ones Springs South
Location:	Sec 24 23S 28E		State:	NM	
Depth:	19200 MD 8900 TVD		Preparer:	RS/CJ/DZ	
Horizon:					
Objective	: Drill and complete a 9500' Bone springs lateral on a multi well pad				
JIB Code		Drilling	Completion	Eqpt/Const	Total
500/600	Location / Road Expense / Frac Pit Construction Cond, Rat Hole, Mouse Hole Services	\$45,000	\$14,000	\$36,000	\$95,000
502/602		\$26,000 \$20,000			\$26,000
503/603		\$30,000		-	\$20,000
504/604		\$30,000	\$308,000		\$30,000 \$308,000
	Footage @ per foot	Zisine,	\$500,000		\$0
	Daywork 16 days at \$28,000	\$448,000			\$448,000
505/605	Coiled Tubing & Related Services				\$0
506/606 507/***		\$255,500	7.5		\$255,500
508/608	Directional Drilling Services Bits & Reamers	\$426,500			\$426,500
510/610		\$73,440			\$73,440
	Drilling Water / Completion Fluid	\$144,000 \$35,000	\$890,625		\$144,000
514/614	Mud & Chemicals	\$160,000	\$25,000		\$925,625 \$185,000
515/615	Closed Loop System / Mud & Cuttings Disposal / SWD	\$190,000	\$20,000		\$210,000
516/616	Surface Equipment Rental / Inspection	\$233,440	\$293,370		\$526,810
	Downhole Equipment Rental / Inspection	\$140,700	\$84,500		\$225,200
518/618 520/***	Transportation & Loading DST, Coring & Analysis	\$65,000	\$50,000		\$115,000
	Downhole tools: Whipstocks, Liner Hangers, Frac Plugs		4		\$0
522/622	OH Logs / CH Logs / Perforating / Slickline		\$50,400		\$50,400
523/***	Mud Logging / Geosteering / LWD	\$19,200	\$233,700		\$233,700 \$19,200
524/624	Cementing & Squeezing	\$171,000			\$171,000
526/626	Casing Crews & Equipment	\$61,500			\$61,500
	Plug & Abandon				\$0
	Stimulation		\$3,990,000		\$3,990,000
	Geological & Engineering				\$0
	Supervision Miscellaneous Contract Labor	\$83,000	\$48,750	£45.000	\$131,750
	Prof. Fees & Abstracts	\$55,000 \$10,000	\$48,000	\$45,000	\$148,000 \$10,000
	Liability Insurance / Bonds	\$10,000			\$10,000
542/642		\$6,400	\$5,250		\$11,650
544/644	Miscellaneous & Unforeseen	\$114,727	\$303,080	\$4,050	\$421,857
	Total Intangible Drilling & Completion	\$2,813,407	\$6,364,675	\$85,050	\$9,263,132
JIB Code	Tangible Well and Lease Equipment Costs	Drilling	Completion	Eqpt/Const	Total
700	Conductor				\$0
701	Surface Casing 13 3/8 54.5 J 55 BTC 500	\$48,855			\$48,855
702	Intermediate Casing 9 5/8 40# P110 HP BTC 2800	\$198,572			\$198,572
702 704	Intermediate Casing Drilling Liner (BCP)				\$0
704	Production Liner (ACP)				\$0 \$0
706	Production Casing (ACP) 5-1/2" P110 23 ppf Eagle SFH 19200	\$1,102,224			\$1,102,224
710	Tubing 2-7/8" 6.5# L-80 EUE 2021 COPAS 10500	V1/102/22	\$98,700		\$98,700
721/720	Wellhead Equip. BCP/ACP	\$45,000	\$50,000		\$95,000
724	Packers & Downhole Equipment		\$20,000		\$20,000
726	Rods & Pumps				\$0
737	Line Pipe / Fittings / Pipeline			\$275,000	\$275,000
738	Automation/SCADA/Misc Electrical Equipment			\$40,000	\$40,000
747 752	Valves Tanks & Walkways			\$45,000 \$100,000	\$45,000 \$100,000
765	Heaters / Treaters / Separator / VRU			\$100,000	\$77,000
768	Artificial Lift / Compressor			\$45,000	\$45,000
770	Gas Sales Unit / Dehy / Line Heater / Flare	13-11		\$12,000	\$12,000
775/774	Tranportation and Freight BCP/ACP		\$2,000	\$45,000	\$47,000
777/776	Inspect/Test Tubulars BCP/ACP	\$24,000	\$5,000		\$29,000
779/778	Non-Controllable Equipment BCP/ACP	\$15,821	\$8,785	\$29,950	\$54,556
	Total Well and Lease Equipment	\$1,434,472	\$184,485	\$668,950	\$2,287,907
	Total Drilling and Completion Cost	\$4,247,879	\$6,549,160	\$754,000	\$11,551,039
	KFOC APPROVALS		DARTHE	RAPPROVAL	
			TAKINLI		
	Robert Sanford (918) 491-4201				

KFOC APPROVALS	PARTNER APPROVAL
D-b+ C	
Robert Sanford (918) 491-4201	
Drilling	
Jake Crissup (918) 491-4685	
Completion	Signature
David Hamilton (832) 428-2460	
Land	Printed Name
Lee Lindman (918) 491-4484	
Geology	Position
Blake Humphries (918) 491-4455	
Reservoir	Company
Mike Raines (918) 491-4658	
Asset Manager	Date
Tom Redman (918) 491-4201	
Chief Operating Officer	

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF KAISER-FRANCIS OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 22975

VERIFIED STATEMENT OF LEE J. LINDMAN

Lee J. Lindman, being duly sworn upon his oath, deposes and states:

- 1. I am over the age of 18, and have personal knowledge of the geological matters stated herein.
- 2. I am a geologist for Kaiser-Francis Oil Company ("KFOC"). I have been qualified by the Division as an expert petroleum geologist. My area of responsibility at KFOC includes this portion of Southeast New Mexico.
- 3. The following geological plats are attached hereto:
- (a) Attachment A is a structure map on the top of the 1st Bone Spring formation. It shows that structure dips gently to the East. It also displays offset 1st Bone Spring producing wells and permits in the vicinity of the Mosaic Fed 2419 1BS Well No. 1H, and a line of cross-section A A'. The proposed completion interval in the well is the 1st Bone Spring Sand.
- (b) Attachment B is a gross isopach map of the 1st Bone Spring Sand zone. This zone has uniform thickness across the proposed well unit.
- (c) Attachment C is stratigraphic cross section A A' hung on the top of the 1st Bone Spring Sand. The well logs on the cross-section give a representative sample of the 1st Bone Spring Sand formation in this area. The target zone for the well is continuous across the well unit and is indicated by the red arrow.
- 4. I conclude from the maps that:
- (a) The horizontal spacing unit is justified from a geologic standpoint.
- (b) Each quarter section in the well unit will contribute more or less equally to production from the well.
- (c) There is no faulting or other geologic impediment which will adversely affect the drilling of the subject well.

EXHIBIT 3.1

- 5. Based on production from wells in this area, KFOC sees no preferential orientation for wells in this area.
- Attachment D contains the proposed horizontal drilling plans for the well. The
 producing interval of the well will be orthodox, and will comply with Division
 setback requirements.

TITTE	3 3 7 3	CAF	TIANT
VER	IHI	(A	
· LIL	AA A	ULL.	LICIA

STATE OF OKLAHOMA)
COLD TO THE COLD TO THE COLD) ss
COUNTY OF TULSA)

Lee J. Lindman, being duly sworn upon his oath, deposes and states that: He is a geologist for Kaiser-Francis Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

ee I Lindman

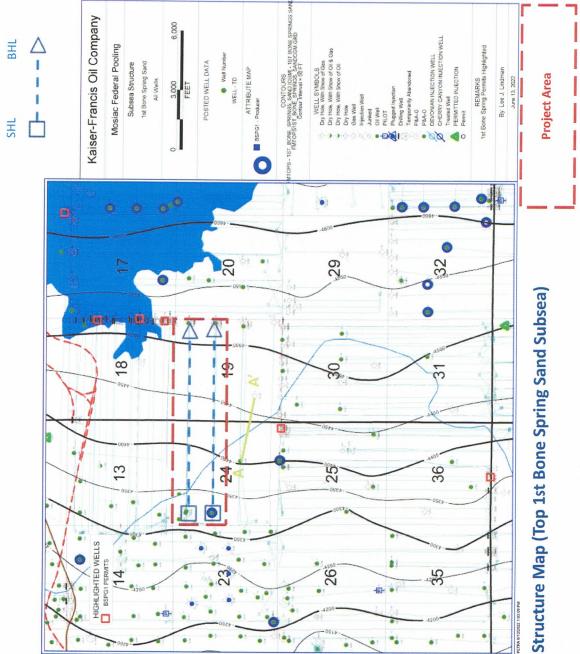
SUBSCRIBED AND SWORN TO before me this ___/3_ day of June, 2022 by Sherrie Capps.

My Commission Expires: 11-23 2024

Notary Public Capps

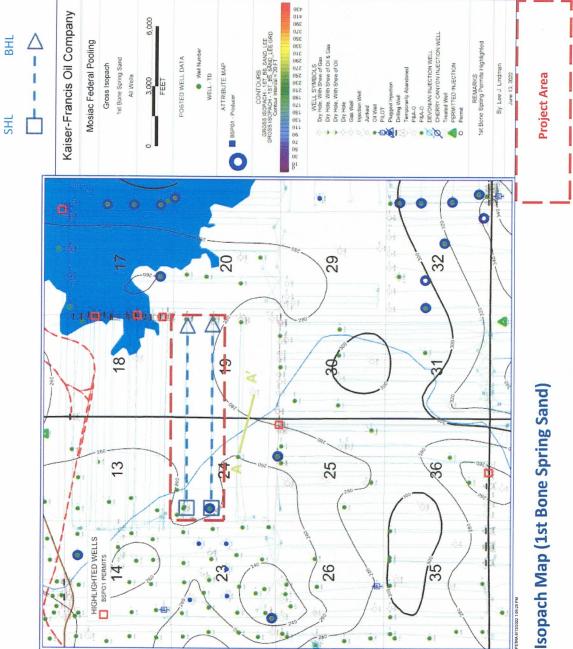
Notary Public
State of Oklahoma
SHERRIE CAPPS
TULSA COUNTY
COMMISSION \$00018350
Comm. Exp. 11-23-2024

