

| | | | | | |
|----------------------|----------|-----------------|------------------------|-------------|---------------------------|
| DATE IN 4/11/2016 | SUSPENSE | ENGINEER MAM | LOGGED IN 4/11/2016 | TYPE NSL | APP NO. PMAM1601156524 |
|----------------------|----------|-----------------|------------------------|-------------|---------------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners

- [B] ☐ Offset Operators, Leaseholders or Surface Owner

- [C] ☐ Application is One Which Requires Published Legal Notice

- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

- [F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce

Print or Type Name

Signature

Title

Date

e-mail Address

RECEIVED OGD
 2016 JAN 11 P 12:50

Pool
 - Bell Lake;
 Bone Springs
 530

- NSL 7378
 - K Liser - Francis Oil Co
 12361
 well
 - South Bell Lake unit
 5 2 BSS 48H
 30-025-Pending

James Bruce Attorney for applicant 4/11/16
 jamesbruce@adl.com

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

December 9, 2015

Michael McMillan
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. McMillan:

Kaiser-Francis Oil Company applies for approval of an unorthodox oil well location for the following well:

| | |
|----------------------------------|---|
| <u>Well:</u> | South Bell Lake Unit 5 2BSS Well No. 8H |
| <u>Surface location:</u> | 2010 feet FSL & 1725 feet FEL §5-24S-34E |
| <u>First take point:</u> | 2690 feet FSL & 1725 feet FEL §5-24S-34E |
| <u>Last take point:</u> | 330 feet FNL & 1725 feet FEL §32-23S-34E |
| <u>Well unit (project area):</u> | W½E½ of Section 32-23S-34E, and Lot 2 (NW¼NE¼) and SW¼NE¼ of Section 5-24S-34E, Lea County, New Mexico, containing 239.90 acres |

The well will be drilled to a depth sufficient to test the Bone Spring formation (West Antelope Ridge-Bone Spring Pool). The pool is spaced on statewide rules, with 40 acre spacing and wells to be located no closer than 330 feet to a quarter-quarter section line. A Form C-102 is attached as **Exhibit A**.

The unorthodox location is requested to maximize the productive length of the wellbore.

The well unit is wholly within the nine section South Bell Lake Unit. **Exhibit B**. All interest owners in the unit area are committed to the unit, so ownership is common in the well unit and all offsetting acreage. As a result, there is no adversely affected party, and notice has not been given to anyone.

Please contact me if you need any further information on this application.

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6101 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) 354-6178 Fax: (505) 354-6170

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, New Mexico 87505

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

AMENDED REPORT

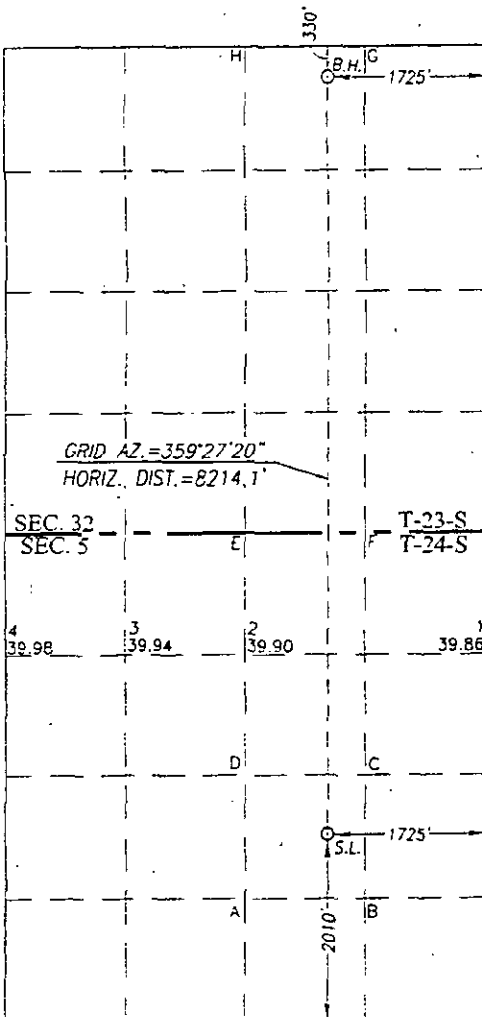
WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---------------|---|---------------------------|
| API Number | Pool Code | Pool Name |
| Property Code | Property Name SOUTH BELL LAKE UNIT 5 2BSS | Well Number 8H |
| OGRID No. | Operator Name KAISER-FRANCIS OIL COMPANY | Elevation 3585' |

| Surface Location | | | | | | | | | |
|------------------|----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|------------|
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| J | 5 | 24-S | 34-E | | 2010 | SOUTH | 1725 | EAST | LEA |

| Bottom Hole Location If Different From Surface | | | | | | | | | |
|--|-----------|-----------------|--------------------|-----------|---------------|------------------|---------------|----------------|------------|
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| B | 32 | 23-S | 34-E | | 330 | NORTH | 1725 | EAST | LEA |
| Dedicated Acres | | Joint or Infill | Consolidation Code | Order No. | | | | | |
| | | | | | | | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



