

| | | | | | | |
|----------------------|----------|-------------|----------|------------------------|-------------|---------------------------|
| DATE IN 1/11/2016 | SUSPENSE | NAME MAM | ENGINEER | LOGGED IN 1/11/2016 | TYPE NSL | APP NO. PMAM1601157075 |
|----------------------|----------|-------------|----------|------------------------|-------------|---------------------------|

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

James Bruce

Signature

Attorney for applicant

Title

Date

jamesbruce@aol.com

e-mail Address

— NSL 7379
 — Kaiser-Francis Oil CO
 12361
 Well
 — South Bell Lake Unit
 52855
 30-025 - Pending

Pool
 — Bell Lake
 Bone Spring
 5130

RECEIVED OGD
 JAN 11 P 12:50

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. 9H |
| <u>Surface location:</u> | 1985 feet FSL & 1725 feet FEL §5-24S-34E |
| <u>First take point:</u> | 2690 feet FSL & 1495 feet FEL §5-24S-34E |
| <u>Last take point:</u> | 330 feet FNL & 350 feet FEL §32-23S-34E |
| <u>Well unit (project area):</u> | E½E½ of Section 32-23S-34E, and Lot 1 (NE¼NE¼), Lot 2 (NW¼NE¼), and SW¼NE¼ of Section 5-24S-34E, Lea County, New Mexico, containing 279.76 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.

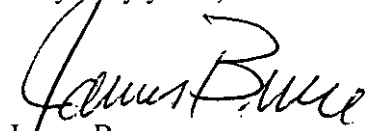
The lateral will also encroach on the SW¼SE¼ of Section 32 and SE¼NE¼ of Section 5. Let me know if you need additional footages on the encroachment.

However, 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.

The project area is non-standard, but because it is all within unitized acreage I do not think a non-standard project area needs to be established. Please let me know. Again, no notice would be required for an NSP because of common ownership.

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

Very truly yours,

A handwritten signature in black ink, appearing to read "James Bruce". The signature is fluid and cursive, with the first name "James" and last name "Bruce" clearly distinguishable.

James Bruce

Attorney for Kaiser-Francis Oil Company

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) 476-3469 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 9H |
| OGRID No. | Operator Name KAISER-FRANCIS OIL COMPANY | Elevation 3585' |

Surface Location

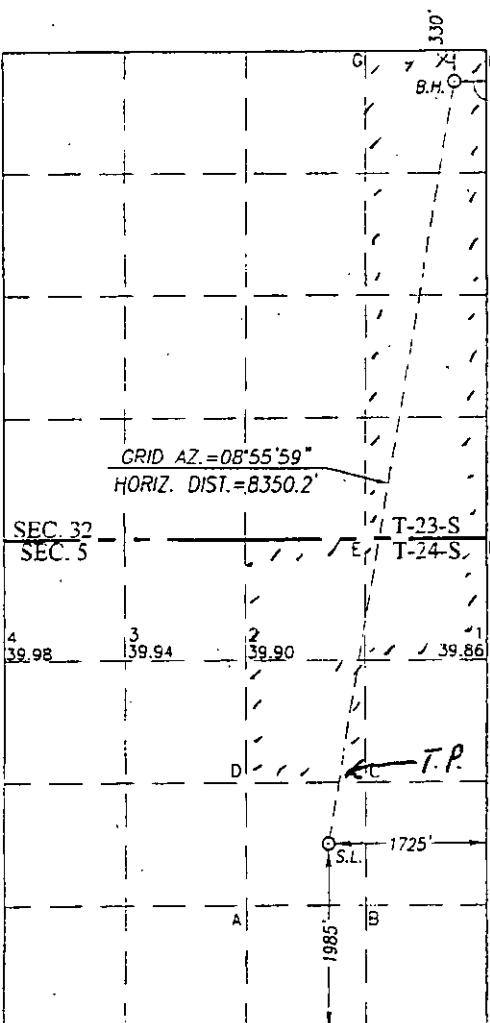
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| J | 5 | 24-S | 34-E | | 1985 | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| A | 32 | 23-S | 34-E | | 330 | NORTH | 350 | EAST | LEA |

| Dedicated Acres | Joint or Intill | 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
NAD 83 NME
BOTTOM HOLE LOCATION
Y = 462062.5 N
X = 803656.8 E
LAT. = 32.267433° N
LONG. = 103.484650° W

GEODETIC COORDINATES
NAD 27 NME
BOTTOM HOLE LOCATION
Y = 462003.3 N
X = 762473.0 E
LAT. = 32.267309° N
LONG. = 103.484172° 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 = 457048.1 N, X = 761545.2 E
F - Y = 457058.0 N, X = 762868.6 E
G - Y = 462326.1 N, X = 761502.9 E
H - Y = 462335.8 N, X = 762819.8 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 = 457107.2 N, X = 802729.1 E
F - Y = 457117.1 N, X = 804052.5 E
G - Y = 462385.3 N, X = 802866.7 E
H - Y = 462395.1 N, X = 804003.6 E