ATTACHMENT A



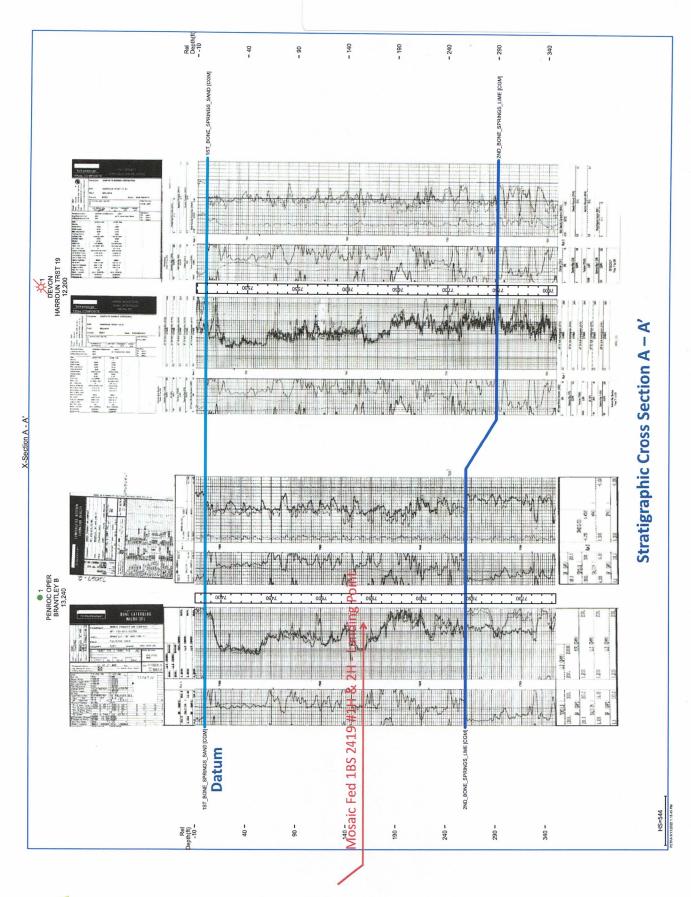
REMARKS 1st Bone Spring Permits Highlighted By Lee J. Lindman Project Area

ATTACHMENT



Y







KAISER FRANCIS OIL CO.

EDDY COUNTY, N.M. 27 SEC 24-T23S-R28E MOSAIC FED 2419 1BS 1H

HORIZONTAL

Plan: PLAN 1

Standard Planning Report

10 June, 2022

ATTACHMENT

Kaiser-Francis Oil Company



Kaiser-Francis Oil Company

Database: Company: Project: Site:

Well:

1 - EDM Production KAISER FRANCIS OIL CO. EDDY COUNTY, N.M. 27 SEC 24-T23S-R28E

Wellbore: Design:

MOSAIC FED 2419 1BS 1H HORIZONTAL PLAN 1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well MOSAIC FED 2419 1BS 1H

GE+24' @ 3011.00usft (Original Well Elev) GE+24' @ 3011.00usft (Original Well Elev)

Grid

Minimum Curvature

Project

EDDY COUNTY, N.M. 27

Map System: Geo Datum:

US State Plane 1927 (Exact solution) NAD 1927 (NADCON CONUS)

New Mexico East 3001

System Datum:

Mean Sea Level

Ground Level:

59.87

Site

SEC 24-T23S-R28E

Site Position: From:

Map Zone:

Map

Northing: Easting:

471,315.07 usft 587,964.00 usft Latitude:

32.29544072

Position Uncertainty:

Slot Radius:

Longitude:

-104.04865757

13-3/16 "

0.00 usft

Well

MOSAIC FED 2419 1BS 1H

Well Position +N/-S

0.00 usft +E/-W 0.00 usft Northing:

4/13/2022

Wellhead Elevation:

471,225,05 usfl Easting:

587,994.50 usfl

2,987.00 usfl

Latitude: Longitude:

32.29519304 -104.04855964 2,987.00 usfl

Grid Convergence:

Position Uncertainty

0.00 usft 0.15°

Wellbore

HORIZONTAL

Magnetics Model Name IGRF2020

Sample Date

Declination (°) 6.67 **Dip Angle** (°)

Field Strength (nT)

47,403,67522676

Design

PLAN 1

Audit Notes:

Version:

Phase:

PROTOTYPE

Tie On Depth:

0.00

Vertical Section:

Depth From (TVD) (usft)

0.00

+N/-S (usft)

0.00

+E/-W (usft) 0.00

Direction (°) 90.00

Plan Survey Tool Program

Date 6/10/2022

Depth From (usft)

Depth To (usft)

Survey (Wellbore)

Tool Name

Remarks

0.00

17,495.06 PLAN 1 (HORIZONTAL)

MWD+IGRF

OWSG MWD + IGRF or WN

leasured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,100.00	12.00	188.19	2,095.62	-61.96	-8.91	2.00	2.00	0.00	188.19	
5,919.96	12.00	188.19	5,832.11	-848.09	-122.02	0.00	0.00	0.00	0.00	
6,519.96	0.00	0.00	6,427.74	-910.05	-130.93	2.00	-2.00	0.00	180.00	
7,060.77	0.00	0.00	6,968.54	-910.05	-130.93	0.00	0.00	0.00	0.00	KOP 1BS 1H
7,810.77	90.00	90.65	7,446.00	-915.49	346.50	12.00	12.00	12.09	90.65	
17,495.06	90.00	90.65	7,446.00	-1,025.84	10,030.17	0.00	0.00	0.00	0.00	PBHL 1BS 1H



Kaiser-Francis Oil Company

Database: Company: Project: Site:

1 - EDM Production KAISER FRANCIS OIL CO. EDDY COUNTY, N.M. 27 SEC 24-T23S-R28E MOSAIC FED 2419 1BS 1H

Well: Wellbore: HORIZONTAL

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well MOSAIC FED 2419 1BS 1H

GE+24' @ 3011.00usft (Original Well Elev) GE+24' @ 3011.00usft (Original Well Elev)

Grid

Minimum Curvature

Design:	PLAN 1									
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	
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,500.00 KOP 2°/100 1,600.00	2.00	0.00 188.19	1,500.00 1,599.98	0.00	0.00 -0.25	0.00 -0.25	0.00 2.00	0.00 2.00	0.00	
1,700.00	4.00	188.19	1,699.84	-6.91	-0.99	-0.99	2.00	2.00	0.00	
1,800.00	6.00	188.19	1,799.45	-15.53	-2.23	-2.23	2.00	2.00	0.00	
1,900.00	8.00	188.19	1,898.70	-27.60	-3.97	-3.97	2.00	2.00	0.00	
2,000.00 2,100.00 Hold 12° In	10.00 12.00 c	188.19 188.19	1,997.47 2,095.62	-43.08 -61.96	-6.20 -8.91	-6.20 -8.91	2.00 2.00	2.00 2.00	0.00 0.00	
2,200.00	12.00	188.19	2,193.44	-82.54	-11.88	-11.88	0.00	0.00	0.00	
2,300.00	12.00	188.19	2,291.25	-103.12	-14.84	-14.84	0.00	0.00	0.00	
2,400.00	12.00	188.19	2,389.07	-123.70	-17.80	-17.80	0.00	0.00	0.00	
2,500.00	12.00	188.19	2,486.88	-144.28	-20.76	-20.76	0.00	0.00	0.00	
2,600.00	12.00	188.19	2,584.70	-164.86	-23.72	-23.72	0.00	0.00	0.00	
2,700.00	12.00	188.19	2,682.51	-185.44	-26.68	-26.68	0.00	0.00	0.00	
2,800.00	12.00	188.19	2,780.33	-206.02	-29.64	-29.64	0.00	0.00	0.00	
2,900.00	12.00	188.19	2,878.14	-226.60	-32.60	-32.60	0.00	0.00	0.00	
3,000.00	12.00	188.19	2,975.96	-247.18	-35.56	-35.56	0.00	0.00	0.00	
3,100.00	12.00	188.19	3,073.77	-267.76	-38.52	-38.52	0.00	0.00	0.00	
3,200.00	12.00	188.19	3,171.59	-288.34	-41.48	-41.48	0.00	0.00	0.00	
3,300.00	12.00	188.19	3,269.40	-308.92	-44.44	-44.44	0.00	0.00	0.00	
3,400.00	12.00	188.19	3,367.22	-329.50	-47.40	-47.40	0.00	0.00	0.00	
3,500.00	12.00	188.19	3,465.03	-350.07	-50.37	-50.37	0.00	0.00	0.00	
3,600.00	12.00	188.19	3,562.84	-370.65	-53.33	-53.33	0.00	0.00	0.00	
3,700.00	12.00	188.19	3,660.66	-391.23	-56.29	-56.29	0.00	0.00	0.00	
3,800.00	12.00	188.19	3,758.47	-411.81	-59.25	-59.25	0.00	0.00	0.00	
3,900.00	12.00	188.19	3,856.29	-432.39	-62.21	-62.21	0.00	0.00	0.00	
4,000.00	12.00	188.19	3,954.10	-452.97	-65.17	-65.17	0.00	0.00	0.00	
4,100.00	12.00	188.19	4,051.92	-473.55	-68.13	-68.13	0.00	0.00	0.00	
4,200.00	12.00	188.19	4,149.73	-494.13	-71.09	-71.09	0.00	0.00	0.00	
4,300.00	12.00	188.19	4,247.55	-514.71	-74.05	-74.05	0.00	0.00	0.00	
4,400.00	12.00	188.19	4,345.36	-535.29	-77.01	-77.01	0.00	0.00	0.00	
4,500.00	12.00	188.19	4,443.18	-555.87	-79.97	-79.97	0.00	0.00	0.00	
4,600.00	12.00	188.19	4,540.99	-576.45	-82.93	-82.93	0.00	0.00	0.00	
4,700.00	12.00	188.19	4,638.81	-597.03	-85.89	-85.89	0.00	0.00	0.00	
4,800.00	12.00	188.19	4,736.62	-617.60	-88.86	-88.86	0.00	0.00	0.00	
4,900.00	12.00	188.19	4,834.44	-638.18	-91.82	-91.82	0.00	0.00	0.00	
5,000.00	12.00	188.19	4,932.25	-658.76	-94.78	-94.78	0.00	0.00	0.00	



Planned Survey

Planning Report

Kaiser-Francis Oil Company

Database: 1 - EDM Production
Company: KAISER FRANCIS OIL CO.
Project: EDDY COUNTY, N.M. 27
Site: SEC 24-T23S-R28E

Well: MOSAIC FED 2419 1BS 1H

Wellbore: HORIZONTAL Design: PLAN 1

Local Co-ordinate Reference: TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Well MOSAIC FED 2419 1BS 1H GE+24' @ 3011.00usft (Original Well Elev) GE+24' @ 3011.00usft (Original Well Elev) Grid