SCALE: 1"=2000'

| GEODETIC COORDINATES | GEODETIC COORDINATES |
|-----------------------|-----------------------|
| NAD 83 NME | NAD 27 NME |
| BOTTOM HOLE LOCATION | BOTTOM HOLE LOCATION |
| Y = 462052.3 N | Y = 461993.1 N |
| X = 802282.1 E | X = 761098.3 E |
| LAT. = 32.267435° N | LAT. = 32.267311° N |
| LONG. = 103.489098° W | LONG. = 103.488620° W |

CORNER COORDINATES TABLE
NAD 27 NME

| |
|------------------------------------|
| A - Y = 453085.1 N, X = 760270.0 E |
| B - Y = 453094.3 N, X = 761570.0 E |
| C - Y = 454414.2 N, X = 761561.7 E |
| D - Y = 454405.0 N, X = 760256.4 E |
| E - Y = 457038.3 N, X = 760229.1 E |
| F - Y = 457048.1 N, X = 761545.2 E |
| G - Y = 462326.1 N, X = 761502.9 E |
| H - Y = 462316.3 N, X = 760186.0 E |

CORNER COORDINATES TABLE
NAD 83 NME

| |
|------------------------------------|
| A - Y = 453144.1 N, X = 801454.1 E |
| B - Y = 453153.3 N, X = 802754.1 E |
| C - Y = 454473.2 N, X = 802745.7 E |
| D - Y = 454464.0 N, X = 801440.3 E |
| E - Y = 457097.4 N, X = 801412.9 E |
| F - Y = 457107.2 N, X = 802729.1 E |
| G - Y = 462385.3 N, X = 802686.7 E |
| H - Y = 462375.5 N, X = 801369.8 E |

| GEODETIC COORDINATES | GEODETIC COORDINATES |
|-----------------------|-----------------------|
| SURFACE LOCATION | SURFACE LOCATION |
| NAD 83 NME | NAD 27 NME |
| Y = 453840.2 N | Y = 453781.2 N |
| X = 802360.1 E | X = 761176.1 E |
| LAT. = 32.244861° N | LAT. = 32.244737° N |
| LONG. = 103.489054° W | LONG. = 103.488577° W |

