

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

3. Lease Designation and Serial No.

NM-011639

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

LIBERMAN #4R

9. API Well No.

30-039-25932

10. Field and Pool, or Exploratory Area

BALLARD PICTURED CLIFFS.

11. County or Parish, State

Rio Arriba, N.M.

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KIMBELL OIL COMPANY OF TEXAS

3. Address and Telephone No.

500 THROCKMORTON ST., Suite 3000, Ft. Worth, TX 76102

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1040' FSL AND 1470' FWL
SE/4 SW/4 SECTION 5, T25N, R7W

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☒ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other *Commingle downhole*
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

BALLARD P.C. AND BASIN FRUITLAND COALS

5. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent data, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

**** NOTE: PLEASE Find Attached Following Forms & Documents ****

A.) Attachment 1: "Exhibit A" - Proposed Procedure to Recomplete, Test Fruitland Coals AND Downhole Commingle BALLARD PC Perforations w/ Basin Fruitland Coals perforations to this Form 3160-5

B.) Attachment 2: STATE OF NM OCD FORMS 102 & 10: Filing For downhole commingling (Pre-Approved Fields) FOR BALLARD PC & BASIN Fruitland Coals Perforations.

6. I hereby certify that the foregoing is true and correct

Signed

Title

Operations Engineering

Date

7/17/2001

(This space for Federal or State office use)

Approved by

/s/ Jim Iovato

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-039-25932

5. Indicate Type of Lease
STATE ☐ FEE ☐

6. State Oil & Gas Lease No. 5-24

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
Oil Well ☐ Gas Well ☒ Other

7. Lease Name or Unit Agreement Name:

2. Name of Operator
KIMBELL OIL COMPANY OF TEXAS

8. Well No. 4R

3. Address of Operator
500 THROCKMORTON ST., STE 3000, FT. WORTH, TX 76102

9. Pool name or Wildcat
BALLARD-PC. & BASIN-Fruitland Coals

4. Well Location
Unit Letter N : 1040 feet from the SOUTH line and 1470' feet from the WEST line
Section 5 Township 25N Range 7W NMPM County Rio Arriba

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
6430' GR.

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <u>Downhole Commingle in Pre-Approved Pools</u> <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

* Notes: 1) See Attachment "A" - Procedure To test BASIN Fruitland Coals & downhole commingle with BALLARD - P.C. perforation

2) See Attachment "B" Additional Information Required For Approval of downhole commingling in "pre-approved pools".

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE J.M. Strickland TITLE Operations Engineering DATE 7/12/2001

Type or print name J.M. Strickland Telephone No. (817) 335-259

(This space for State use)

APPROVED BY [Signature] TITLE PSN DATE

Conditions of approval, if any:

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

2001 AUG 23 PM 5:25

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-25932	² Pool Code 71629 * 71439	³ Pool Name Basin Fruitland Coal * BALLARD-Pickard Cliff
⁴ Property Code 5632	⁵ Property Name LIBERMAN	⁶ Well Number 4R
⁷ OGRID No. 7057	⁸ Operator Name KIMBELL OIL COMPANY OF TEXAS	⁹ Elevation 6430' GR

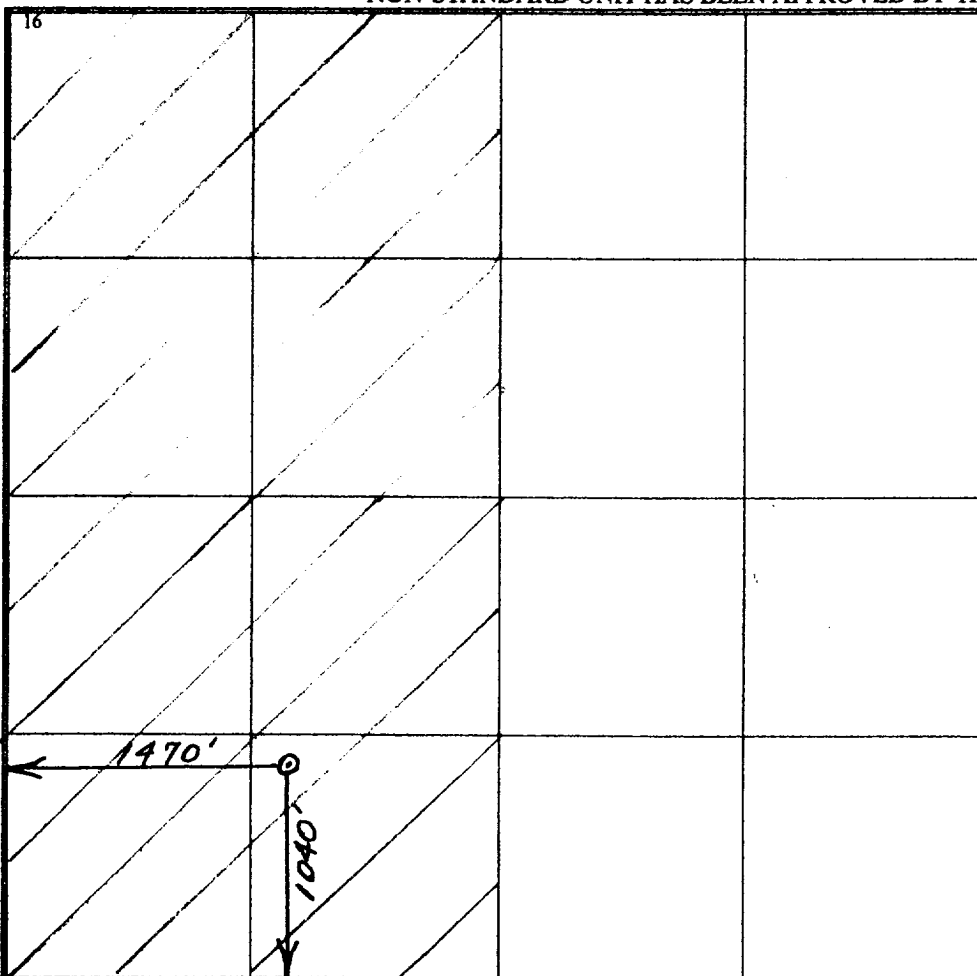
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	5	25N	7W	N	1040	SOUTH	1470	WEST	Rio Arriba