Minimum Curvature

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)
5,100.00	12.00	188.19	5,030.07	-679.34	-97.74	-97.74	0.00	0.00	0.00
5,200.00	12.00	188.19	5,127.88	-699.92	-100.70	-100.70	0.00	0.00	0.00
5,300.00 5,400.00	12.00	188.19	5,225.70	-720.50	-103.66	-103.66	0.00	0.00	0.00
	12.00	188.19	5,323.51	-741.08	-106.62	-106.62	0.00	0.00	0.00
5,500.00	12.00	188.19	5,421.33	-761.66	-109.58	-109.58	0.00	0.00	0.00
5,600.00	12.00	188.19	5,519.14	-782.24	-112.54	-112.54	0.00	0.00	0.00
5,700.00 5,800.00	12.00 12.00	188.19	5,616.95	-802.82	-115.50	-115.50	0.00	0.00	0.00
5,900.00	12.00	188.19 188.19	5,714.77 5,812.58	-823.40 -843.98	-118.46 -121.42	-118.46 -121.42	0.00	0.00	0.00
							0.00	0.00	0.00
5,919.96	12.00	188.19	5,832.11	-848.08	-122.01	-122.01	0.00	0.00	0.00
Start Drop 6.000.00	10.40	100 10	F 040 CO	000 47	101.00	101.00			
6.100.00	8.40	188.19 188.19	5,910.62 6,009.27	-863.47 -879.64	-124.23 -126.55	-124.23	2.00	-2.00	0.00
6,200.00	6.40	188.19	6,108.44	-892.38	-128.39	-126.55 -128.39	2.00 2.00	-2.00 -2.00	0.00
6,300.00	4.40	188.19	6,207.99	-901.70	-129.73	-129.73	2.00	-2.00	0.00
6,400.00	2.40	188.19	6,307.81	-907.56	-130.57	-130.57	2.00	-2.00	0.00
6,500.00	0.40	188.19	6,407.77	-909.98	-130.92	-130.92	2.00	-2.00	0.00
6,519.96	0.00	188.19	6,427.73	-910.05	-130.93	-130.93	2.00	-2.00	0.00
Hold 0°									
6,600.00	0.00	0.00	6,507.77	-910.05	-130.93	-130.93	0.00	0.00	0.00
6,700.00	0.00	0.00	6,607.77	-910.05	-130.93	-130.93	0.00	0.00	0.00
6,800.00	0.00	0.00	6,707.77	-910.05	-130.93	-130.93	0.00	0.00	0.00
6,900.00 7,000.00	0.00	0.00	6,807.77	-910.05	-130.93	-130.93	0.00	0.00	0.00
7,000.00	0.00 0.00	0.00	6,907.77 6,968.54	-910.05 -910.05	-130.93	-130.93	0.00	0.00	0.00
KOP 12°/10		0.00	0,900.54	-910.05	-130.93	-130.93	0.00	0.00	0.00
7,075.00	1.71	90.65	6,982.77	-910.05	-130.72	-130.72	12.00	12.00	0.00
7,100.00	4.71	90.65	7,007.73	-910.07	-129.32				
7,125.00	7.71	90.65	7,007.73	-910.07 -910.10	-129.32	-129.32 -126.62	12.00 12.00	12.00 12.00	0.00 0.00
7,150.00	10.71	90.65	7,052.35	-910.14	-122.62	-120.02	12.00	12.00	0.00
7,175.00	13.71	90.65	7,081.68	-910.20	-117.33	-117.33	12.00	12.00	0.00
7,200.00	16.71	90.65	7,105.81	-910.28	-110.77	-117.33	12.00	12.00	0.00

7,225.00

7,250.00

7,275.00

7,300.00

7,325.00

7,350.00

7,375.00

7,400.00

7,425.00

7,450.00

7,475.00

7,500.00

7,525.00

7,550.00

7,575.00

7,600.00

7,625.00

7,650.00

7,675.00

7,700.00

7,725.00

19.71

22.71

25.71

28.71

31.71

34.71

37.71

40.71

43.71

46.71

49.71

52.71

55.71

58.71

61.71

64.71

67.71

70.71

73.71

76.71

79.71

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

90.65

7,129.55

7,152.86

7,175.65

7,197.89

7,219.49

7.240.40

7,260.57

7,279.94

7,298.46

7,316.07

7,332.73

7,348.39

7,363.01

7,376.55

7,388.97

7,400,24

7,410.32

7,419.19

7,426.83

7,433.21

7,438.32

-910.37

-910.47

-910.59

-910.72

-910.86

-911.02

-911.19

-911.37

-911.56

-911.76

-911.97

-912.19

-912.43

-912.66

-912.91

-913.17

-913.43

-913.69

-913.96

-914.24

-914.52

-102.96

-93.92

-83.67

-72.24

-59.67

-45.98

-31.21

-15.41

1.38

19.12

37.75

57.24

77.51

98.52

120.21

142.53

165.40

188.77

212.57

236.73

261.20

-102.96

-93.92

-83.67

-72.24

-59.67

-45.98

-31.21

-15.41

1.38

19.12

37.75

57.24

77.51

98.52

120.21

142.53

165.40

188.77

212.57

236.73

261.20

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00



Kaiser-Francis Oil Company

Database: Company: Project: Site:

Well:

1 - EDM Production KAISER FRANCIS OIL CO. EDDY COUNTY, N.M. 27 SEC 24-T23S-R28E MOSAIC FED 2419 1BS 1H

Wellbore: HORIZONTAL Design: PLAN 1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well MOSAIC FED 2419 1BS 1H

GE+24' @ 3011.00usft (Original Well Elev) GE+24' @ 3011.00usft (Original Well Elev)

Grid

Minimum Curvature

Planned Survey

anned 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)
7,750.00 7,775.00 7,800.00 7,810.77 LP 7811' N	82.71 85.71 88.71 90.00 ID/ 7446' TVD	90.65 90.65 90.65 90.65	7,442.14 7,444.67 7,445.88 7,446.00	-914.80 -915.08 -915.37 -915.49	285.90 310.77 335.74 346.50	285.90 310.77 335.74 346.50	12.00 12.00 12.00 12.00	12.00 12.00 12.00 12.00	0.00 0.00 0.00 0.00
7,900.00	90.00	90.65	7,446.00	-916.51	435.73	435.73	0.00	0.00	0.00
8,000.00	90.00	90.65	7,446.00	-917.65	535.72	535.72	0.00	0.00	0.00
8,100.00	90.00	90.65	7,446.00	-918.79	635.72	635.72	0.00	0.00	0.00
8,200.00	90.00	90.65	7,446.00	-919.93	735.71	735.71	0.00	0.00	0.00
8,300.00	90.00	90.65	7,446.00	-921.07	835.70	835.70	0.00	0.00	0.00
8,400.00	90.00	90.65	7,446.00	-922.20	935.70	935.70	0.00	0.00	0.00
8,500.00	90.00	90.65	7,446.00	-923.34	1,035.69	1,035.69	0.00	0.00	0.00
8,600.00	90.00	90.65	7,446.00	-924.48	1,135.68	1,135.68	0.00	0.00	0.00
8,700.00	90.00	90.65	7,446.00	-925.62	1,235.68	1,235.68	0.00	0.00	0.00
8,800.00	90.00	90.65	7,446.00	-926.76	1,335.67	1,335.67	0.00	0.00	0.00
8,900.00	90.00	90.65	7,446.00	-927.90	1,435.66	1,435.66	0.00	0.00	0.00
9,000.00	90.00	90.65	7,446.00	-929.04	1,535.66	1,535.66	0.00	0.00	0.00
9,100.00	90.00	90.65	7,446.00	-930.18	1,635.65	1,635.65	0.00	0.00	0.00
9,200.00	90.00	90.65	7,446.00	-931.32	1,735.64	1,735.64	0.00	0.00	0.00
9,300.00	90.00	90.65	7,446.00	-932.46	1,835.64	1,835.64	0.00	0.00	0.00
9,400.00	90.00	90.65	7,446.00	-933.60	1,935.63	1,935.63	0.00	0.00	0.00
9,500.00	90.00	90.65	7,446.00	-934.74	2,035.63	2,035.63	0.00	0.00	0.00
9,600.00	90.00	90.65	7,446.00	-935.88	2,135.62	2,135.62	0.00	0.00	0.00
9,700.00	90.00	90.65	7,446.00	-937.02	2,235.61	2,235.61	0.00	0.00	0.00
9,800.00	90.00	90.65	7,446.00	-938.16	2,335.61	2,335.61	0.00	0.00	0.00
9,900.00	90.00	90.65	7,446.00	-939.30	2,435.60	2,435.60	0.00	0.00	0.00
10,000.00	90.00	90.65	7,446.00	-940.44	2,535.59	2,535.59	0.00	0.00	0.00
10,100.00	90.00	90.65	7,446.00	-941.58	2,635.59	2,635.59	0.00	0.00	0.00
10,200.00	90.00	90.65	7,446.00	-942.72	2,735.58	2,735.58	0.00	0.00	0.00
10,300.00	90.00	90.65	7,446.00	-943.85	2,835.57	2,835.57	0.00	0.00	0.00
10,400.00	90.00	90.65	7,446.00	-944.99	2,935.57	2,935.57	0.00	0.00	0.00
10,500.00	90.00	90.65	7,446.00	-946.13	3,035.56	3,035.56	0.00	0.00	0.00
10,600.00	90.00	90.65	7,446.00	-947.27	3,135.55	3,135.55	0.00	0.00	0.00
10,700.00	90.00	90.65	7,446.00	-948.41	3,235.55	3,235.55	0.00	0.00	0.00
10,800.00	90.00	90.65	7,446.00	-949.55	3,335.54	3,335.54	0.00	0.00	0.00
10,900.00	90.00	90.65	7,446.00	-950.69	3,435.53	3,435.53	0.00	0.00	0.00
11,000.00	90.00	90.65	7,446.00	-951.83	3,535.53	3,535.53	0.00	0.00	0.00
11,100.00	90.00	90.65	7,446.00	-952.97	3,635.52	3,635.52	0.00	0.00	0.00
11,200.00	90.00	90.65	7,446.00	-954.11	3,735.51	3,735.51	0.00	0.00	0.00
11,300.00	90.00	90.65	7,446.00	-955.25	3,835.51	3,835.51	0.00	0.00	0.00
11,400.00	90.00	90.65	7,446.00	-956.39	3,935.50	3,935.50	0.00	0.00	0.00
11,500.00	90.00	90.65	7,446.00	-957.53	4,035.50	4,035.50	0.00	0.00	0.00
11,600.00	90.00	90.65	7,446.00	-958.67	4,135.49	4,135.49	0.00	0.00	0.00
11,700.00	90.00	90.65	7,446.00	-959.81	4,235.48	4,235.48	0.00	0.00	0.00
11,800.00	90.00	90.65	7,446.00	-960.95	4,335.48	4,335.48	0.00	0.00	0.00
11,900.00	90.00	90.65	7,446.00	-962.09	4,435.47	4,435.47	0.00	0.00	0.00
12,000.00	90.00	90.65	7,446.00	-963.23	4,535.46	4,535.46	0.00	0.00	0.00
12,100.00	90.00	90.65	7,446.00	-964.36	4,635.46	4,635.46	0.00	0.00	0.00
12,200.00	90.00	90.65	7,446.00	-965.50	4,735.45	4,735.45	0.00	0.00	0.00
12,300.00	90.00	90.65	7,446.00	-966.64	4,835.44	4,835.44	0.00	0.00	0.00
12,400.00	90.00	90.65	7,446.00	-967.78	4,935.44	4,935.44	0.00	0.00	0.00
12,500.00	90.00	90.65	7,446.00	-968.92	5,035.43	5,035.43	0.00	0.00	0.00
12,600.00	90.00	90.65	7,446.00	-970.06	5,135.42	5,135.42	0.00	0.00	0.00
12,700.00	90.00	90.65	7,446.00	-971.20	5,235.42	5,235.42	0.00	0.00	0.00

