Form 3160-3
(June 2015)

OCD – HOBBS
09/15/2020
RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMNM0000587

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☑ DRILL ☐ REENTER

1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other

1c. Type of Completion: ☐ Hydraulic Fracturing ☑ Single Zone ☐ Multiple Zone

7. If Unit or CA Agreement, Name and No.
BELL LAKE / NMNM068292X

8. Lease Name and Well No.
BELL LAKE UNIT NORTH
134H [316707]

2. Name of Operator
KAISER FRANCIS OIL COMPANY [12361]

9. API Well No. 30-025-47769

3a. Address	3b. Phone No. *(include area code)*	10. Field and Pool, or Exploratory [98259]
6733 S. Yale Ave. Tulsa OK 74121	(918)491-0000	OJO CHISO / WOLFCAMP, SOUTHWES

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface NESW / 1852 FSL / 2348 FWL / LAT 32.3314755 / LONG -103.4931114
At proposed prod. zone NWNE / 330 FNL / 2290 FEL / LAT 32.3545128 / LONG -103.4910145

11. Sec., T. R. M. or Blk. and Survey or Area
SEC 5 / T23S / R34E / NMP

14. Distance in miles and direction from nearest town or post office*	12. County or Parish	13. State
20 miles	LEA	NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease	17. Spacing Unit dedicated to this well
292 feet	634.55	480

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. in file
30 feet	9747 feet / 17879 feet	FED: WYB000055

21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
3432 feet	09/01/2019	40 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM.

25. Signature	Name *(Printed/Typed)*	Date
(Electronic Submission)	Stormi Davis / Ph: (575)308-3765	08/04/2019

Title
Regulatory Analyst

Approved by *(Signature)*	Name *(Printed/Typed)*	Date
(Electronic Submission)	Cody Layton / Ph: (575)234-5959	08/28/2020

Title	Office
Assistant Field Manager Lands & Minerals	CARLSBAD

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

GCP Rec 09/15/2020

SL

APPROVED WITH CONDITIONS

KZ
10/07/2020

Approval Date: 08/28/2020

(Continued on page 2)

*(Instructions on page 2)

Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: Stormi Davis **Signed on:** 07/16/2019

Title: Regulatory Analyst

Street Address: 106 W. Riverside Drive

City: Carlsbad **State:** NM **Zip:** 88220

Phone: (575)308-3765

Email address: nmogrservices@gmail.com

Field Representative

Representative Name:

Street Address: P.O. Box 21468

City: Tulsa **State:** OK **Zip:** 74121-1468

Phone: (918)527-5260

Email address:

APD ID: 10400043732 **Submission Date:** 08/04/2019

Operator Name: KAISER FRANCIS OIL COMPANY

Well Name: BELL LAKE UNIT NORTH **Well Number:** 134H

Well Type: OIL WELL **Well Work Type:** Drill

Highlighted data reflects the most recent changes

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Section 1 - General

APD ID: 10400043732 **Tie to previous NOS?** N **Submission Date:** 08/04/2019

BLM Office: CARLSBAD **User:** Stormi Davis **Title:** Regulatory Analyst

Federal/Indian APD: FED **Is the first lease penetrated for production Federal or Indian?** FED

Lease number: NMNM0000587 **Lease Acres:** 634.55

Surface access agreement in place? **Allotted?** **Reservation:**

Agreement in place? YES **Federal or Indian agreement:** FEDERAL

Agreement number: NMNM068292X

Agreement name: BELL LAKE

Keep application confidential? YES

Permitting Agent? NO **APD Operator:** KAISER FRANCIS OIL COMPANY

Operator letter of designation:

Operator Info

Operator Organization Name: KAISER FRANCIS OIL COMPANY

Operator Address: 6733 S. Yale Ave.

Zip: 74121

Operator PO Box: PO Box 21468

Operator City: Tulsa **State:** OK

Operator Phone: (918)491-0000

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO **Master Development Plan name:**

Well in Master SUPO? NO **Master SUPO name:**

Well in Master Drilling Plan? NO **Master Drilling Plan name:**

Well Name: BELL LAKE UNIT NORTH **Well Number:** 134H **Well API Number:**

Field/Pool or Exploratory? Field and Pool **Field Name:** OJO CHISO **Pool Name:** WOLFCAMP, SOUTHWEST

Is the proposed well in an area containing other mineral resources? NATURAL GAS,OIL

Operator Name: KAISER FRANCIS OIL COMPANY

Well Name: BELL LAKE UNIT NORTH **Well Number:** 134H

Is the proposed well in an area containing other mineral resources? NATURAL GAS,OIL

Is the proposed well in a Helium production area? N **Use Existing Well Pad?** NO **New surface disturbance?**

Type of Well Pad: MULTIPLE WELL **Multiple Well Pad Name:** NORTH BELL LAKE UNIT **Number:** 15

Well Class: HORIZONTAL **Number of Legs:** 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: EXPLORATORY (WILDCAT)

Describe sub-type:

Distance to town: 20 Miles **Distance to nearest well:** 30 FT **Distance to lease line:** 292 FT

Reservoir well spacing assigned acres Measurement: 480 Acres

Well plat: BLUN_134H_C102_20190716075900.pdf

Pay.gov_20190804112007.pdf

Well work start Date: 09/01/2019 **Duration:** 40 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83 **Vertical Datum:** NAVD88

Survey number: 6964 **Reference Datum:**

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this lease?
SHL Leg #1	1852	FSL	2348	FWL	23S	34E	5	Aliquot NESW	32.3314755	-103.4931114	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 0000587	3432	0	0	
KOP Leg #1	1852	FSL	2348	FWL	23S	34E	5	Aliquot NESW	32.3314755	-103.4931114	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 0000587	-4568	8000	8000	

Operator Name: KAISER FRANCIS OIL COMPANY

Well Name: BELL LAKE UNIT NORTH **Well Number:** 134H

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this lease?
PPP Leg #1-1	0	FSL	2140	FEL	22S	34E	32	Aliquot SWSE	32.3408281	-103.4907003	LEA	NEW MEXICO	NEW MEXICO	S	STATE	-6315	12928	9747	
PPP Leg #1-2	2600	FNL	2140	FEL	23S	34E	5	Aliquot SWNE	32.3337611	-103.4905381	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 0000587	-6315	10328	9747	
PPP Leg #1-3	2019	FSL	2640	FEL	23S	34E	5	Aliquot NWSE	32.3319271	-103.4920495	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 000124 4A	-5690	9200	9122	
PPP Leg #1-4	2640	FNL	2140	FEL	23S	34E	5	Aliquot SWNE	32.3335462	-103.490544	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 0000587	-6311	10250	9743	
EXIT Leg #1	330	FNL	2290	FEL	22S	34E	32	Aliquot NWNE	32.3545128	-103.4910145	LEA	NEW MEXICO	NEW MEXICO	S	STATE	-6315	17879	9747	
BHL Leg #1	330	FNL	2290	FEL	22S	34E	32	Aliquot NWNE	32.3545128	-103.4910145	LEA	NEW MEXICO	NEW MEXICO	S	STATE	-6315	17879	9747	

Gmail Melanie Wilson <nmogrservices@gmail.com>

Pay.gov Payment Confirmation: BLM Oil and Gas Online Payment

notification@pay.gov <notification@pay.gov> Sun, Aug 4, 2019 at 11:18 AM
To: nmogrservices@gmail.com

An official email of the United States government

Pay.gov

Your payment has been submitted to Pay.gov and the details are below. If you have any questions regarding this payment, please contact BLM OC CBS Customer Service at (303) 236-6795 or BLM_OC_CBS_Customer_Service@blm.gov.