¹¹ 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
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ 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

¹⁶ 	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>J.M. Stickland</i> Signature</p> <p>J.M. STICKLAND Printed Name</p> <p>Operations Engineering Title</p> <p>7/12/2001 Date</p>
	<p>¹⁸ 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.</p> <p>* SEE ATTACHED SURVEY PLAT</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

District I
 PO Box 1940, Hobbs, NM 88241-1940
 District II
 PO Drawer 00, Artesia, NM 88211-0719
 District III
 1000 Rte. 66, Alamogordo, NM 88401
 District IV
 PO Box 2640, Santa Fe, NM 87504-2640

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-102
 Revised February 21, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Well Number		Well Code		Well Name	
				Pictured Cliffs	
Property Code	Property Name				Well Number
	Lieberman				4 E
CCRID No.	Operator Name				Elevation
	KIMBELL OIL COMPANY				6430'

12 Surface Location

UL or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South Line	Feet from the	East/West Line	County
N	5	25 N	7 W		1040	South	1470	West	Rio Arriba

13 Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South Line	Feet from the	East/West Line	County
Dedicated Acres	John or Lateral	Consolidation Code	Order No.						
160									

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

16 See attached for Royalty & Working Interest Owners		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
	18 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.	
		Date of Survey Signature Certificate Number

Exhibit "A" To BLM Form 3160-5 Sundry Notice

**Kimbell Oil Company of Texas
Well Data and Operations Procedure
Proposed Wellbore Plug back to Test Fruitland Coal(s) and then Downhole Commingling of
both Fruitland Coal and Pictured Cliffs Zones
No. 4R Liberman Well
1040' FSL & 1470' FWL
Section 5, T25N, R7W
Rio Arriba Co., New Mexico**

Well Data:

1. Total Depth @ 2328'
2. P.B.T.D. @ 2236'.
3. Completion Date : 9-25-98 in Pictured Cliffs Formation
4. Perforations @ 2198'-2218'.
5. 8-5/8" 24#/ft. Casing set @ 134'. Cemented to surface w/ 85 sx.
6. 4-1/2" 11.6 #/ft. J-55 new casing set @ 2326' and cemented to surface with 265 sx. Cement..
7. 2-3/8" O.D. tubing set @ 2199'. (SN @ 2168')
8. Formation Tops:
 - Ojo Alamo @ 1630'
 - Kirkland @ 1675'
 - Fruitland Coals @ 2015'
 - Pictured Cliffs @ 2198'
9. G.L. Elevation @ 6430' GR
10. Spud date : 08-26-98 (Contractor : L & B Speeddril)

Operations Procedure:

1. Move in and rig up workover rig. Blow down well and kill. Nipple down wellhead and nipple up Blowout equipment. Test BOPE.
2. Trip out of hole with 2-3/8" OD tubing & lay down . Rig up wireline with 4-1/2" CIBP for 11.6 #/ft. casing and set same at 2194'. Fill hole with 2% KCL water and ND BOPE. Have 3-400 bbl. frac tanks on location & filled with 2% KCL water. (* Note: make sure frac tanks have been cleaned out!). Move rig to Salazar #3E to pull tubing.
3. Pick up 3-1/8" select fire casing gun and perforate clean Fruitland Coal intervals with 2 JSPF. Refill hole with 2% KCL water. Install 4-1/2" frac valve.
4. Rig up Dowell Schlumberger and breakdown perforations with 2% KCL water to calculate frac gradient. Hold Safety meeting. Frac perforations as per