6/10/2022 3:42:16PM

Page 5

COMPASS 5000.16 Build 96



Kaiser-Francis Oil Company

Database: Company: Project: Site: 1 - EDM Production KAISER FRANCIS OIL CO. EDDY COUNTY, N.M. 27 SEC 24-T23S-R28E MOSAIC FED 2419 1BS 1H

Wellbore: Design:

Well:

HORIZONTAL PLAN 1 Local Co-ordinate Reference: TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Well MOSAIC FED 2419 1BS 1H

GE+24' @ 3011.00usft (Original Well Elev) GE+24' @ 3011.00usft (Original Well Elev)

Grid

Minimum Curvature

DI-		_	
Pla	nnea	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)
12,800.00	90.00	90.65	7,446.00	-972.34	5,335.41	5,335.41	0.00	0.00	0.00
12,900.00	90.00	90.65	7,446.00	-973.48	5,435.40	5,435.40	0.00	0.00	0.00
13,000.00	90.00	90.65	7,446.00	-974.62	5,535.40	5,535.40	0.00	0.00	0.00
13,100.00	90.00	90.65	7,446.00	-975.76	5,635.39	5,635.39	0.00	0.00	0.00
13,200.00	90.00	90.65	7,446.00	-976.90	5,735.38	5,735.38	0.00	0.00	0.00
13,300.00	90.00	90.65	7,446.00	-978.04	5,835.38	5,835.38	0.00	0.00	0.00
13,400.00	90.00	90.65	7,446.00	-979.18	5,935.37	5,935.37	0.00	0.00	0.00
13,500.00	90.00	90.65	7,446.00	-980.32	6,035.37	6,035.37	0.00	0.00	0.00
13,600.00	90.00	90.65	7,446.00	-981.46	6,135.36	6,135.36	0.00	0.00	0.00
13,700.00	90.00	90.65	7,446.00	-982.60	6,235.35	6,235.35	0.00	0.00	0.00
13,800.00	90.00	90.65	7,446.00	-983.74	6,335.35	6,335.35	0.00	0.00	0.00
13,900.00	90.00	90.65	7,446.00	-984.88	6,435.34	6,435.34	0.00	0.00	0.00
14,000.00	90.00	90.65	7,446.00	-986.01	6,535.33	6,535.33	0.00	0.00	0.00
14,100.00	90.00	90.65	7,446.00	-987.15	6,635.33	6,635.33	0.00	0.00	0.00
14,200.00	90.00	90.65	7,446.00	-988.29	6,735.32	6,735.32	0.00	0.00	0.00
14,300.00	90.00	90.65	7,446.00	-989.43	6,835.31	6,835.31	0.00	0.00	0.00
14,400.00	90.00	90.65	7,446.00	-990.57	6,935.31	6,935.31	0.00	0.00	0.00
14,500.00	90.00	90.65	7,446.00	-991.71	7,035.30	7,035.30	0.00	0.00	0.00
14,600.00	90.00	90.65	7,446.00	-992.85	7,135.29	7,135.29	0.00	0.00	0.00
14,700.00	90.00	90.65	7,446.00	-993.99	7,235.29	7,235.29	0.00	0.00	0.00
14,800.00	90.00	90.65	7,446.00	-995.13	7,335.28	7,335.28	0.00	0.00	0.00
14,900.00	90.00	90.65	7,446.00	-996.27	7,435.27	7,435.27	0.00	0.00	0.00
15,000.00	90.00	90.65	7,446.00	-997.41	7,535.27	7,535.27	0.00	0.00	0.00
15,100.00	90.00	90.65	7,446.00	-998.55	7,635.26	7,635.26	0.00	0.00	0.00
15,200.00	90.00	90.65	7,446.00	-999.69	7,735.26	7,735.26	0.00	0.00	0.00
15,300.00	90.00	90.65	7,446.00	-1,000.83	7,835.25	7,835.25	0.00	0.00	0.00
15,400.00	90.00	90.65	7,446.00	-1,001.97	7,935.24	7,935.24	0.00	0.00	0.00
15,500.00	90.00	90.65	7,446.00	-1,003.11	8,035.24	8,035.24	0.00	0.00	0.00
15,600.00	90.00	90.65	7,446.00	-1,004.25	8,135.23	8,135.23	0.00	0.00	0.00
15,700.00	90.00	90.65	7,446.00	-1,005.39	8,235.22	8,235.22	0.00	0.00	0.00
15,800.00	90.00	90.65	7,446.00	-1,006.53	8,335.22	8,335.22	0.00	0.00	0.00
15,900.00	90.00	90.65	7,446.00	-1,007.66	8,435.21	8,435.21	0.00	0.00	0.00
16,000.00	90.00	90.65	7,446.00	-1,008.80	8,535.20	8,535.20	0.00	0.00	0.00
16,100.00	90.00	90.65	7,446.00	-1,009.94	8,635.20	8,635.20	0.00	0.00	0.00
16,200.00	90.00	90.65	7,446.00	-1,011.08	8,735.19	8,735.19	0.00	0.00	0.00
16,300.00	90.00	90.65	7,446.00	-1,012.22	8,835.18	8,835.18	0.00	0.00	0.00
16,400.00	90.00	90.65	7,446.00	-1,013.36	8,935.18	8,935.18	0.00	0.00	0.00
16,500.00	90.00	90.65	7,446.00	-1,014.50	9,035.17	9,035.17	0.00	0.00	0.00
16,600.00	90.00	90.65	7,446.00	-1,015.64	9,135.16	9,135.16	0.00	0.00	0.00
16,700.00	90.00	90.65	7,446.00	-1,016.78	9,235.16	9,235.16	0.00	0.00	0.00
16,800.00	90.00	90.65	7,446.00	-1,017.92	9,335.15	9,335.15	0.00	0.00	0.00
16,900.00	90.00	90.65	7,446.00	-1,019.06	9,435.14	9,435.14	0.00	0.00	0.00
17,000.00	90.00	90.65	7,446.00	-1,020.20	9,535.14	9,535.14	0.00	0.00	0.00
17,100.00	90.00	90.65	7,446.00	-1,021.34	9,635.13	9,635.13	0.00	0.00	0.00
17,200.00	90.00	90.65	7,446.00	-1,022.48	9,735.13	9,735.13	0.00	0.00	0.00
17,300.00	90.00	90.65	7,446.00	-1,023.62	9,835.12	9,835.12	0.00	0.00	0.00
17,400.00 17,495.06 PBHL 1749	90.00 90.00 5' MD/ 7446' T	90.65 90.65 VD	7,446.00 7,446.00	-1,024.76 -1,025.84	9,935.11 10,030.17	9,935.11 10,030.17	0.00 0.00	0.00 0.00	0.00 0.00



Kaiser-Francis Oil Company

Database: Company: Project: Site: 1 - EDM Production KAISER FRANCIS OIL CO. EDDY COUNTY, N.M. 27 SEC 24-T23S-R28E MOSAIC FED 2419 1BS 1H

Well: MOSAIC FED
Wellbore: HORIZONTAL
Design: PLAN 1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well MOSAIC FED 2419 1BS 1H

GE+24' @ 3011.00usft (Original Well Elev) GE+24' @ 3011.00usft (Original Well Elev)

Grid

Minimum Curvature

Design Targets						Name and the state of the state	ourous especial section of the		
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir.	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
KOP 1BS 1H - plan hits target of Point	0.00 center	0.00	6,968.54	-910.05	-130.93	470,315.00	587,863.57	32.29269233	-104.04899117
PBHL 1BS 1H - plan hits target of Point	0.00 center	0.01	7,446.00	-1,025.84	10,030.17	470,199.21	598,024.67	32.29229569	-104.01610956

Measured Depth (usft)	Vertical Depth (usft)		Name	Casing Diameter (")	Hole Diameter (")	
17,420.58	7,446.00	20" Casing		20	24	

Plan Annot	tations					
	Measured Depth (usft)	Vertical Depth (usft)	Local Coor +N/-S (usft)	dinates +E/-W (usft)	Comment	
	1,500.00	1,500.00	0.00	0.00	KOP 2°/100'	
	2,100.00	2.095.62	-61.96	-8.91	Hold 12° Inc	
	5,919.96	5,832.11	-848.08	-122.01	Start Drop 2°/100'	
	6,519.96	6,427.73	-910.05	-130.93	Hold 0°	
	7,060.77	6,968.54	-910.05	-130.93	KOP 12°/100'	
	7,810.77	7,446.00	-915.49	346.50	LP 7811' MD/ 7446' TVD	
	17,495.06	7,446.00	-1,025.84	10,030,17	PBHL 17495' MD/ 7446' TVD	

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF KAISER-FRANCIS OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 22975

VERIFIED STATEMENT OF LEE J. LINDMAN

Lee J. Lindman, being duly sworn upon his oath, deposes and states:

- 1. I am over the age of 18, and have personal knowledge of the geological matters stated herein.
- 2. I am a geologist for Kaiser-Francis Oil Company ("KFOC"). I have been qualified by the Division as an expert petroleum geologist. My area of responsibility at KFOC includes this portion of Southeast New Mexico.
- 3. The following geological plats are attached hereto:
- (a) Attachment A is a structure map on the top of the 2nd Bone Spring formation. It shows that structure dips gently to the East. It also displays offset 2nd Bone Spring producing wells and permits in the vicinity of the Mosaic Fed 2419 2BS Well No. 1H, and a line of cross-section A A'. The proposed completion interval in the well is the 2nd Bone Spring Sand.
- (b) Attachment B is a gross isopach map of the 2nd Bone Spring Sand zone. This zone has uniform thickness across the proposed well unit.
- Attachment C is stratigraphic cross section A A' hung on the top of the 2nd Bone Spring Sand. The well logs on the cross-section give a representative sample of the 2nd Bone Spring Sand formation in this area. The target zone for the well is continuous across the well unit and is indicated by the red arrow.
- 4. I conclude from the maps that:
- (a) The horizontal spacing unit is justified from a geologic standpoint.
- (b) Each quarter section in the well unit will contribute more or less equally to production from the well.
- (c) There is no faulting or other geologic impediment which will adversely affect the drilling of the subject well.