Application Name: BLM Oil and Gas Online Payment
Pay.gov Tracking ID: 26J990I4
Agency Tracking ID: 75809203429
Transaction Type: Sale
Transaction Date: 08/04/2019 01:18:30 PM EDT
Account Holder Name: George B Kaiser
Transaction Amount: $10,050.00
Card Type: Visa
Card Number: **********0061

Company: Kaiser-Francis Oil Company
APD IDs: 10400043732
Lease Numbers: NMNM0000587
Well Numbers: 134H
Note: You will need your Pay.gov Tracking ID to complete your APD transaction in AFMSS II. Please ensure you write this number down upon completion of payment.

THIS IS AN AUTOMATED MESSAGE. PLEASE DO NOT REPLY.

[Quoted text hidden]

APD ID: 10400043732 **Submission Date:** 08/04/2019

Operator Name: KAISER FRANCIS OIL COMPANY

Well Name: BELL LAKE UNIT NORTH **Well Number:** 134H

Well Type: OIL WELL **Well Work Type:** Drill

Highlighted data reflects the most recent changes

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Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
498753	---	3432	0	0		NONE	N
498754	RUSTLER	2210	1222	1222		NONE	N
498755	SALADO	1810	1622	1622		NONE	N
498756	TOP SALT	1610	1822	1822		NONE	N
498757	BASE OF SALT	-1290	4722	4722		NONE	N
498758	LAMAR	-1540	4972	4972		NATURAL GAS, OIL	N
498759	BELL CANYON	-1740	5172	5172		NATURAL GAS, OIL	N
498760	CHERRY CANYON	-2765	6197	6197		NATURAL GAS, OIL	N
498761	BRUSHY CANYON	-4090	7522	7522		NATURAL GAS, OIL	N
498762	BONE SPRING	-5190	8622	8622		NATURAL GAS, OIL	N
498763	AVALON SAND	-5285	8717	8717		NATURAL GAS, OIL	N
498764	BONE SPRING 1ST	-6115	9547	9547		NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M **Rating Depth:** 13000

Equipment: A 5M system will be installed according to Onshore Order #2 consisting of an Annular Preventer, BOP with two rams and a blind ram. BOP will be equipped with 2 side outlets (choke side shall be a minimum 3” line, and kill side will be a minimum 2” line). Kill line will be installed with (2) valves and a check valve (2” min) of proper pressure rating for the system. Remote kill line (2’ min) will be installed and ran to the outer edge of the substructure and be unobstructed. A manual and hydraulic valve (3’’ min) will be installed on the choke line, 3 chokes will be used with one being remotely controlled. Fill up line will be installed above the uppermost preventer. Pressure gauge of proper pressure rating will be installed on choke manifold. Upper and lower kelly cocks will be utilized with handles readily available in plain sight. A float sub will be available at all times. All connections subject to well pressure will be flanged, welded, or clamped.

Operator Name: KAISER FRANCIS OIL COMPANY

Well Name: BELL LAKE UNIT NORTH **Well Number:** 134H

Requesting Variance? YES

Variance request: Flex Hose Variance

Testing Procedure: BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all of the components installed will be functional and tested.

Choke Diagram Attachment:

BLUN_134H_Choke_Manifold_20190716080410.pdf

BOP Diagram Attachment:

BLUN_134H_BOP_20191119060319.pdf

Cactus_Flex_Hose_16C_Certification_20191119060541.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	1247	0	1247			1247	J-55	54.5	BUTT	1.9	4.7	DRY	13.4	DRY	12.6
2	INTERMEDIATE	12.25	9.625	NEW	API	N	0	5072	0	5072			5072	HCP-110	40	LT&C	1.8	3.4	DRY	6.2	DRY	6.2
3	PRODUCTION	8.34	5.5	NEW	API	N	0	17879	0	9747			17879	P-110	20	OTHER - GBCD	2.5	2.8	DRY	3.4	DRY	3.3

Casing Attachments

Operator Name: KAISER FRANCIS OIL COMPANY

Well Name: BELL LAKE UNIT NORTH **Well Number:** 134H

Casing Attachments

Casing ID: 1 **String Type:** SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

BLUN_134H_Casing_Assumptions_20190716080553.pdf

Casing ID: 2 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

BLUN_134H_Casing_Assumptions_20190716080608.pdf

Casing ID: 3 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

GBCD_5.5in_Connection_Spec_Sheet_20190626062632.pdf

BLUN_134H_Casing_Assumptions_20190716080704.pdf

Section 4 - Cement

Operator Name: KAISER FRANCIS OIL COMPANY

Well Name: BELL LAKE UNIT NORTH **Well Number:** 134H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1247	700	1.75	13.5	1223	75	Halcem	4% Bentonite
INTERMEDIATE	Lead		0	5072	915	2.09	12.5	1911	50	Econocem	KolSeal
INTERMEDIATE	Tail		0	5072	352	1.33	14.8	469	50	Halcem	none
PRODUCTION	Lead		4000	1787 9	398	3.49	10.5	1388	10	Neocem	KolSeal
PRODUCTION	Tail		4000	1787 9	2021	1.22	14.5	2472	10	Versacem	none

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
5072	9747	OIL-BASED MUD	8.7	8.9							
1247	5072	OIL-BASED MUD	8.7	8.9							
0	1247	OTHER : Fresh Water	8.4	9							

Operator Name: KAISER FRANCIS OIL COMPANY

Well Name: BELL LAKE UNIT NORTH **Well Number:** 134H

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Top of cement on production casing will be determined by calculation.

List of open and cased hole logs run in the well:

DS,GR,MUDLOG

Coring operation description for the well:

None planned

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4511 **Anticipated Surface Pressure:** 2366.66

Anticipated Bottom Hole Temperature(F): 165

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

BLUN_134H__H2S_Plan_20190716081017.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

BLUN_134H___Directional_Plan_20190716081037.pdf

Other proposed operations facets description:

Gas Capture Plan attached

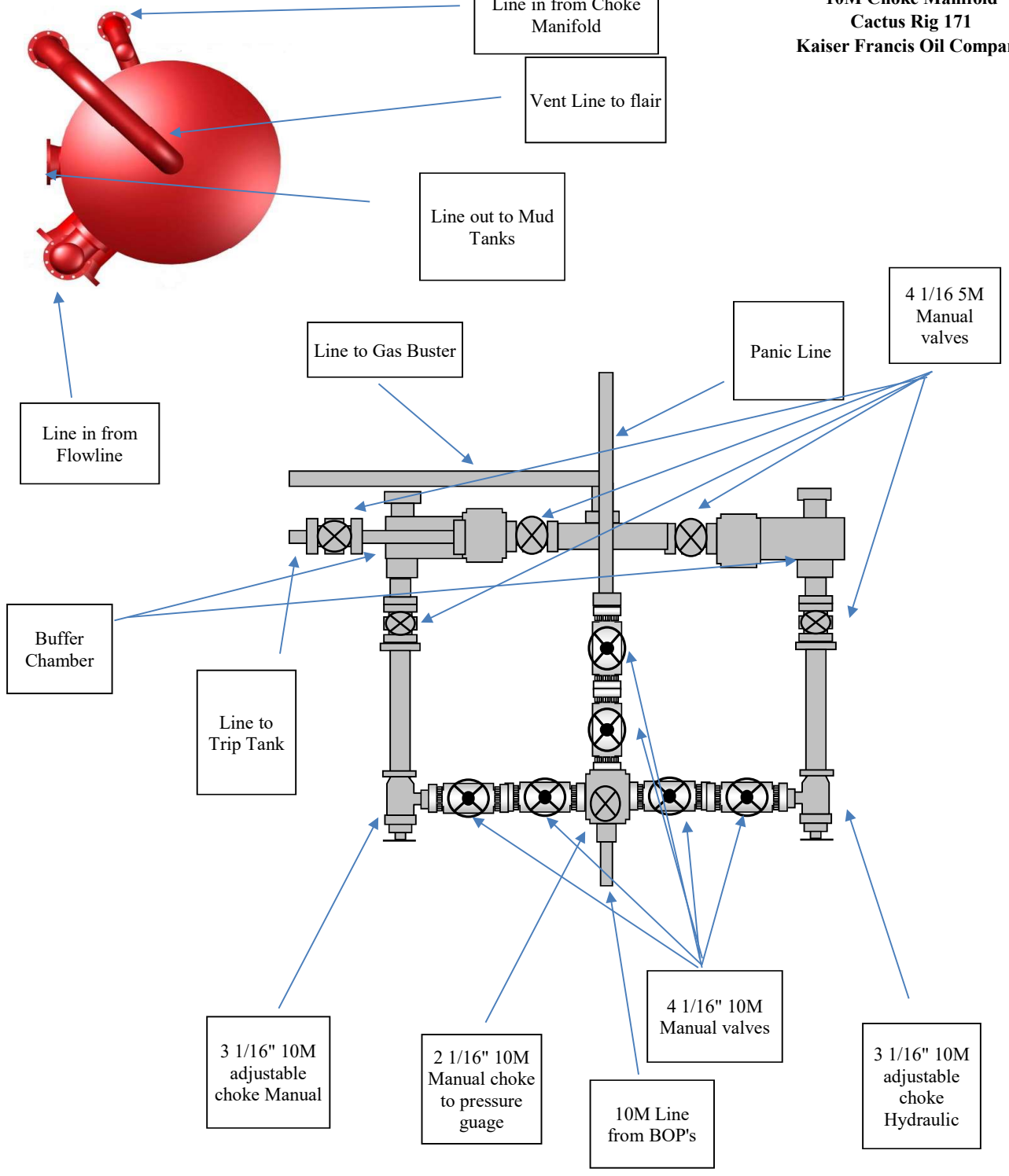
Other proposed operations facets attachment:

