Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Secretary Adrienne Sandoval, Director Oil Conservation Division



October 15, 2020

Kaiser-Francis Oil Company c/o James Bruce, Attorney jamesbruc@aol.com P.O. Box 1056 Santa Fe, New Mexico 87504

RE: <u>Request for Time Extension to Commence Completions</u>

Case No. 20297, R-20742 approved date July 31, 2019 Deadline to commence completions One (1) year from drilling commencement Applicant/Operator: Kaiser-Francis Oil Company <u>Proposed Wells</u>: Red Hills Federal No. 403H, API No. 30-025-45708

Dear Sir or Madam:

The following pertains to your request received by the Division on September 25th, 2020 and to the requirements in the captioned hearing order.

You have requested an extension of the deadline to commence completions given by the Division in the captioned order.

As stated, you are requesting an extension to commence completions due to "adverse economic conditions" There was no opposition in the captioned case. You are requesting an additional year to commence completions. The date is now extended to, **October 6, 2021**.

The requested additional year in which to commence completions is hereby granted.

All other provisions of this order remain in full force and effect.

Sincerely

ADRIENNE SANDOVAL Director AS/jag

JAMES BRUCE ATTORNEY AT LAW

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jamesbruc@aol.com

September 25, 2020

Engineering Bureau Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Re: Request of Kaiser-Francis Oil Company to extend well completion deadlines

Ladies and gentlemen:

Kaiser-Francis Oil Company ("KFOC") has drilled but not yet completed the listed wells under the pooling orders identified below.

1. Order No. R-20405, dated February 28, 2019.

Well Name	API Number	Formation	Spud Date	Estimated Frac Date	First Sales
Red Hills		Bone Spring			
001H	30-025-45386	Upper Avalon	10/20/19	11/8/20	1/7/21
Red Hills		Bone Spring			
101H	30-025-45383	Lower Avalon	10/4/19	11/8/20	1/7/21

2. Order No. R-20740 dated July 31, 2019.

Well Name	API Number	Formation	Spud Date	Estimated Frac Date	First Sales
Red Hills		Bone Spring			
003H	30-025-45418	Upper Avalon	10/21/19	10/24/20	1/10/21
Red Hills		Bone Spring			
103H	30-025-45385	Lower Avalon	10/5/19	10/24/20	1/10/21

3. Order No. R-20741 dated July 31, 2019.

Well Name	API Number	Formation	Spud Date	Estimated Frac Date	First Sales
Red Hills 402H	30-025-45387	Wolfcamp XY Sand	10/11/19	10/24/20	1/25/21

4. Order No. R-20742 dated July 31, 2019.

Well Name	API Number	Formation	Spud Date	Estimated Frac Date	First Sales
Red Hills		Wolfcamp			
403H	30-025-45386	XY Sand	10/6/19	10/24/20	1/25/21

The wells are located in Section 31, Township 25 South, Range 33 East, NMPM and Section 6, Township 26 South, Range 33 East, NMPM.

The wells were timely commenced under the orders. Ordering Paragraph (7) in Order No. R-20405, and Ordering Paragraph (6) in Order Nos. R-20740 through 20743, require commencement of completion operations within one year of well commencement. As set forth above, well completions are not scheduled to be commenced in the time fixed by the orders. This was due to operational reasons (KFOC desired to drill a number wells so that they could be completed more or less simultaneously to minimize costs), and due to adverse economic conditions beginning early this year.

Pursuant to each order, KFOC requests an extension of the well completion deadlines through January 31, 2021.

Please let me know if any additional information is needed by the Division.

Very truly yours,

Luce

Attorney for Kaiser-Francis Oil Company