EXHIBIT **3 ■ 2**

- 5. Based on production from wells in this area, KFOC sees no preferential orientation for wells in this area.
- Attachment D contains the proposed horizontal drilling plans for the well. The
 producing interval of the well will be orthodox, and will comply with Division
 setback requirements.

VERIFICATION	UN
--------------	----

STATE OF OKLAHOMA)
) ss
COUNTY OF TULSA)

Lee J. Lindman, being duly sworn upon his oath, deposes and states that: He is a geologist for Kaiser-Francis Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

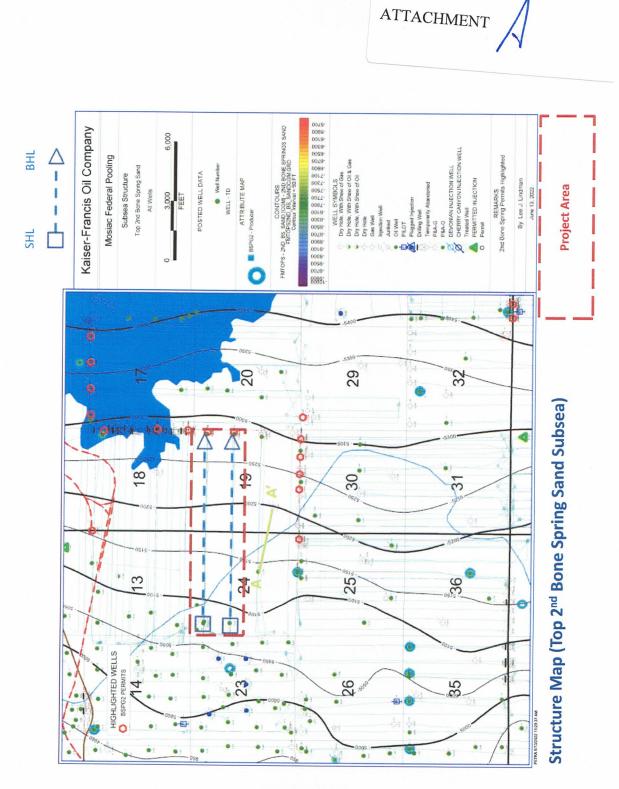
Lee J. Lindman

SUBSCRIBED AND SWORN TO before me this _____ day of June, 2022 by Sherrie Capps.

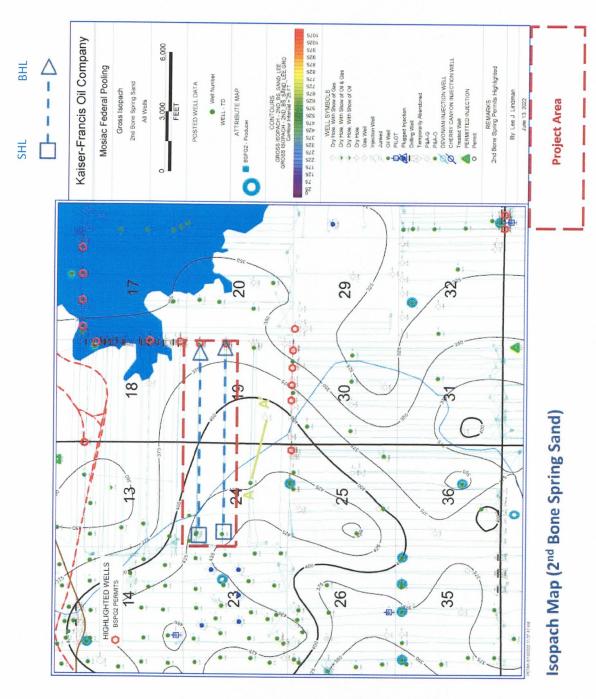
My Commission Expires: 11-23-2024

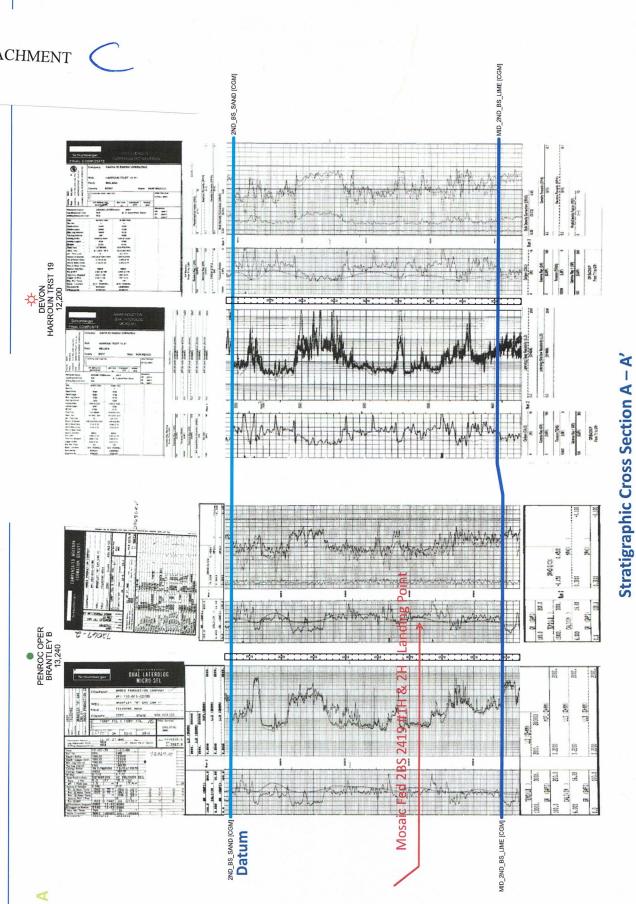
Notary Public

State of Oklahoma
SHERRIE CAPPS
TULSA COUNTY
COMMISSION #00018350
Comm. Exp. 11-23-2024









Released to Imaging: 8/31/2022 8:07:32 AM



KAISER FRANCIS OIL CO.

EDDY COUNTY, N.M. 27 SEC 24-T23S-R28E MOSAIC FED 2419 2BS 1H

HORIZONTAL

Plan: PLAN 1

Standard Planning Report

10 June, 2022

ATTACHMENT



Kaiser-Francis Oil Company



Kaiser-Francis Oil Company

Database: Company: Project: Site:

1 - EDM Production KAISER FRANCIS OIL CO. EDDY COUNTY, N.M. 27 SEC 24-T23S-R28E MOSAIC FED 2419 2BS 1H

Well: Wellbore: HORIZONTAL Design: PLAN 1

Local Co-ordinate Reference:

TVD Reference: **MD** Reference: North Reference:

Survey Calculation Method:

Well MOSAIC FED 2419 2BS 1H

GE+24' @ 3010.60usft (Original Well Elev) GE+24' @ 3010.60usft (Original Well Elev)

Grid

Minimum Curvature

Project

EDDY COUNTY, N.M. 27

Map System: Geo Datum:

US State Plane 1927 (Exact solution) NAD 1927 (NADCON CONUS)

New Mexico East 3001

System Datum:

Mean Sea Level

Map Zone: Site

SEC 24-T23S-R28E

Site Position: From:

Мар

Northing: Easting:

471.315.07 usft 587,964.00 usft

Latitude: Longitude: 32.29544072

Position Uncertainty:

Slot Radius:

13-3/16 "

-104.04865757

0.00 usft

Well

MOSAIC FED 2419 2BS 1H

Well Position +N/-S

0.00 usft +E/-W 0.00 usft

Northing: Easting:

471,145.13 usfl 587,994.45 usfl Wellhead Elevation: 2,986.60 usfl

Longitude: **Ground Level:**

59.86

Latitude:

32.29497335 -104.04856049

2,986.60 usfl

Position Uncertainty Grid Convergence:

0.00 usft 0.15°

Wellbore

HORIZONTAL

Magnetics **Model Name** IGRF2020

Sample Date 6/1/2022 Declination (°) 6.66 **Dip Angle** (°)

Field Strength (nT)

47,389.60126605

Design

PLAN 1

Audit Notes: Version:

Phase:

PROTOTYPE

Tie On Depth:

0.00

Vertical Section:

Depth From (TVD) (usft) 0.00

+N/-S (usft) 0.00

+F/-W (usft) 0.00

Direction (°) 90.00

Plan Survey Tool Program

Date 6/10/2022

Depth From (usft)

Depth To (usft)

Survey (Wellbore)

Tool Name

Remarks

0.00

18,731.75 PLAN 1 (HORIZONTAL)

MWD+IGRF

OWSG MWD + IGRF or WN

Plan Sections Measured

Vertical Dogleg Build Turn Depth Inclination Azimuth Depth +N/-S +E/-W Rate Rate Rate TFO (usft) (°) (usft) (usft) (°) (usft) (°/100usft) (°/100usft) (°/100usft) (°) **Target** 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 1,500.00 0.00 0.00 1,500.00 0.00 0.00 0.00 0.00 0.00 0.00 2,000.00 10.00 344.08 1,997.47 41.85 -11.94 2.00 2.00 0.00 344.08 4,318.85 10.00 344.08 4,281.08 429.07 -122.41 0.00 0.00 0.00 0.00 4,985.51 0.00 0.00 4,944.37 484.87 -138.33 1.50 -1.50 0.00 180.00 8,063.68 0.00 0.00 8,022.54 484.87 -138.330.00 0.00 0.00 0.00 KOP MF2BS 1H 8.813.68 90.00 90.64 8,500.01 479.54 339.11 12.00 12.00 12.09 90 64 18,731.75 90.00 90.64 8,500.00 368.89 10,256.55 0.00 0.00 0.00 0.00 PBHL MF2BS 1H



Kaiser-Francis Oil Company

Database: Company: Project: Site:

Well:

1 - EDM Production KAISER FRANCIS OIL CO. EDDY COUNTY, N.M. 27 SEC 24-T23S-R28E MOSAIC FED 2419 2BS 1H

Wellbore: **HORIZONTAL**

Design: PLAN 1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well MOSAIC FED 2419 2BS 1H

GE+24' @ 3010.60usft (Original Well Elev) GE+24' @ 3010.60usft (Original Well Elev)