BLUN_Pad_15_Gas_Capture_Plan_20190716081227.pdf

Other Variance attachment:

BLUN_134H_FlexHose_Data_20190716081257.pdf

10M Choke Manifold
Cactus Rig 171
Kaiser Francis Oil Company



BLUN 134H

Casing Assumptions

Interval	Length	Casing Size	Weight (#/ft)	Grade	Thread	Condition	Hole Size	TVD (ft)
Conductor	120'	20''				New		120
Surface	1350'	13-3/8"	54.5	J-55	BTC	New	17-1/2"	1247
Intermediate	5072	9-5/8"	40	HCP-110	LTC	New	12-1/4"	5072
Production	17879	5-1/2"	20	P110	GBCD	New	8-3/4"	9747

Mud Type	Mud Weight Hole Control	Viscosity	Fluid Loss
FW	8.4 - 9.0	32 - 34	NC
OBM	8.7 - 8.9	28	NC
OBM	8.7 - 8.9	28 - 29	NC

Anticipated Mud Weight (ppg)	Max Pore Pressure (psi)	Collapse (psi)	Burst (psi)	Body Tensile Strength	Joint Tensile Strength
9	584	1130	2730	853000	909000
8.9	2347	4230	7900	1260000	1266000
8.9	4511	11100	12640	641000	667000

Collapse Safety Factor (Min 1.1)	Burst Safety Factor (Min 1.0)	Body Tensile Safety Factor (Min 1.8)	Joint Tensile Safety Factor (Min 1.8)
1.9	4.7	12.6	13.4
1.8	3.4	6.2	6.2
2.5	2.8	3.3	3.4

KAISER-FRANCIS OIL COMPANY
HYDROGEN SULFIDE (H_2S) CONTINGENCY PLAN
FOR DRILLING/COMPLETION WORKOVER/FACILITY

Bell Lake Unit North
SECTION 1 -T23S-R33E
SECTION 6 -T23S-R34E
SECTION 5 -T23S-R34E

LEA COUNTY, NM

This well/facility is not expected to have H_2S, but due to the sensitive location, the following is submitted as requested.

TABLE OF CONTENTS

EMERGENCY RESPONSE ACTIVATION AND GENERAL RESPONSIBILITIES

Activation of the Emergency Action Plan

In the event of any emergency situation, all personnel on location should first ensure that the following items are initiated. After that, they should refer to the appropriate Specific Emergency Guidance sections below for further responsibilities:

1. Notify the senior ranking contract representative on site.
2. Notify Kaiser-Francis representative in charge.
3. Notify civil authorities if the Kaiser-Francis Representative cannot be contacted and the situation dictates.
4. Perform rescue and first aid as required (without jeopardizing additional personnel).

General Responsibilities

In the event of an H_2S emergency, the following plan will be initiated.

1) All personnel will immediately evacuate to an up-wind and if possible up-hill "safe area".

2) If for any reason a person must enter the hazardous area, they must wear a SCBA (Self contained breathing apparatus).

3) Always use the "buddy system".

4) Isolate the well/problem if possible.

5) Account for all personnel

6) Display the proper colors, warning all unsuspecting personnel of the danger at hand

7) Contact the Company personnel as soon as possible if not at the location. (use the enclosed call list as instructed)

At this point the company representative will evaluate the situation and coordinate the necessary duties to bring the situation under control, and if necessary, the notification of emergency response agencies and residents.

INDIVIDUAL RESPONSIBILITIES DURING AN H_2S RELEASE

The following procedures and responsibilities will be implemented on activation of the H_2S siren and lights.

All Personnel:

1. On alarm, don escape unit (if available) and report to upwind briefing area.

Rig Manager/Tool Pusher:

1. Check that all personnel are accounted for and their condition.
2. Administer or arrange for first aid treatment, and/or call EMTs as needed.
3. Identify two people best suited to secure well and perform rescue, and instruct them to don SCBA.
4. Notify Contract management and Kaiser-Francis Representative.
5. Remain at the briefing area, assess and monitor personnel and overall situation for hazards or conditions that might warrant a change in the action plan.

Two People Responsible for Shut-in and Rescue:

1. Don SCBA and acquire tools to secure well and perform rescue, i.e., wrenches, retrieval ropes, etc.
2. Utilize the buddy system to secure well and perform rescue(s).
3. Return to the briefing area and stand by for further instructions.

All Other Personnel:

1. Isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder(s) must evacuate any public places encompassed by the 100 ppm ROE. First responder(s) must take care not to injure themselves during this operation. Company and/or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

Kaiser-Francis Oil Company Representative:

1. Remain at the briefing area, assess and monitor personnel and overall situation for hazards or conditions that might warrant a change in the action plan.
2. Notify company management or Local Incident Commander, and Police, Fire Department, or other local emergency services as required.

PROCEDURE FOR IGNITING AN UNCONTROLLABLE CONDITION:
Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO_2). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police shall be the Incident Command of any major release.

The decision to ignite a well should be a last resort and one if not both of the following pertain.

1) Human life and/or property are in danger.

2) There is no hope of bringing the situation under control with the prevailing conditions at the site.

INSTRUCTIONS FOR IGNITION:

1) Two people are required. They must be equipped with positive pressure; self contained breathing apparatus and a "D"-ring style, full body, OSHA approved safety harness. Non-flammable rope will be attached.

2) One of the people will be a qualified safety person who will test the atmosphere for H_2S, Oxygen, & LFL. The other person will be the company supervisor; he is responsible for igniting the well.

3) Ignite up-wind from a distance no closer than necessary. Make sure that where you ignite from has the maximum escape avenue available. A 25mm flare gun shall be used, with a +/-500' range to ignite the gas.

4) Prior to ignition, make a final check for combustible gases.

5) Following ignition, continue with the emergency actions & procedures as before.

CONTACTING AUTHORITIES

Kaiser-Francis personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. This response plan must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER).