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

OCTOBER 7, 2015


Date of Survey _____
Signature of Professional Surveyor _____

NEW MEXICO
3239
Ronald J. Eidson
Certificate Number 12641
JWSC W.O. 15.11.0053

EXHIBIT

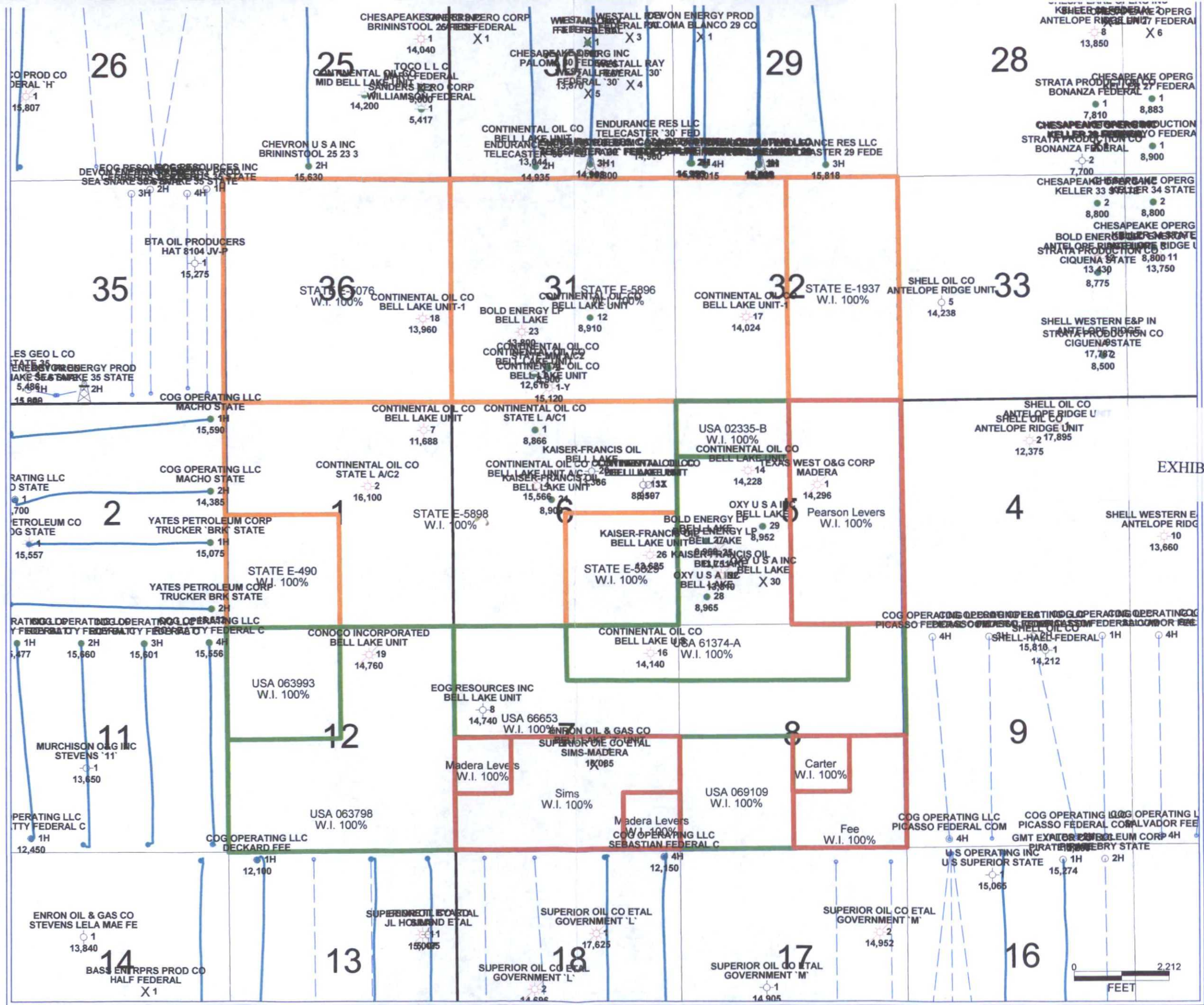
A

Very truly yours,


James Bruce

Attorney for Kaiser-Francis Oil Company

South Bell Lake Leases



OCD Permitting[Home](#) [Land Searches](#) [Land Details](#)**Section : 05-24S-34E**

Type: Normal

Total Acres: 639.68

County: Lea (25)

| | | | |
|---|---|--|---|
| D (4) Federal ¹ Federal ² (25) 39.98 | C (3) Federal ¹ Federal ² (25) 39.94 | B (2) Federal ¹ Federal ² (25) 39.9 | A (1) Federal ¹ Federal ² (25) 39.86 |
| E (E) Fee ¹ Federal ² (25) 40 | F (F) Fee ¹ Federal ² (25) 40 | G (G) Fee ¹ Fee ² (25) 40 | H (H) Fee ¹ Fee ² (25) 40 |
| L (L) Fee ¹ Federal ² (25) 40 | K (K) Fee ¹ Federal ² (25) 40 | J (J) Fee ¹ Fee ² (25) 40 | I (I) Fee ¹ Fee ² (25) 40 |
| M (M) Fee ¹ Federal ² (25) 40 | N (N) Fee ¹ Federal ² (25) 40 | O (O) Fee ¹ Fee ² (25) 40 | P (P) Fee ¹ Fee ² (25) 40 |

Note ¹ = Surface Owner RightsNote ² = Sub-Surface Mineral Rights**Land Restrictions**

No land restrictions found for this section.

[Return to Search](#)

[Wells](#) [Operator Data](#) [OCD Review](#) [OCD Only](#) [Administration](#)

OCD Permitting

[Home](#) [Land Searches](#) [Land Details](#)

Section : 32-23S-34E

Type: Normal

Total Acres: 640

County: Lea (25)

| | | | |
|---|---|---|---|
| D (D) Fee ¹ State ² (25) 40 | C (C) Fee ¹ State ² (25) 40 | B (B) Fee ¹ State ² (25) 40 | A (A) Fee ¹ State ² (25) 40 |
| E (E) Fee ¹ State ² (25) 40 | F (F) Fee ¹ State ² (25) 40 | G (G) Fee ¹ State ² (25) 40 | H (H) Fee ¹ State ² (25) 40 |
| L (L) Fee ¹ State ² (25) 40 | K (K) Fee ¹ State ² (25) 40 | J (J) Fee ¹ State ² (25) 40 | I (I) Fee ¹ State ² (25) 40 |
| M (M) Fee ¹ State ² (25) 40 | N (N) Fee ¹ State ² (25) 40 | O (O) Fee ¹ State ² (25) 40 | P (P) Fee ¹ State ² (25) 40 |

Note ¹ = Surface Owner RightsNote ² = Sub-Surface Mineral Rights

Land Restrictions

No land restrictions found for this section.

[Return to Search](#)