Grid

Minimum Curvature

ign.	PLAN I		THE RESERVE OF THE PARTY OF THE	- CHARLES					
nned 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)
0.00 100.00 200.00 300.00 400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 100.00 200.00 300.00 400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
500.00 600.00 700.00 800.00 900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	500.00 600.00 700.00 800.00 900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
1,000.00 1,100.00 1,200.00 1,300.00 1,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	1,000.00 1,100.00 1,200.00 1,300.00 1,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
Nudge 2°/ 1,600.00 1,700.00 1,800.00 1,900.00	2.00 4.00 6.00 8.00	344.08 344.08 344.08 344.08	1,599.98 1,699.84 1,799.45 1,898.70	1.68 6.71 15.09 26.81	-0.48 -1.91 -4.31 -7.65	-0.48 -1.91 -4.31 -7.65	2.00 2.00 2.00 2.00	2.00 2.00 2.00 2.00	0.00 0.00 0.00 0.00
2,000.00	10.00	344.08	1,997.47	41.85	-11.94	-11.94	2.00	2.00	0.00
Hold 10° Ir 2,100.00 2,200.00 2,300.00 2,400.00	10.00 10.00 10.00 10.00	344.08 344.08 344.08 344.08	2,095.95 2,194.43 2,292.91 2,391.39	58.55 75.25 91.95 108.65	-16.70 -21.47 -26.23 -31.00	-16.70 -21.47 -26.23 -31.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00
2,500.00 2,600.00 2,700.00 2,800.00 2,900.00	10.00 10.00 10.00 10.00 10.00	344.08 344.08 344.08 344.08	2,489.87 2,588.35 2,686.83 2,785.31 2,883.79	125.35 142.04 158.74 175.44 192.14	-35.76 -40.52 -45.29 -50.05 -54.82	-35.76 -40.52 -45.29 -50.05 -54.82	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
3,000.00 3,100.00 3,200.00 3,300.00 3,400.00	10.00 10.00 10.00 10.00 10.00	344.08 344.08 344.08 344.08 344.08	2,982.27 3,080.75 3,179.23 3,277.72 3,376.20	208.84 225.54 242.24 258.93 275.63	-59.58 -64.34 -69.11 -73.87 -78.64	-59.58 -64.34 -69.11 -73.87 -78.64	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
3,500.00 3,600.00 3,700.00 3,800.00 3,900.00	10.00 10.00 10.00 10.00 10.00	344.08 344.08 344.08 344.08 344.08	3,474.68 3,573.16 3,671.64 3,770.12 3,868.60	292.33 309.03 325.73 342.43 359.13	-83.40 -88.16 -92.93 -97.69 -102.46	-83.40 -88.16 -92.93 -97.69 -102.46	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
4,000.00 4,100.00 4,200.00 4,300.00 4,318.85	10.00 10.00 10.00 10.00 10.00	344.08 344.08 344.08 344.08 344.08	3,967.08 4,065.56 4,164.04 4,262.52 4,281.09	375.82 392.52 409.22 425.92 429.07	-107.22 -111.98 -116.75 -121.51 -122.41	-107.22 -111.98 -116.75 -121.51 -122.41	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
4,400.00 4,500.00 4,600.00 4,700.00 4,800.00	1.5°/100' DLS 8.78 7.28 5.78 4.28 2.78	344.08 344.08 344.08 344.08 344.08	4,361.15 4,460.16 4,559.51 4,659.12 4,758.93	441.80 455.24 466.18 474.61 480.54	-126.04 -129.88 -133.00 -135.40 -137.09	-126.04 -129.88 -133.00 -135.40 -137.09	1.50 1.50 1.50 1.50 1.50	-1.50 -1.50 -1.50 -1.50 -1.50	0.00 0.00 0.00 0.00 0.00



Kaiser-Francis Oil Company

Database: Company: Project: Site:

Well:

1 - EDM Production KAISER FRANCIS OIL CO. EDDY COUNTY, N.M. 27 SEC 24-T23S-R28E MOSAIC FED 2419 2BS 1H

Wellbore: HORIZONTA
Design: PLAN 1

MOSAIC FED 24 HORIZONTAL Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well MOSAIC FED 2419 2BS 1H

GE+24' @ 3010.60usft (Original Well Elev) GE+24' @ 3010.60usft (Original Well Elev)

Grid

Minimum Curvature

THE RE			
Pla	nne	d S	urvev

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)	
4,900.00 4,985.51 5,000.00 5,100.00 5,200.00	1.28 0.00 0.00 0.00 0.00	344.08 0.00 0.00 0.00 0.00	4,858.86 4,944.37 4,958.86 5,058.86 5,158.86	483.95 484.87 484.87 484.87 484.87	-138.07 -138.33 -138.33 -138.33	-138.07 -138.33 -138.33 -138.33 -138.33	1.50 1.50 0.00 0.00 0.00	-1.50 -1.50 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
5,300.00 5,400.00 5,500.00 5,600.00 5,700.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	5,258.86 5,358.86 5,458.86 5,558.86 5,658.86	484.87 484.87 484.87 484.87 484.87	-138.33 -138.33 -138.33 -138.33	-138.33 -138.33 -138.33 -138.33	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
5,800.00 5,900.00 5,985.51 Hold 0° In	0.00 0.00 0.00	0.00 0.00 0.00	5,758.86 5,858.86 5,944.37	484.87 484.87 484.87	-138.33 -138.33 -138.33	-138.33 -138.33 -138.33	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00	
6,000.00 6,100.00	0.00 0.00	0.00 0.00	5,958.86 6,058.86	484.87 484.87	-138.33 -138.33	-138.33 -138.33	0.00	0.00 0.00	0.00	
6,200.00 6,300.00 6,400.00 6,500.00 6,600.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	6,158.86 6,258.86 6,358.86 6,458.86 6,558.86	484.87 484.87 484.87 484.87 484.87	-138.33 -138.33 -138.33 -138.33	-138.33 -138.33 -138.33 -138.33 -138.33	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
6,700.00 6,800.00 6,900.00 7,000.00 7,100.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	6,658.86 6,758.86 6,858.86 6,958.86 7,058.86	484.87 484.87 484.87 484.87 484.87	-138.33 -138.33 -138.33 -138.33	-138.33 -138.33 -138.33 -138.33	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
7,200.00 7,300.00 7,400.00 7,500.00 7,600.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	7,158.86 7,258.86 7,358.86 7,458.86 7,558.86	484.87 484.87 484.87 484.87 484.87	-138.33 -138.33 -138.33 -138.33	-138.33 -138.33 -138.33 -138.33	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
7,700.00 7,800.00 7,900.00 8,000.00 8,063.68 KOP 12°/1 0	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	7,658.86 7,758.86 7,858.86 7,958.86 8,022.54	484.87 484.87 484.87 484.87 484.87	-138.33 -138.33 -138.33 -138.33 -138.33	-138.33 -138.33 -138.33 -138.33 -138.33	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
8,075.00 8,100.00 8,125.00 8,150.00 8,175.00	1.36 4.36 7.36 10.36 13.36	90.64 90.64 90.64 90.64 90.64	8,033.86 8,058.82 8,083.69 8,108.39 8,132.85	484.87 484.85 484.83 484.78 484.73	-138.20 -136.95 -134.40 -130.55 -125.41	-138.20 -136.95 -134.40 -130.55 -125.41	12.00 12.00 12.00 12.00 12.00	12.00 12.00 12.00 12.00 12.00	0.00 0.00 0.00 0.00 0.00	
8,200.00 8,225.00 8,250.00 8,275.00 8,300.00	16.36 19.36 22.36 25.36 28.36	90.64 90.64 90.64 90.64 90.64	8,157.01 8,180.81 8,204.16 8,227.03 8,249.33	484.65 484.57 484.47 484.36 484.23	-119.00 -111.34 -102.44 -92.33 -81.04	-119.00 -111.34 -102.44 -92.33 -81.04	12.00 12.00 12.00 12.00 12.00	12.00 12.00 12.00 12.00 12.00	0.00 0.00 0.00 0.00 0.00	
8,325.00 8,350.00 8,375.00 8,400.00 8,425.00	31.36 34.36 37.36 40.36 43.36	90.64 90.64 90.64 90.64 90.64	8,271.01 8,292.00 8,312.26 8,331.73 8,350.35	484.09 483.94 483.78 483.60 483.42	-68.59 -55.03 -40.39 -24.71 -8.03	-68.59 -55.03 -40.39 -24.71 -8.03	12.00 12.00 12.00 12.00 12.00	12.00 12.00 12.00 12.00 12.00	0.00 0.00 0.00 0.00 0.00	
8,450.00 8,475.00	46.36 49.36	90.64 90.64	8,368.07 8,384.84	483.22 483.01	9.60 28.14	9.60 28.14	12.00 12.00	12.00 12.00	0.00	

6/10/2022 4:02:56PM

Page 4

COMPASS 5000.16 Build 96



Kaiser-Francis Oil Company

Database: Company: Project: Site: 1 - EDM Production KAISER FRANCIS OIL CO. EDDY COUNTY, N.M. 27 SEC 24-T23S-R28E MOSAIC FED 2419 2BS 1H

Well: Wellbore: Design:

HORIZONTAL PLAN 1 Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well MOSAIC FED 2419 2BS 1H

GE+24' @ 3010.60usft (Original Well Elev) GE+24' @ 3010.60usft (Original Well Elev)