EMERGENCY CALL LIST: (Start and continue until ONE of these people have been reached)

	OFFCE	MOBILE
Kaiser-Francis Oil Co.	918/494-0000	
Bill Wilkinson	580/668-2335	580/221-4637
David Zerger	918/491-4350	918/557-6708
Charles Lock	918/491-4337	918/671-6510
Stuart Blake	918/491-4347	918/510-4126
Robert Sanford	918/491-4201	918/770-2682
Eric Hansen	918/491-4339	918/527-5260

EMERGENCY RESPONSE NUMBERS: Lea County, New Mexico

State Police – Artesia	575/748-9718
State Police – Hobbs	575/392-5580
State Police – Carlsbad	575/885-3138
Lea County Sheriff - Lovington	575/396-3611
Local Emergency Planning Center – Lea County	575/396-8607
Local Emergency Planning Center – Eddy County	575/885-3581
Fire Fighting, Rescue & Ambulance – Carlsbad	911 or 575/885-3125
Fire Fighting, Rescue & Ambulance – Hobbs	911 or 575/397-9308
Fire Fighting – Jal Volunteer Fire Department	911 or 505/395-2221
New Mexico Oil & Gas Commission – Artesia	575/748-1283
New Mexico Oil & Gas Commission – Hobbs	575/393-6161
Air Medical Transport Services – Hobbs	800/550-1025
Med Flight Air Ambulance – Albuquerque	505/842-4433
Angel MedFlight	844/553-9033
DXP	432/580-3770
BJ Services	575/392-5556
Halliburton	575/392-6531 800/844-8451

PROTECTION OF THE GENERAL PUBLIC/ROE:

In the event of a release with a concentration greater than 100 ppm H_2S, the ROE (Radius of Exposure) calculations will be done to determine if the following conditions have been met:

- Does the 100 ppm ROE include any public area (any place not associated with this site)
- Does the 500 ppm ROE include any public road (any road which the general public may travel)
- Is the 100 ppm ROE equal to or greater than 3000 feet

If any one of these conditions have been met then the Contingency Plan will be implemented. The following shows how to calculate the radius of exposure and an example.

Calculation for the 100 ppm ROE:

X = [(1.589)(concentration)(Q)] (0.6258)

Calculation for the 500 ppm ROE:

X+[(0.4546)(concentration)(Q)] (.06258)

(H2S concentrations in decimal form)
10,000 ppm +=1.+
1,000 ppm +=.1+
100 ppm +=.01+
10 ppm +=.001+

EXAMPLE: If a well/facility has been determined to have 150 ppm H_2S in the gas mixture and the well/facility is producing at a gas rate of 200 MCFPD then:

ROE for 100 PPM X=[(1.589)(.0150)(200)] (0.6258)
X=2.65'

ROE for 500 PPM X=[(.4546)(.0150)(200)] (0.6258)
X=1.2'

(These calculations will be forwarded to the appropriate District NMOCD office when applicable.)

PUBLIC EVACUATION PLAN:
(When the supervisor has determined that the General Public will be involved, the following plan will be implemented)

1) Notification of the emergency response agencies of the hazardous condition and Implement evacuation procedures.

2) A trained person in H_2S safety, shall monitor with detection equipment the H_2S Concentration, wind and area of exposure (ROE). This person will determine the outer perimeter of the hazardous area. The extent of the evacuation area will be determined from the data being collected. Monitoring shall continue until the situation has been resolved. **(All monitoring equipment will be UL approved, for use in class I groups A,B,C & D, Division I, hazardous locations. All monitors will have a minimum capability of measuring H_2S, oxygen, and flammable values.)**

3) Law enforcement shall be notified to set up necessary barriers and maintain such for the duration of the situation as well as aid in the evacuation procedure.

4) The company supervising personnel shall stay in communication with all agencies through out the duration of the situation and inform such agencies when the situation has been contained and the effected area(s) is safe to enter.

CHARACTERISTICS OF H_2S AND SO_2

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H_2S	1.189 Air = 1	10 ppm	100 ppm	600 ppm
Sulfur Dioxide	SO_2	2.21 Air = 1	2 ppm	N/A	1000 ppm

TRAINING:

All responders must have training in the detection of H_2S measures for protection against the gas, equipment used for protection and emergency response. Weekly drills by all crews will be conducted and recorded in the IADC daily log. Additionally, responders must be equipped with H_2S monitors at all times.

PUBLIC RELATIONS

Kaiser-Francis recognizes that the news media have a legitimate interest in incidents at Kaiser-Francis facilities that could affect the public. It is to the company's benefit to cooperate with the news media when incidents occur because these media are our best liaison with the public.

Our objective is to see that all reports of any emergency are factual and represent the company's position fairly and accurately. Cooperation with news media representatives is the most reliable guarantee that this objective will be met.

All contract and Kaiser-Francis employees are instructed **NOT** to make any statement to the media concerning the emergency incident. If a media representative contacts any employee, they should refer them to the designated Emergency Command Center where they should contact the Incident Commander or his designated relief for any information concerning the incident.

KAISER-FRANCIS OIL COMPANY

Kaiser Francis

Bell Lake Unit North 134H
Bell Lake Unit North 134H
Bell Lake Unit North 134H
Bell Lake Unit North 134H

Plan: 190617 Bell Lake Unit North 134H

Morcor Standard Plan

17 June, 2019

Morcor Engineering

Morcor Standard Plan

Company:	Kaiser Francis	**Local Co-ordinate Reference:**	Well Bell Lake Unit North 134H
Project:	Bell Lake Unit North 134H	**TVD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Site:	Bell Lake Unit North 134H	**MD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Well:	Bell Lake Unit North 134H	**North Reference:**	Grid
Wellbore:	Bell Lake Unit North 134H	**Survey Calculation Method:**	Minimum Curvature
Design:	190617 Bell Lake Unit North 134H	**Database:**	EDM 5000.1 Single User Db

Project Bell Lake Unit North 134H

Map System:	US State Plane 1983	**System Datum:**	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site Bell Lake Unit North 134H

Site Position:		**Northing:**	485,340.64 usft	**Latitude:**	32° 19' 53.312 N
From:	Map	**Easting:**	800,858.88 usft	**Longitude:**	103° 29' 35.201 W
Position Uncertainty:	1.0 usft	**Slot Radius:**	17-1/2 "	**Grid Convergence:**	0.45 °

Well Bell Lake Unit North 134H

Well Position	**+N/-S**	0.0 usft	**Northing:**	485,340.64 usft	**Latitude:**	32° 19' 53.312 N
	+E/-W	0.0 usft	**Easting:**	800,858.88 usft	**Longitude:**	103° 29' 35.201 W
Position Uncertainty		1.0 usft	**Wellhead Elevation:**	usft	**Ground Level:**	3,432.4 usft

Wellbore Bell Lake Unit North 134H

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	6/17/2019	6.56	60.09	47,888

Design 190617 Bell Lake Unit North 134H

Audit Notes:			
Version:	**Phase:**	PLAN	**Tie On Depth:** 0.0

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	3.97

Survey Tool Program **Date** 6/17/2019

From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description
0.0	17,879.7	190617 Bell Lake Unit North 134H (Bell La	MWD	MWD - Standard

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Well:	Bell Lake Unit North 134H	**North Reference:**	Grid
Wellbore:	Bell Lake Unit North 134H	**Survey Calculation Method:**	Minimum Curvature
Design:	190617 Bell Lake Unit North 134H	**Database:**	EDM 5000.1 Single User Db

Planned Survey

MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)
0.0	0.00	0.00	0.0	-3,454.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
100.0	0.00	0.00	100.0	-3,354.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
120.0	0.00	0.00	120.0	-3,334.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
20" Conductor										
200.0	0.00	0.00	200.0	-3,254.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
300.0	0.00	0.00	300.0	-3,154.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
400.0	0.00	0.00	400.0	-3,054.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
500.0	0.00	0.00	500.0	-2,954.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
600.0	0.00	0.00	600.0	-2,854.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
700.0	0.00	0.00	700.0	-2,754.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
800.0	0.00	0.00	800.0	-2,654.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
900.0	0.00	0.00	900.0	-2,554.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
1,000.0	0.00	0.00	1,000.0	-2,454.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
1,100.0	0.00	0.00	1,100.0	-2,354.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
1,200.0	0.00	0.00	1,200.0	-2,254.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
1,222.0	0.00	0.00	1,222.0	-2,232.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
Rustler										
1,247.0	0.00	0.00	1,247.0	-2,207.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
13 3/8" Surface Casing										
1,300.0	0.00	0.00	1,300.0	-2,154.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
1,400.0	0.00	0.00	1,400.0	-2,054.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
1,500.0	0.00	0.00	1,500.0	-1,954.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
1,600.0	0.00	0.00	1,600.0	-1,854.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
1,622.0	0.00	0.00	1,622.0	-1,832.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
Salado										
1,700.0	0.00	0.00	1,700.0	-1,754.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
1,800.0	0.00	0.00	1,800.0	-1,654.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00