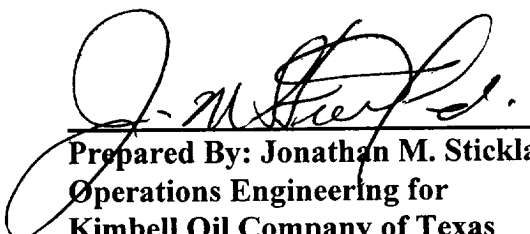
Page-2-

Attachment "A"

Kimbell Oil Company of Texas

No. 4R Liberman Plug Back and Recompletion

4. (Continued) attached procedure with nitrogen foam and sand.
5. Shut well in and hook up positive bean choke assembly to flowback line. Open well to clean up frac on 24/64" choke setting. When sand has cleared up, open up to 32/64" choke and if no sand flow observed, open up to a 64/64" choke setting and flow back frac load until well stream cleans up. After well cleans up, shut in for 72 hour buildup. Rig up and run static bottom hole pressure--tag PBSD. Rig down and move out wireline.
6. Move in and rig up pulling unit from Salazar #3E. Kill well with 2% KCL water. Nipple down frac valve and NU BOPE & test. Pick up and run 2-3/8" tubing and 3-3/4" bit to tag sand fill and drill out CIBP. Circulate hole clean. TOOH with tubing and bit. TIH with 2-3/8" tubing and set bottom of tubing at top perforation. ND BOPE and NU tree. Rig up to swab well dry. Rig down and move out pulling unit to Salazar #3E. (**NOTE: run seating nipple in tubing one joint off bottom.)
7. Rig up testers and run 4 point flow potential test. (*NOTE: Run 1 point test if 4 point not practical)
8. Notify NMOCD of recompletion and commingling results, acquire permission to place on sales; notify El Paso Field Services of recompletion and new zone of production.
9. After receiving NMOCD and EPFS permission, place well on sales and report daily production rates to Ft. Worth office for well record.


Prepared By: Jonathan M. Stickland
Operations Engineering for
Kimbell Oil Company of Texas

7/17/2004
Dated

EXCEPTION FOR COMMINGLING FOR WELLS
IN PRE-APPROVED POOLS

LIBERMAN #4R
SW4 SEC 5

<u>OWNER NAME</u>	<u>INTEREST</u>
Jack Grevey & Joanne M. Grevey	0.0891000000
Joseph Grevey & Simone Grevey	0.0891000000
Resource Development Tech., LLC	0.0890000000
Lupe Salazar	0.1250000000
Warren Inc.	0.1078000000
Kimbell Oil Company of Texas, LLC	<u>0.5000000000</u>
Total	1.0000000000

EXCEPTION FOR COMMINGLING FOR WELLS
IN PRE-APPROVED POOLS

LIBERMAN 3
NW4 SEC 5

<u>OWNER NAME</u>	<u>INTEREST</u>
Jack Grevey & Joanne M. Grevey	0.0891000000
Joseph Grevey & Simone Grevey	0.0891000000
Resource Development Tech., LLC	0.0890000000
Lupe Salazar	0.1250000000
Warren Inc.	0.1078000000
Kimbell Oil Company of Texas, LLC	<u>0.5000000000</u>
Total	1.0000000000

Attachment "B"- "Additional Information Required for Approval of Downhole Commingling in
"Pre-Approved Pools"

NMOCD Form C-103

Kimbell Oil Company of Texas Liberman #4R Well

Downhole Commingle Basin Fruitland Coal (71629) and Ballard -P.C. (71439) Pools

Dated 7/12/2001

- (I) Division Order number establishing pre-approved pool downhole
Commingling: Not Known R-11.36-3
- (II) Names of pools to be commingled downhole: Basin Fruitland Coal (71629) and
Ballard Pictured Cliffs (71439)
- (III) Perforated Intervals to be commingled: P.C. @2198'-2218' & B.F.C. @ 2176'-2195'
- (IV) Allocation method and supporting data: Production will be allocated based on
Historical Production Decline Curve Projection on P.C. completion and
remaining balance of actual commingled production will be allocated to
Basin Fruitland Coal Completion.
- (V) Statement that "commingling will not reduce the value of the total
remaining production: Both Reservoirs are "depletion drive" type. As such,
ultimate reserves recoveries commingled should equal reserves recoveries if
produced separately. Since both zones will be produced/depleted down to
the same bottom hole reservoir pressures. In reality the present worth valu
of the produced reserves will be greater when produced commingled as
recovery time will ultimately be reduced.

I hereby certify that the information and statements above are true and complete to the best of my
knowledge and belief.

SIGNATURE: Jm Stiefel TITLE: Operations Engineer DATE: 7/22/01

Type or print name: _____ Telephone No.: _____

(This space for State use)

APPROVED BY: _____ TITLE: _____ DATE: _____

Conditions of approval (if any): _____