GEODETIC COORDINATES
SURFACE LOCATION
NAD 83 NME
Y = 453815.2 N
X = 802360.4 E
LAT. = 32.244793° N
LONG. = 103.489054° W

GEODETIC COORDINATES
SURFACE LOCATION
NAD 27 NME
Y = 453756.2 N
X = 761176.4 E
LAT. = 32.244669° N
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

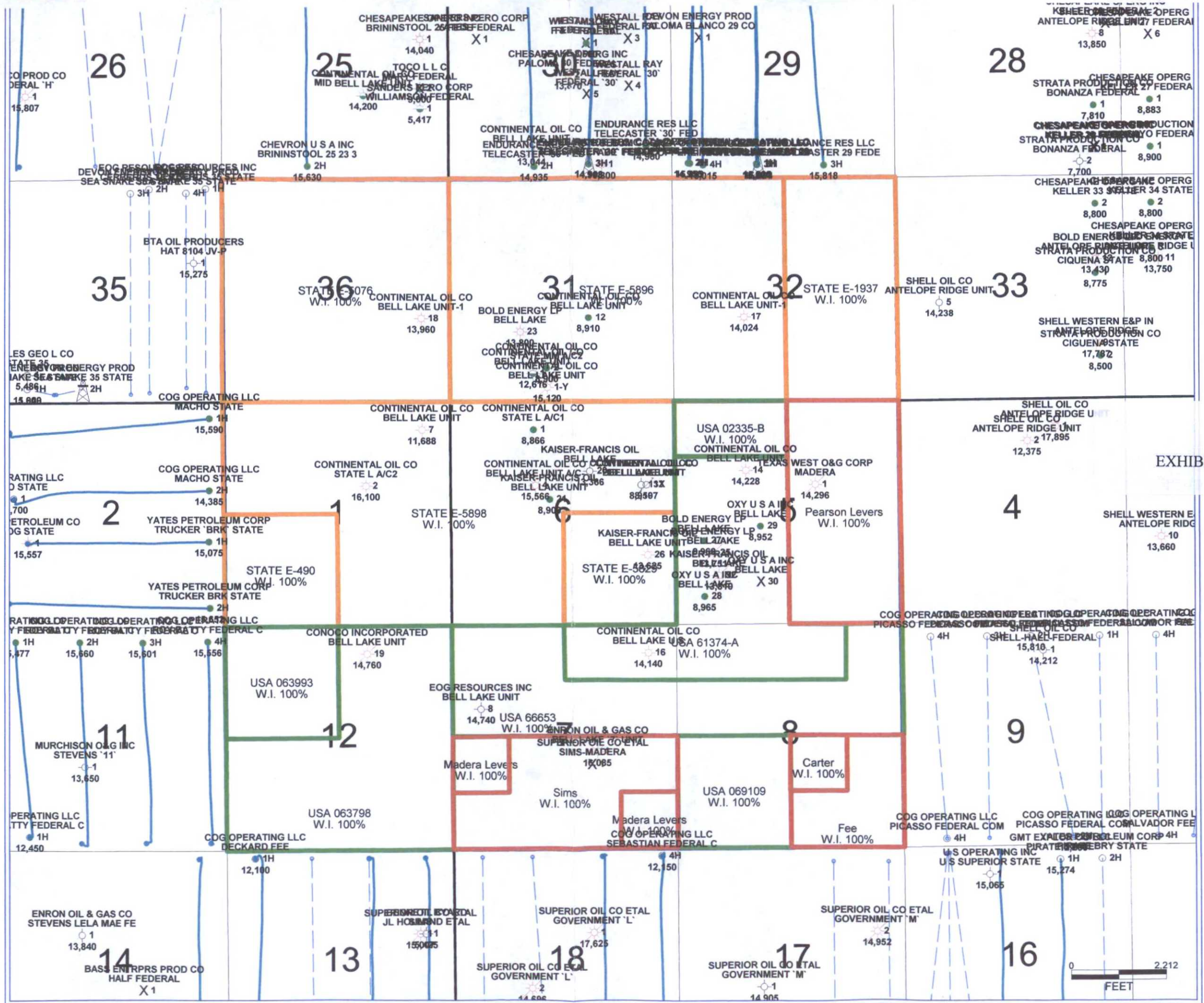
Date of Survey _____
Signature of Professional Surveyor: _____

NEW MEXICO
3230
Ronald J. Eidson
Certificate Number: 12641
Ronald J. Eidson 3239
JWSC W.O. 15.11.0951

EXHIBIT

A

South Bell Lake Leases



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

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](#)