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Wellbore:	Bell Lake Unit North 134H	**Survey Calculation Method:**	Minimum Curvature
Design:	190617 Bell Lake Unit North 134H	**Database:**	EDM 5000.1 Single User Db

Planned Survey

MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)
1,822.0	0.00	0.00	1,822.0	-1,632.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
Top of Salt										
1,900.0	0.00	0.00	1,900.0	-1,554.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
2,000.0	0.00	0.00	2,000.0	-1,454.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
2,100.0	0.00	0.00	2,100.0	-1,354.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
2,200.0	0.00	0.00	2,200.0	-1,254.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
2,300.0	0.00	0.00	2,300.0	-1,154.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
2,400.0	0.00	0.00	2,400.0	-1,054.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
2,500.0	0.00	0.00	2,500.0	-954.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
2,600.0	0.00	0.00	2,600.0	-854.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
2,700.0	0.00	0.00	2,700.0	-754.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
2,800.0	0.00	0.00	2,800.0	-654.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
2,900.0	0.00	0.00	2,900.0	-554.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
3,000.0	0.00	0.00	3,000.0	-454.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
3,100.0	0.00	0.00	3,100.0	-354.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
3,200.0	0.00	0.00	3,200.0	-254.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
3,300.0	0.00	0.00	3,300.0	-154.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
3,400.0	0.00	0.00	3,400.0	-54.4	0.0	0.0	800,858.88	485,340.64	0.00	0.00
3,500.0	0.00	0.00	3,500.0	45.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
3,600.0	0.00	0.00	3,600.0	145.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
3,700.0	0.00	0.00	3,700.0	245.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
3,800.0	0.00	0.00	3,800.0	345.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
3,900.0	0.00	0.00	3,900.0	445.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
4,000.0	0.00	0.00	4,000.0	545.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
4,100.0	0.00	0.00	4,100.0	645.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
4,200.0	0.00	0.00	4,200.0	745.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
4,300.0	0.00	0.00	4,300.0	845.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00

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Design:	190617 Bell Lake Unit North 134H	**Database:**	EDM 5000.1 Single User Db

Planned Survey

MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)
4,400.0	0.00	0.00	4,400.0	945.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
4,500.0	0.00	0.00	4,500.0	1,045.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
4,600.0	0.00	0.00	4,600.0	1,145.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
4,700.0	0.00	0.00	4,700.0	1,245.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
4,722.0	0.00	0.00	4,722.0	1,267.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
Base of Salt										
4,800.0	0.00	0.00	4,800.0	1,345.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
4,900.0	0.00	0.00	4,900.0	1,445.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
4,972.0	0.00	0.00	4,972.0	1,517.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
Lamar										
5,000.0	0.00	0.00	5,000.0	1,545.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
5,072.0	0.00	0.00	5,072.0	1,617.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
9 5/8" Intermediate Casing										
5,100.0	0.00	0.00	5,100.0	1,645.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
5,172.0	0.00	0.00	5,172.0	1,717.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
Bell Canyon										
5,200.0	0.00	0.00	5,200.0	1,745.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
5,300.0	0.00	0.00	5,300.0	1,845.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
5,400.0	0.00	0.00	5,400.0	1,945.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
5,500.0	0.00	0.00	5,500.0	2,045.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
5,600.0	0.00	0.00	5,600.0	2,145.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
5,700.0	0.00	0.00	5,700.0	2,245.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
5,800.0	0.00	0.00	5,800.0	2,345.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
5,900.0	0.00	0.00	5,900.0	2,445.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
6,000.0	0.00	0.00	6,000.0	2,545.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
6,100.0	0.00	0.00	6,100.0	2,645.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
6,197.0	0.00	0.00	6,197.0	2,742.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
Cherry Canyon										

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Planned Survey

MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)
6,200.0	0.00	0.00	6,200.0	2,745.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
6,300.0	0.00	0.00	6,300.0	2,845.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
6,400.0	0.00	0.00	6,400.0	2,945.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
6,500.0	0.00	0.00	6,500.0	3,045.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
6,600.0	0.00	0.00	6,600.0	3,145.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
6,700.0	0.00	0.00	6,700.0	3,245.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
6,800.0	0.00	0.00	6,800.0	3,345.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
6,900.0	0.00	0.00	6,900.0	3,445.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
7,000.0	0.00	0.00	7,000.0	3,545.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
7,100.0	0.00	0.00	7,100.0	3,645.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
7,200.0	0.00	0.00	7,200.0	3,745.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
7,300.0	0.00	0.00	7,300.0	3,845.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
7,400.0	0.00	0.00	7,400.0	3,945.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
7,500.0	0.00	0.00	7,500.0	4,045.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
7,522.0	0.00	0.00	7,522.0	4,067.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
Brushy Canyon										
7,600.0	0.00	0.00	7,600.0	4,145.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
7,700.0	0.00	0.00	7,700.0	4,245.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
7,800.0	0.00	0.00	7,800.0	4,345.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
7,900.0	0.00	0.00	7,900.0	4,445.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
8,000.0	0.00	0.00	8,000.0	4,545.6	0.0	0.0	800,858.88	485,340.64	0.00	0.00
Start Build 3.02										
8,100.0	3.02	62.94	8,100.0	4,645.6	1.2	2.3	800,861.23	485,341.84	1.36	3.02
8,200.0	6.04	62.94	8,199.6	4,745.2	4.8	9.4	800,868.25	485,345.43	5.43	3.02
8,300.0	9.06	62.94	8,298.8	4,844.4	10.8	21.1	800,879.95	485,351.40	12.20	3.02
8,400.0	12.07	62.94	8,397.0	4,942.6	19.1	37.4	800,896.27	485,359.74	21.65	3.02
8,500.0	15.09	62.94	8,494.2	5,039.8	29.8	58.3	800,917.19	485,370.43	33.75	3.02

Company:	Kaiser Francis	**Local Co-ordinate Reference:**	Well Bell Lake Unit North 134H
Project:	Bell Lake Unit North 134H	**TVD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Site:	Bell Lake Unit North 134H	**MD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Well:	Bell Lake Unit North 134H	**North Reference:**	Grid
Wellbore:	Bell Lake Unit North 134H	**Survey Calculation Method:**	Minimum Curvature
Design:	190617 Bell Lake Unit North 134H	**Database:**	EDM 5000.1 Single User Db