Grid

Minimum Curvature

Plan	ned	Sur	vev
· iui	cu	Oui	vey

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)
8,500.00		90.64	8,400.62	482.80	47.52	47.52	12.00	12.00	0.00
8,525.00		90.64	8,415.36	482.57	67.71	67.71	12.00	12.00	0.00
8,550.00		90.64	8,429.03	482.34	88.64	88.64	12.00	12.00	0.00
8,575.00		90.64	8,441.58	482.10	110.25	110.25	12.00	12.00	0.00
8,600.00		90.64	8,452.98	481.85	132.50	132.50	12.00	12.00	0.00
8,625.00		90.64	8,463.21	481.59	155.31	155.31	12.00	12.00	0.00
8,650.00 8,675.00		90.64 90.64	8,472.22 8,480.01	481.33 481.07	178.62	178.62	12.00	12.00	0.00
					202.37	202.37	12.00	12.00	0.00
8,700.00 8,725.00		90.64	8,486.54	480.80	226.50	226.50	12.00	12.00	0.00
8,750.00		90.64 90.64	8,491.79 8,495.76	480.53 480.25	250.94	250.94	12.00	12.00	0.00
8,775.00		90.64	8,498.44	479.97	275.62 300.47	275.62 300.47	12.00	12.00	0.00
8,800.00		90.64	8,499.81	479.70	325.43	325.43	12.00 12.00	12.00 12.00	0.00 0.00
8,813.68		90.64	8,500.01	479.54					
	MD/ 8500' TVD	30.04	0,000.01	479.04	339.10	339.10	12.00	12.00	0.00
8,900.00	90.00	90.64	8,500.00	478.58	425.42	425.42	0.00	0.00	0.00
9,000.00	90.00	90.64	8,500.00	477.46	525.41	525.41	0.00	0.00	0.00
9,100.00	90.00	90.64	8,500.00	476.35	625.40	625.40	0.00	0.00	0.00
9,200.00	90.00	90.64	8,500.00	475.23	725.40	725.40	0.00	0.00	0.00
9,300.00	90.00	90.64	8,500.00	474.12	825.39	825.39	0.00	0.00	0.00
9,400.00	90.00	90.64	8,500.00	473.00	925.39	925.39	0.00	0.00	0.00
9,500.00 9,600.00	90.00	90.64	8,500.00	471.89	1,025.38	1,025.38	0.00	0.00	0.00
9,700.00	90.00 90.00	90.64 90.64	8,500.00 8,500.00	470.77 469.65	1,125.37	1,125.37	0.00	0.00	0.00
					1,225.37	1,225.37	0.00	0.00	0.00
9,800.00 9,900.00	90.00 90.00	90.64 90.64	8,500.00	468.54	1,325.36	1,325.36	0.00	0.00	0.00
10,000.00	90.00	90.64	8,500.00 8,500.00	467.42 466.31	1,425.35 1,525.35	1,425.35 1,525.35	0.00	0.00	0.00
10,100.00	90.00	90.64	8,500.00	465.19	1,625.34	1,625.34	0.00 0.00	0.00 0.00	0.00 0.00
10,200.00	90.00	90.64	8,500.00	464.08	1,725.34	1,725.34	0.00	0.00	0.00
10,300.00	90.00	90.64	8,500.00	462.96	1,825.33	1,825.33	0.00	0.00	0.00
10,400.00	90.00	90.64	8,500.00	461.84	1,925.32	1,925.32	0.00	0.00	0.00
10,500.00	90.00	90.64	8,500.00	460.73	2,025.32	2,025.32	0.00	0.00	0.00
10,600.00	90.00	90.64	8,500.00	459.61	2,125.31	2,125.31	0.00	0.00	0.00
10,700.00	90.00	90.64	8,500.00	458.50	2,225.31	2,225.31	0.00	0.00	0.00
10,800.00	90.00	90.64	8,500.00	457.38	2,325.30	2,325.30	0.00	0.00	0.00
10,900.00 11,000.00	90.00 90.00	90.64	8,500.00	456.27	2,425.29	2,425.29	0.00	0.00	0.00
11,100.00	90.00	90.64 90.64	8,500.00 8,500.00	455.15 454.04	2,525.29 2,625.28	2,525.29	0.00	0.00	0.00
11,200.00	90.00	90.64	8,500.00	454.04	2,625.28	2,625.28 2,725.27	0.00 0.00	0.00	0.00
11,300.00	90.00	90.64	8,500.00	451.80	2,825.27	2,825.27	0.00	0.00	0.00
11,400.00	90.00	90.64	8,500.00	450.69	2,925.26	2,925.26	0.00	0.00	0.00
11,500.00	90.00	90.64	8,500.00	449.57	3,025.26	3,025.26	0.00	0.00	0.00
11,600.00	90.00	90.64	8,500.00	448.46	3,125.25	3,125.25	0.00	0.00	0.00
11,700.00	90.00	90.64	8,500.00	447.34	3,225.24	3,225.24	0.00	0.00	0.00
11,800.00	90.00	90.64	8,500.00	446.23	3,325.24	3,325.24	0.00	0.00	0.00
11,900.00 12,000.00	90.00	90.64	8,500.00	445.11	3,425.23	3,425.23	0.00	0.00	0.00
12,000.00	90.00 90.00	90.64 90.64	8,500.00 8,500.00	443.99 442.88	3,525.22 3,625.22	3,525.22	0.00	0.00	0.00
12,200.00	90.00	90.64	8,500.00	442.88	3,625.22	3,625.22 3,725.21	0.00 0.00	0.00	0.00 0.00
12,300.00	90.00	90.64	8,500.00	440.65	3,825,21				
12,400.00	90.00	90.64	8,500.00	439.53	3,925.20	3,825.21 3,925.20	0.00 0.00	0.00 0.00	0.00
12,500.00	90.00	90.64	8,500.00	438.42	4,025.19	4,025.19	0.00	0.00	0.00
12,600.00	90.00	90.64	8,500.00	437.30	4,125.19	4,125.19	0.00	0.00	0.00
12,700.00	90.00	90.64	8,500.00	436.18	4,225.18	4,225.18	0.00	0.00	0.00

6/10/2022 4:02:56PM

Page 5

COMPASS 5000.16 Build 96



Kaiser-Francis Oil Company

Database: Company: Project: Site:

Well:

1 - EDM Production KAISER FRANCIS OIL CO. EDDY COUNTY, N.M. 27 SEC 24-T23S-R28E MOSAIC FED 2419 2BS 1H

Wellbore: Design:

HORIZONTAL PLAN 1 Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well MOSAIC FED 2419 2BS 1H

GE+24' @ 3010.60usft (Original Well Elev) GE+24' @ 3010.60usft (Original Well Elev)

Grid

Minimum Curvature

DI-		_
Plai	nnea	Survey

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)	
12,800.00 12,900.00 13,000.00 13,100.00 13,200.00	90.00 90.00 90.00 90.00 90.00	90.64 90.64 90.64 90.64	8,500.00 8,500.00 8,500.00 8,500.00 8,500.00	435.07 433.95 432.84 431.72 430.61	4,325.17 4,425.17 4,525.16 4,625.16 4,725.15	4,325.17 4,425.17 4,525.16 4,625.16 4,725.15	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
13,300.00 13,400.00 13,500.00 13,600.00 13,700.00	90.00 90.00 90.00 90.00 90.00	90.64 90.64 90.64 90.64	8,500.00 8,500.00 8,500.00 8,500.00 8,500.00	429.49 428.37 427.26 426.14 425.03	4,825.14 4,925.14 5,025.13 5,125.12 5,225.12	4,825.14 4,925.14 5,025.13 5,125.12 5,225.12	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
13,800.00 13,900.00 14,000.00 14,100.00 14,200.00	90.00 90.00 90.00 90.00 90.00	90.64 90.64 90.64 90.64	8,500.00 8,500.00 8,500.00 8,500.00 8,500.00	423.91 422.80 421.68 420.57 419.45	5,325.11 5,425.11 5,525.10 5,625.09 5,725.09	5,325.11 5,425.11 5,525.10 5,625.09 5,725.09	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
14,300.00 14,400.00 14,500.00 14,600.00 14,700.00	90.00 90.00 90.00 90.00 90.00	90.64 90.64 90.64 90.64	8,500.00 8,500.00 8,500.00 8,500.00 8,500.00	418.33 417.22 416.10 414.99 413.87	5,825.08 5,925.07 6,025.07 6,125.06 6,225.06	5,825.08 5,925.07 6,025.07 6,125.06 6,225.06	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
14,800.00 14,900.00 15,000.00 15,100.00 15,200.00	90.00 90.00 90.00 90.00 90.00	90.64 90.64 90.64 90.64 90.64	8,500.00 8,500.00 8,500.00 8,500.00 8,500.00	412.76 411.64 410.52 409.41 408.29	6,325.05 6,425.04 6,525.04 6,625.03 6,725.03	6,325.05 6,425.04 6,525.04 6,625.03 6,725.03	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
15,300.00 15,400.00 15,500.00 15,600.00 15,700.00	90.00 90.00 90.00 90.00 90.00	90.64 90.64 90.64 90.64	8,500.00 8,500.00 8,500.00 8,500.00 8,500.00	407.18 406.06 404.95 403.83 402.71	6,825.02 6,925.01 7,025.01 7,125.00 7,224.99	6,825.02 6,925.01 7,025.01 7,125.00 7,224.99	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
15,800.00 15,900.00 16,000.00 16,100.00 16,200.00	90.00 90.00 90.00 90.00 90.00	90.64 90.64 90.64 90.64 90.64	8,500.00 8,500.00 8,500.00 8,500.00 8,500.00	401.60 400.48 399.37 398.25 397.14	7,324.99 7,424.98 7,524.98 7,624.97 7,724.96	7,324.99 7,424.98 7,524.98 7,624.97 7,724.96	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
16,300.00 16,400.00 16,500.00 16,600.00 16,700.00	90.00 90.00 90.00 90.00 90.00	90.64 90.64 90.64 90.64 90.64	8,500.00 8,500.00 8,500.00 8,500.00 8,500.00	396.02 394.90 393.79 392.67 391.56	7,824.96 7,924.95 8,024.94 8,124.94 8,224.93	7,824.96 7,924.95 8,024.94 8,124.94 8,224.93	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
16,800.00 16,900.00 17,000.00 17,100.00 17,200.00	90.00 90.00 90.00 90.00 90.00	90.64 90.64 90.64 90.64 90.64	8,500.00 8,500.00 8,500.00 8,500.00 8,500.00	390.44 389.33 388.21 387.09 385.98	8,324.93 8,424.92 8,524.91 8,624.91 8,724.90	8,324.93 8,424.92 8,524.91 8,624.91 8,724.90	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
17,300.00 17,400.00 17,500.00 17,600.00 17,700.00	90.00 90.00 90.00 90.00 90.00	90.64 90.64 90.64 90.64 90.64	8,500.00 8,500.00 8,500.00 8,500.00 8,500.00	384.86 383.75 382.63 381.52 380.40	8,824.89 8,924.89 9,024.88 9,124.88 9,224.87	8,824.89 8,924.89 9,024.88 9,124.88 9,224.87	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
17,800.00 17,900.00 18,000.00 18,100.00	90.00 90.00 90.00 90.00	90.64 90.64 90.64 90.64	8,500.00 8,500.00 8,500.00 8,500.00	379.29 378.17 377.05 375.94	9,324.86 9,424.86 9,524.85 9,624.84	9,324.86 9,424.86 9,524.85 9,624.84	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	

6/10/2022 4:02:56PM

Page 6

COMPASS 5000.16 Build 96



Kaiser-Francis Oil Company

Database: Company: Project: Site: 1 - EDM Production KAISER FRANCIS OIL CO. EDDY COUNTY, N.M. 27 SEC 24-T23S-R28E MOSAIC FED 2419 2BS 1H

Well: MOSAIC FED : Wellbore: HORIZONTAL Design: PLAN 1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well MOSAIC FED 2419 2BS 1H

GE+24' @ 3010.60usft (Original Well Elev) GE+24' @ 3010.60usft (Original Well Elev)

Grid

Minimum Curvature

Pla	ann	ed	Sui	rvey

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)
18,200.00	90.00	90.64	8,500.00	374.82	9,724.84	9,724.84	0.00	0.00	0.00
18,300.00 18,400.00 18,500.00 18,600.00 18,700.00	90.00 90.00 90.00 90.00 90.00	90.64 90.64 90.64 90.64 90.64	8,500.00 8,500.00 8,500.00 8,500.00 8,500.00	373.71 372.59 371.48 370.36 369.24	9,824.83 9,924.83 10,024.82 10,124.81 10,224.81	9,824.83 9,924.83 10,024.82 10,124.81 10,224.81	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
18,731.74 PBHL 187	90.00 32' MD/ 8500' T	90.64 'VD	8,500.00	368.89	10,256.55	10,256.55	0.00	0.00	0.00