Planned Survey

MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)
8,600.0	18.11	62.94	8,590.1	5,135.7	42.8	83.7	800,942.63	485,383.43	48.48	3.02
8,633.7	19.13	62.94	8,622.0	5,167.6	47.7	93.3	800,952.21	485,388.32	54.03	3.02
Bone Spring										
8,700.0	21.13	62.94	8,684.2	5,229.8	58.1	113.6	800,972.53	485,398.70	65.79	3.02
8,735.2	22.19	62.94	8,717.0	5,262.6	64.0	125.2	800,984.11	485,404.62	72.49	3.02
Avalon										
8,800.0	24.15	62.94	8,776.5	5,322.1	75.6	147.9	801,006.80	485,416.21	85.63	3.02
8,900.0	27.17	62.94	8,866.7	5,412.3	95.3	186.5	801,045.35	485,435.91	107.95	3.02
9,000.0	30.19	62.94	8,954.4	5,500.0	117.1	229.2	801,088.08	485,457.74	132.68	3.02
9,100.0	33.20	62.94	9,039.5	5,585.1	141.0	276.0	801,134.86	485,481.64	159.76	3.02
9,200.0	36.22	62.94	9,121.6	5,667.2	166.9	326.7	801,185.57	485,507.54	189.11	3.02
9,300.0	39.24	62.94	9,200.7	5,746.3	194.7	381.2	801,240.06	485,535.38	220.65	3.02
9,351.2	40.79	62.94	9,239.9	5,785.5	209.7	410.5	801,269.35	485,550.34	237.61	3.02
Start 240.6 hold at 9351.2 MD										
9,400.0	40.79	62.94	9,276.9	5,822.5	224.2	438.9	801,297.76	485,564.86	254.06	0.00
9,500.0	40.79	62.94	9,352.6	5,898.2	253.9	497.1	801,355.93	485,594.58	287.73	0.00
9,591.7	40.79	62.94	9,422.0	5,967.6	281.2	550.4	801,409.28	485,621.83	318.61	0.00
Start DLS 10.00 TFO -70.15										
9,600.0	41.07	61.75	9,428.3	5,973.9	283.7	555.2	801,414.09	485,624.35	321.46	10.00
9,650.0	43.05	54.89	9,465.4	6,011.0	301.3	583.7	801,442.54	485,641.95	340.99	10.00
9,700.0	45.41	48.57	9,501.3	6,046.9	322.9	611.0	801,469.87	485,663.56	364.44	10.00
9,750.0	48.09	42.77	9,535.6	6,081.2	348.4	637.0	801,495.87	485,689.02	391.63	10.00
9,767.3	49.08	40.88	9,547.0	6,092.6	358.0	645.6	801,504.52	485,698.69	401.87	10.00
1st Bone Spring Sand										
9,800.0	51.04	37.46	9,568.0	6,113.6	377.5	661.5	801,520.34	485,718.12	422.36	10.00
9,850.0	54.21	32.59	9,598.4	6,144.0	410.0	684.2	801,543.10	485,750.66	456.39	10.00
9,900.0	57.55	28.11	9,626.4	6,172.0	445.7	705.1	801,563.98	485,786.38	493.47	10.00
9,950.0	61.05	23.95	9,651.9	6,197.5	484.4	723.9	801,582.81	485,825.01	533.31	10.00

Company:	Kaiser Francis	**Local Co-ordinate Reference:**	Well Bell Lake Unit North 134H
Project:	Bell Lake Unit North 134H	**TVD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Site:	Bell Lake Unit North 134H	**MD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Well:	Bell Lake Unit North 134H	**North Reference:**	Grid
Wellbore:	Bell Lake Unit North 134H	**Survey Calculation Method:**	Minimum Curvature
Design:	190617 Bell Lake Unit North 134H	**Database:**	EDM 5000.1 Single User Db

Planned Survey

MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)
10,000.0	64.67	20.06	9,674.8	6,220.4	525.6	740.6	801,599.45	485,866.25	575.60	10.00
10,050.0	68.38	16.41	9,694.7	6,240.3	569.2	754.9	801,613.78	485,909.80	620.04	10.00
10,100.0	72.17	12.94	9,711.6	6,257.2	614.7	766.8	801,625.68	485,955.31	666.27	10.00
10,150.0	76.01	9.62	9,725.3	6,270.9	661.8	776.2	801,635.07	486,002.45	713.95	10.00
10,200.0	79.90	6.41	9,735.7	6,281.3	710.2	783.0	801,641.88	486,050.86	762.71	10.00
10,250.0	83.82	3.27	9,742.8	6,288.4	759.5	787.2	801,646.04	486,100.17	812.18	10.00
10,300.0	87.76	0.18	9,746.4	6,292.0	809.4	788.7	801,647.54	486,149.99	861.99	10.00
10,328.4	90.00	358.43	9,747.0	6,292.6	837.8	788.3	801,647.19	486,178.39	890.30	10.00
Start 7551.3 hold at 10328.4 MD										
10,400.0	90.00	358.43	9,747.0	6,292.6	909.3	786.4	801,645.24	486,249.95	961.56	0.00
10,500.0	90.00	358.43	9,747.0	6,292.6	1,009.3	783.6	801,642.50	486,349.92	1,061.09	0.00
10,600.0	90.00	358.43	9,747.0	6,292.6	1,109.2	780.9	801,639.77	486,449.88	1,160.63	0.00
10,700.0	90.00	358.43	9,747.0	6,292.6	1,209.2	778.2	801,637.03	486,549.84	1,260.16	0.00
10,800.0	90.00	358.43	9,747.0	6,292.6	1,309.2	775.4	801,634.30	486,649.81	1,359.69	0.00
10,900.0	90.00	358.43	9,747.0	6,292.6	1,409.1	772.7	801,631.56	486,749.77	1,459.23	0.00
11,000.0	90.00	358.43	9,747.0	6,292.6	1,509.1	769.9	801,628.83	486,849.73	1,558.76	0.00
11,100.0	90.00	358.43	9,747.0	6,292.6	1,609.1	767.2	801,626.09	486,949.69	1,658.29	0.00
11,200.0	90.00	358.43	9,747.0	6,292.6	1,709.0	764.5	801,623.36	487,049.66	1,757.83	0.00
11,300.0	90.00	358.43	9,747.0	6,292.6	1,809.0	761.7	801,620.62	487,149.62	1,857.36	0.00
11,400.0	90.00	358.43	9,747.0	6,292.6	1,908.9	759.0	801,617.89	487,249.58	1,956.89	0.00
11,500.0	90.00	358.43	9,747.0	6,292.6	2,008.9	756.3	801,615.15	487,349.54	2,056.43	0.00
11,600.0	90.00	358.43	9,747.0	6,292.6	2,108.9	753.5	801,612.42	487,449.51	2,155.96	0.00
11,700.0	90.00	358.43	9,747.0	6,292.6	2,208.8	750.8	801,609.68	487,549.47	2,255.50	0.00
11,800.0	90.00	358.43	9,747.0	6,292.6	2,308.8	748.1	801,606.95	487,649.43	2,355.03	0.00
11,900.0	90.00	358.43	9,747.0	6,292.6	2,408.8	745.3	801,604.21	487,749.39	2,454.56	0.00
12,000.0	90.00	358.43	9,747.0	6,292.6	2,508.7	742.6	801,601.48	487,849.36	2,554.10	0.00
12,100.0	90.00	358.43	9,747.0	6,292.6	2,608.7	739.9	801,598.74	487,949.32	2,653.63	0.00

Company:	Kaiser Francis	**Local Co-ordinate Reference:**	Well Bell Lake Unit North 134H
Project:	Bell Lake Unit North 134H	**TVD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Site:	Bell Lake Unit North 134H	**MD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Well:	Bell Lake Unit North 134H	**North Reference:**	Grid
Wellbore:	Bell Lake Unit North 134H	**Survey Calculation Method:**	Minimum Curvature
Design:	190617 Bell Lake Unit North 134H	**Database:**	EDM 5000.1 Single User Db

Planned Survey

MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)
12,200.0	90.00	358.43	9,747.0	6,292.6	2,708.6	737.1	801,596.01	488,049.28	2,753.16	0.00
12,300.0	90.00	358.43	9,747.0	6,292.6	2,808.6	734.4	801,593.27	488,149.24	2,852.70	0.00
12,400.0	90.00	358.43	9,747.0	6,292.6	2,908.6	731.7	801,590.54	488,249.21	2,952.23	0.00
12,500.0	90.00	358.43	9,747.0	6,292.6	3,008.5	728.9	801,587.80	488,349.17	3,051.76	0.00
12,600.0	90.00	358.43	9,747.0	6,292.6	3,108.5	726.2	801,585.07	488,449.13	3,151.30	0.00
12,700.0	90.00	358.43	9,747.0	6,292.6	3,208.5	723.5	801,582.33	488,549.09	3,250.83	0.00
12,800.0	90.00	358.43	9,747.0	6,292.6	3,308.4	720.7	801,579.60	488,649.06	3,350.36	0.00
12,900.0	90.00	358.43	9,747.0	6,292.6	3,408.4	718.0	801,576.87	488,749.02	3,449.90	0.00
13,000.0	90.00	358.43	9,747.0	6,292.6	3,508.3	715.3	801,574.13	488,848.98	3,549.43	0.00
13,100.0	90.00	358.43	9,747.0	6,292.6	3,608.3	712.5	801,571.40	488,948.95	3,648.97	0.00
13,200.0	90.00	358.43	9,747.0	6,292.6	3,708.3	709.8	801,568.66	489,048.91	3,748.50	0.00
13,300.0	90.00	358.43	9,747.0	6,292.6	3,808.2	707.0	801,565.93	489,148.87	3,848.03	0.00
13,400.0	90.00	358.43	9,747.0	6,292.6	3,908.2	704.3	801,563.19	489,248.83	3,947.57	0.00
13,500.0	90.00	358.43	9,747.0	6,292.6	4,008.2	701.6	801,560.46	489,348.80	4,047.10	0.00
13,600.0	90.00	358.43	9,747.0	6,292.6	4,108.1	698.8	801,557.72	489,448.76	4,146.63	0.00
13,700.0	90.00	358.43	9,747.0	6,292.6	4,208.1	696.1	801,554.99	489,548.72	4,246.17	0.00
13,800.0	90.00	358.43	9,747.0	6,292.6	4,308.0	693.4	801,552.25	489,648.68	4,345.70	0.00
13,900.0	90.00	358.43	9,747.0	6,292.6	4,408.0	690.6	801,549.52	489,748.65	4,445.23	0.00
14,000.0	90.00	358.43	9,747.0	6,292.6	4,508.0	687.9	801,546.78	489,848.61	4,544.77	0.00
14,100.0	90.00	358.43	9,747.0	6,292.6	4,607.9	685.2	801,544.05	489,948.57	4,644.30	0.00
14,200.0	90.00	358.43	9,747.0	6,292.6	4,707.9	682.4	801,541.31	490,048.53	4,743.84	0.00
14,300.0	90.00	358.43	9,747.0	6,292.6	4,807.9	679.7	801,538.58	490,148.50	4,843.37	0.00
14,400.0	90.00	358.43	9,747.0	6,292.6	4,907.8	677.0	801,535.84	490,248.46	4,942.90	0.00
14,500.0	90.00	358.43	9,747.0	6,292.6	5,007.8	674.2	801,533.11	490,348.42	5,042.44	0.00
14,600.0	90.00	358.43	9,747.0	6,292.6	5,107.7	671.5	801,530.37	490,448.38	5,141.97	0.00
14,700.0	90.00	358.43	9,747.0	6,292.6	5,207.7	668.8	801,527.64	490,548.35	5,241.50	0.00
14,800.0	90.00	358.43	9,747.0	6,292.6	5,307.7	666.0	801,524.90	490,648.31	5,341.04	0.00

Company:	Kaiser Francis	**Local Co-ordinate Reference:**	Well Bell Lake Unit North 134H
Project:	Bell Lake Unit North 134H	**TVD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Site:	Bell Lake Unit North 134H	**MD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Well:	Bell Lake Unit North 134H	**North Reference:**	Grid
Wellbore:	Bell Lake Unit North 134H	**Survey Calculation Method:**	Minimum Curvature
Design:	190617 Bell Lake Unit North 134H	**Database:**	EDM 5000.1 Single User Db

Planned Survey

MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)
14,900.0	90.00	358.43	9,747.0	6,292.6	5,407.6	663.3	801,522.17	490,748.27	5,440.57	0.00
15,000.0	90.00	358.43	9,747.0	6,292.6	5,507.6	660.6	801,519.43	490,848.23	5,540.10	0.00
15,100.0	90.00	358.43	9,747.0	6,292.6	5,607.6	657.8	801,516.70	490,948.20	5,639.64	0.00
15,200.0	90.00	358.43	9,747.0	6,292.6	5,707.5	655.1	801,513.96	491,048.16	5,739.17	0.00
15,300.0	90.00	358.43	9,747.0	6,292.6	5,807.5	652.3	801,511.23	491,148.12	5,838.71	0.00
15,400.0	90.00	358.43	9,747.0	6,292.6	5,907.4	649.6	801,508.49	491,248.08	5,938.24	0.00
15,500.0	90.00	358.43	9,747.0	6,292.6	6,007.4	646.9	801,505.76	491,348.05	6,037.77	0.00
15,600.0	90.00	358.43	9,747.0	6,292.6	6,107.4	644.1	801,503.02	491,448.01	6,137.31	0.00
15,700.0	90.00	358.43	9,747.0	6,292.6	6,207.3	641.4	801,500.29	491,547.97	6,236.84	0.00
15,800.0	90.00	358.43	9,747.0	6,292.6	6,307.3	638.7	801,497.56	491,647.94	6,336.37	0.00
15,900.0	90.00	358.43	9,747.0	6,292.6	6,407.3	635.9	801,494.82	491,747.90	6,435.91	0.00
16,000.0	90.00	358.43	9,747.0	6,292.6	6,507.2	633.2	801,492.09	491,847.86	6,535.44	0.00
16,100.0	90.00	358.43	9,747.0	6,292.6	6,607.2	630.5	801,489.35	491,947.82	6,634.97	0.00
16,200.0	90.00	358.43	9,747.0	6,292.6	6,707.1	627.7	801,486.62	492,047.79	6,734.51	0.00
16,300.0	90.00	358.43	9,747.0	6,292.6	6,807.1	625.0	801,483.88	492,147.75	6,834.04	0.00
16,400.0	90.00	358.43	9,747.0	6,292.6	6,907.1	622.3	801,481.15	492,247.71	6,933.58	0.00
16,500.0	90.00	358.43	9,747.0	6,292.6	7,007.0	619.5	801,478.41	492,347.67	7,033.11	0.00
16,600.0	90.00	358.43	9,747.0	6,292.6	7,107.0	616.8	801,475.68	492,447.64	7,132.64	0.00
16,700.0	90.00	358.43	9,747.0	6,292.6	7,207.0	614.1	801,472.94	492,547.60	7,232.18	0.00
16,800.0	90.00	358.43	9,747.0	6,292.6	7,306.9	611.3	801,470.21	492,647.56	7,331.71	0.00
16,900.0	90.00	358.43	9,747.0	6,292.6	7,406.9	608.6	801,467.47	492,747.52	7,431.24	0.00
17,000.0	90.00	358.43	9,747.0	6,292.6	7,506.8	605.9	801,464.74	492,847.49	7,530.78	0.00
17,100.0	90.00	358.43	9,747.0	6,292.6	7,606.8	603.1	801,462.00	492,947.45	7,630.31	0.00
17,200.0	90.00	358.43	9,747.0	6,292.6	7,706.8	600.4	801,459.27	493,047.41	7,729.84	0.00
17,300.0	90.00	358.43	9,747.0	6,292.6	7,806.7	597.7	801,456.53	493,147.37	7,829.38	0.00
17,400.0	90.00	358.43	9,747.0	6,292.6	7,906.7	594.9	801,453.80	493,247.34	7,928.91	0.00
17,500.0	90.00	358.43	9,747.0	6,292.6	8,006.7	592.2	801,451.06	493,347.30	8,028.45	0.00

Morcor Engineering

Morcor Standard Plan

Company:	Kaiser Francis	**Local Co-ordinate Reference:**	Well Bell Lake Unit North 134H
Project:	Bell Lake Unit North 134H	**TVD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Site:	Bell Lake Unit North 134H	**MD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Well:	Bell Lake Unit North 134H	**North Reference:**	Grid
Wellbore:	Bell Lake Unit North 134H	**Survey Calculation Method:**	Minimum Curvature
Design:	190617 Bell Lake Unit North 134H	**Database:**	EDM 5000.1 Single User Db