Des	ian	Ta	-	40
Des	IUII	Ia	ue	เร

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir.	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
KOP MF2BS 1H - plan hits target ce - Point	0.00 inter	0.01	8,022.54	484.87	-138.33	471,630.00	587,856.12	32.29630723	-104.04900399
LP MF 2BS 1H - plan misses targe - Point	0.00 t center by	0.00 0.01usft at	8,500.00 8813.69us	479.54 ft MD (8500.	339.11 00 TVD, 479	471,624.67 0.54 N, 339.11 E)	588,333.56	32.29628909	-104.04745891
PBHL MF2BS 1H - plan hits target ce - Point	0.00 nter	0.01	8,500.00	368.89	10,256.55	471,514.02	598,251.00	32.29590816	-104.01536451

Casing Points	
---------------	--

Jiiit							A CONTRACTOR OF THE PARTY OF TH
	Measured Depth (usft)	Vertical Depth (usft)		Name	Casing Diameter (")	Hole Diameter (")	
	1,000.00	1,000.00	SFC CSG		16	24	

Plan Annot	ations
------------	--------

Measured Depth (usft)	Vertical Depth (usft)	Local Coor +N/-S (usft)	dinates +E/-W (usft)	Comment
1,500.00	1,500.00	0.00	0.00	Nudge 2°/100' DLS
2,000.00	1,997.47	41.85	-11.94	Hold 10° Inc
4,318.85	4,281.09	429.07	-122.41	Start Drop 1.5°/100' DLS
5,985.51	5,944.37	484.87	-138.33	Hold 0° Inc
8,063.68	8,022.54	484.87	-138.33	KOP 12°/100' DLS
8,813.68	8,500.01	479.54	339.10	LP 8814' MD/ 8500' TVD
18,731.74	8,500.00	368.89	10,256.55	PBHL 18732' MD/ 8500' TVD

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATIONS OF KAISER-FRANCIS OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case Nos. 22975 & 22976

SELF-AFFIRMED STATEMENT OF NOTICE

	THE THE STATE OF THE PARTY OF T		
	OF SANTA FE)) ss.		
STATE OF	NEW MEXICO)		
James Bruce deposes and states:			
1.	I am over the age of 18, and have personal knowledge of the matters stated herein.		
2.	I am an attorney for Kaiser-Francis Oil Company.		
3. names and confiled herein.	Kaiser-Francis Oil Company has conducted a good faith, diligent effort to find the correct addresses of the interest owners entitled to receive notice of the application		
4. addresses, by as Attachmen	Notice of the application was provided to the interest owner, at its correct vectified mail. Copies of the notice letter and certified return receipt are submitted at A.		
5.	Applicant has complied with the notice provisions of Division Rules.		
made under p	I understand that this Self-Affirmed Statement will be used as written testimony affirm that my testimony in paragraphs 1 through 5 above is true and correct and is benalty of perjury under the laws of the State of New Mexico. My testimony is made thandwritten next to my signature below.		
Date:	James Bruce EXHIBIT 4		

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax) jamesbruc@aol.com

August 9, 2022

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Chevron U.S.A. Inc. 6301 Deauville Boulevard Midland, Texas 79706

Attention: Permitting Team

ATTACHMENT

Ladies and gentlemen:

Enclosed are copies of the following applications for compulsory pooling, filed with the New Mexico Oil Conservation Division by Kaiser-Francis Oil Company, seeking to pool all uncommitted mineral interest owners in the Bone Spring formation underlying the following horizontal well units:

- (a) Case No. 22975: the N/2N/2 of Section 24, Township 23 South, Range 28 East, NMPM and Lot 1, NE/4NW/4, and N/2NE/4 (the N/2N/2) of Section 19, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Mosaic Fed. 2419 1BS Well No. 1H and the Mosaic Fed. 2419 2BS Well No. 1H; and
- (b) Case No. 22976: the S/2N/2 of Section 24, Township 23 South, Range 28 East, NMPM and Lot 2, SE/4NW/4, and S/2NE/4 (the S/2N/2) of Section 19, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Mosaic Fed. 2419 1BS Well No. 2H and the Mosaic Fed. 2419 2BS Well No. 2H,

all in Eddy County, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, September 1, 2022. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emmrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://emmrd.state.nm.us/OCD/announcements.html. You are not required to

attend this hearing, but as an owner of an interest who may be affected by the applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

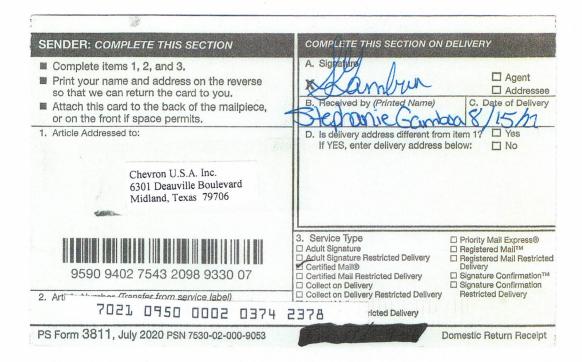
A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than five business days before the hearing date. This statement may be filed online with the Division at <u>ocd.hearings@state.nm.us</u>, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

y truly yours

James Bruce

Attorney for Kaiser-Francis Oil Company





Page 47 of 49

Received by OCD: 8/30/2022 6:47:34 PM COIVIPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICA	ATION MUST BE SUP	PORTED BY SIGNED AFFIDAVITS	
Case:	22975		
Date	September 1, 2022		
Applicant	Kaiser-Francis Oil Company		
Designated Operator & OGRID		, , , , , , , , , , , , , , , , , , , ,	
(affiliation if applicable)	Kaiser-Francis Oil Company/OGRID No. 12361		
Applicant's Counsel:	James Bruce		
Case Title:	Application of Kaiser-Francis Oil Company for Compulsory Pooling, Eddy County, New Mexico		
Entries of Appearance/Intervenors:			
Well Family	Mosaic Bone Spring W	/ells	
Formation/Pool			
Formation Name(s) or Vertical Extent:	Bone Spring Formatio	n	
Primary Product (Oil or Gas):	Oil	II .	
Pooling this vertical extent:	Entire Bone Spring for	mation	
Pool Name and Pool Code:			
Well Location Setback Rules:	Culebra Bluff; Bone Spring, South/Pool Code 15001 Statewide rules and current horizontal well rules		
Spacing Unit Size:	Quarter-quarter Section/40 acres		
Spacing Unit			
Type (Horizontal/Vertical)	Horizontal		
Size (Acres)	320 acres		
Building Blocks:	40 acres		
Orientation:	West-East		
Description: TRS/County	N/2N/2 §24-23S-28E and N/2N/2 §19-23S-29E, NMPM, Eddy County		
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes		
Other Situations			
Depth Severance: Y/N. If yes, description	No	EXHIBIT 6	
Proximity Tracts: If yes, description	No	EXHIBIT	
Proximity Defining Well: if yes, description			
Applicant's Ownership in Each Tract	Exhibits 2-A and 2-C		
Well(s)			
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or nonstandard)	Mosaic Fed. 2419 1BS Well No. 1H API No. 30-015-Pending SHL: 1075 FNL & 186 FWL §24 BHL: 660 FNL & 100 FEL §19 FTP: 660 FNL & 100 FWL §24 LTP: 660 FNL & 100 FEL §19 First Bone Spring Sand/TVD 7450 feet/MD 17750 feet		
		(3) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4	

Received by OCD: 8/30/2022 6:47:34 PM	Mosaic Fed. 2419 2BS Well No. 1H API No. 30-015-Pending SHL: 1155 FNL & 186 FWL §24 BHL: 660 FNL & 100 FEL §19 FTP: 660 FNL & 100 FWL §24 LTP: 660 FNL & 100 FEL §19 Second Bone Spring Sand/TVD 8900 feet/MD 19200 feet	
Horizontal Well First and Last Take Points	See above	
Completion Target (Formation, TVD and MD)	See above	
AFE Capex and Operating Costs		
Drilling Supervision/Month \$	\$8000	
Production Supervision/Month \$	\$800	
Justification for Supervision Costs	Exhibit 2, page 2	
Requested Risk Charge	Cost + 200%/Exhibit 2, page 2	
Notice of Hearing		
Proposed Notice of Hearing	Exhibit 1	
Proof of Mailed Notice of Hearing (20		
days before hearing)	Exhibit 4	
Proof of Published Notice of Hearing (10		
days before hearing)	Not needed	
Ownership Determination		
Land Ownership Schematic of the		
Spacing Unit	Exhibit 2-A	
Tract List (including lease numbers and		
owners)	Exhibit 2-A	
Pooled Parties (including ownership		
type)	Exhibit 2-C	
Unlocatable Parties to be Pooled	Not applicable	
Ownership Depth Severance (including		
percentage above & below)	None	
Joinder		
Sample Copy of Proposal Letter	Exhibit 2-D	
List of Interest Owners (i.e. Exhibit A of		
JOA)	Exhibit 2-C	
Chronology of Contact with Non-Joined		
Working Interests	Exhibit 2-D	
Overhead Rates In Proposal Letter	EXIMINE 2 D	
Cost Estimate to Drill and Complete	Exhibit 2-E	
Cost Estimate to Equip Well	Exhibit 2-E	
Cost Estimate for Production Facilities	Exhibit 2-E	
Geology		
Summary (including special		
considerations)	Exhibits 3.1 and 3.2	
Spacing Unit Schematic	Exhibits 3.1-A and 3.2-A	
Gunbarrel/Lateral Trajectory Schematic	Exhibit 3-C	
Well Orientation (with rationale)	No preference/Exhibit 3, page 2	
Target Formation	First Bone Spring Sand and Second Bone Spring Sand	

Historical by SQC Dir8/30/2022 6:47:34 PM	Exhibits 3.1-C and 3.2-C	Page 49 of 4
Depth Severance Discussion	Not Applicable	
Forms, Figures and Tables		
C-102	Exhibit 2-B	
Tracts	Exhibit 2-A	
Summary of Interests, Unit		
Recapitulation (Tracts)	Exhibit 2-C	
General Location Map (including basin)	Exhibits 3.1-A and 3.2-A	5 1
Well Bore Location Map	Exhibit 2-B	
Structure Contour Map - Subsea Depth	Exhibits 3.1-A and 3.2-A	
Cross Section Location Map (including		
wells)	Exhibits 3.1-A and 3.2-A	
Cross Section (including Landing Zone)	Exhibits 3.1-C and 3.2-C	
Additional Information		
CERTIFICATION: I hereby certify that the		
information provided in this checklist is		
complete and accurate.		
Printed Name (Attorney or Party		
Representative):	James Bruce	
Signed Name (Attorney or Party	10 PA	
Representative):	James Muse	
Date:	August 30, 2022	