Planned Survey

MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)
17,600.0	90.00	358.43	9,747.0	6,292.6	8,106.6	589.4	801,448.33	493,447.26	8,127.98	0.00
17,700.0	90.00	358.43	9,747.0	6,292.6	8,206.6	586.7	801,445.59	493,547.22	8,227.51	0.00
17,800.0	90.00	358.43	9,747.0	6,292.6	8,306.5	584.0	801,442.86	493,647.19	8,327.05	0.00
17,879.7	90.00	358.43	9,747.0	6,292.6	8,386.2	581.8	801,440.68	493,726.82	8,406.34	0.00
TD at 17879.7										

Casing Points

Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (")	Hole Diameter (")
120.0	120.0	20" Conductor	20	26
1,247.0	1,247.0	13 3/8" Surface Casing	13-3/8	17-1/2
5,072.0	5,072.0	9 5/8" Intermediate Casing	9-5/8	12-1/4
17,879.7	9,747.0	5 1/2" Production Casing	5-1/2	8-3/4

Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
9,767.3	9,547.0	1st Bone Spring Sand		0.00	
5,172.0	5,172.0	Bell Canyon		0.00	
4,972.0	4,972.0	Lamar		0.00	
6,197.0	6,197.0	Cherry Canyon		0.00	
8,735.2	8,717.0	Avalon		0.00	
1,822.0	1,822.0	Top of Salt		0.00	
7,522.0	7,522.0	Brushy Canyon		0.00	
1,222.0	1,222.0	Rustler		0.00	
1,622.0	1,622.0	Salado		0.00	
4,722.0	4,722.0	Base of Salt		0.00	
8,633.7	8,622.0	Bone Spring		0.00	

Company:	Kaiser Francis	**Local Co-ordinate Reference:**	Well Bell Lake Unit North 134H
Project:	Bell Lake Unit North 134H	**TVD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Site:	Bell Lake Unit North 134H	**MD Reference:**	WELL @ 3454.4usft (Original Well Elev)
Well:	Bell Lake Unit North 134H	**North Reference:**	Grid
Wellbore:	Bell Lake Unit North 134H	**Survey Calculation Method:**	Minimum Curvature
Design:	190617 Bell Lake Unit North 134H	**Database:**	EDM 5000.1 Single User Db

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	Local Coordinates +E/-W (usft)	Comment
8,000.0	8,000.0	0.0	0.0	Start Build 3.02
9,351.2	9,239.9	209.7	410.5	Start 240.6 hold at 9351.2 MD
9,591.7	9,422.0	281.2	550.4	Start DLS 10.00 TFO -70.15
10,328.4	9,747.0	837.8	788.3	Start 7551.3 hold at 10328.4 MD
17,879.7	9,747.0	8,386.2	581.8	TD at 17879.7

Checked By: _____ Approved By: _____ Date: _____

GATES E & S NORTH AMERICA, INC.
7603 Prairie Oak Dr.
Houston, TX 77086

PHONE: 281-602-4119
FAX:
EMAIL: **Troy.Schmidt@gat**
WEB: **www.gates.com**

10K ASSEMBLY PRESSURE TEST CERTIFICATE

Customer :	A-7 AUSTIN INC DBA AUSTIN HOSE	Test Date:	10/3/2017
Customer Ref. :	4086301	Hose Serial No.:	H-100317-2
Invoice No. :	508588	Created By:	Irene Pizana

Product Description:	10K3.035.0CM4.1/16FLGE/E

End Fitting 1 :	4 -1/16 10K FLANGE - FIXED	End Fitting 2 :	4 -1/16 10K FLANGE - FLOATING
Gates Part No. :	68603010-9710398	Assembly Code :	L39789092117H-100317-2
Working Pressure :	10,000 PSI	Test Pressure :	15,000 PSI

Gates E & S North America, Inc. certifies that the following hose assembly has successfully passed all pressure testing requirements set forth in Section 9.7.7 and Table 10 of API 7K, Sixth Edition (December 2015).

Quality:	QUALITY	Produciton:	PRODUCTION
Date :	10/3/2017	Date :	10/3/2017
Signature :		Signature :	

Form PTC - 01 Rev.0 2

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

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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	[2] Pool Code	[3] Pool Name
30-025-47769	98259	Ojo Chiso; Bone Spring, Southwest

[4] Property Code	[5] Property Name	[6] Well Number
316707	BELL LAKE UNIT NORTH	134H

[7] OGRID No.	[8] Operator Name	[9] Elevation
12361	KAISER-FRANCIS OIL CO.	3432.4

[10] Surface Location

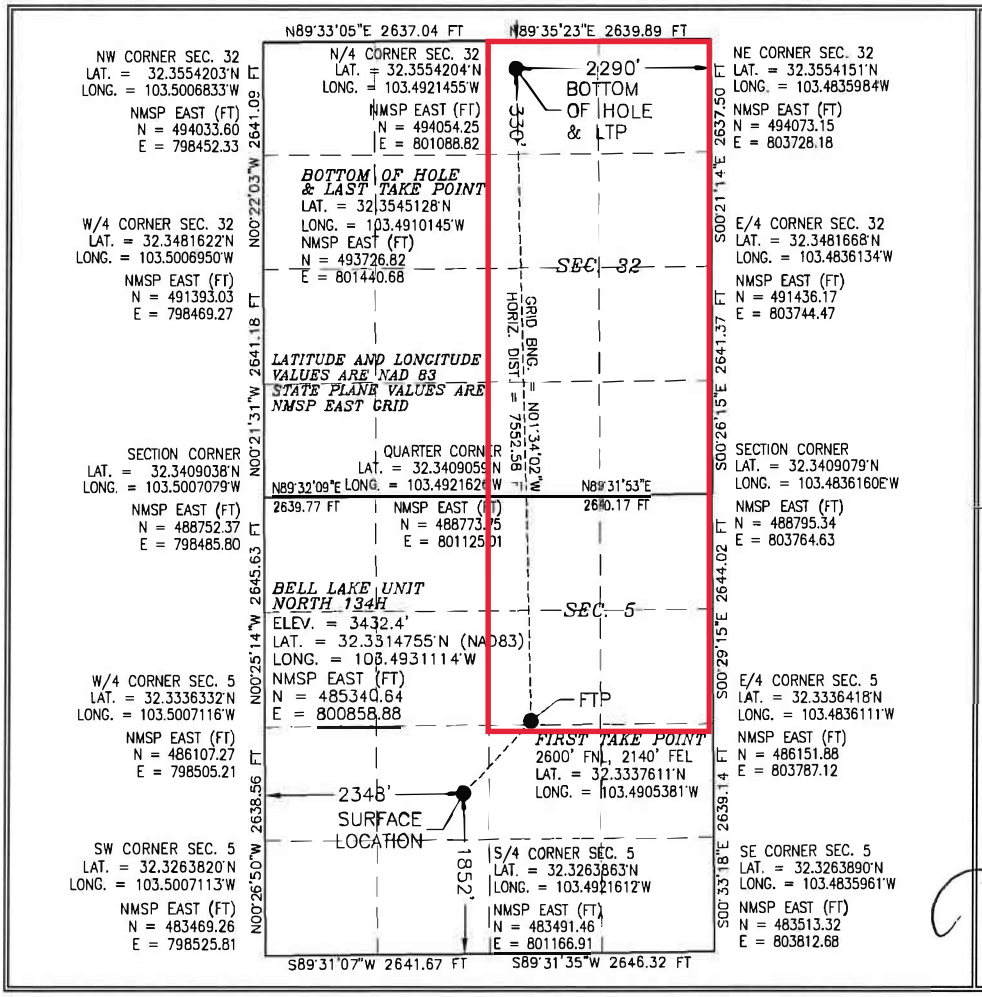
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	5	23 S	34 E		1852	SOUTH	2348	WEST	LEA

[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
B	32	22 S	34 E		330	NORTH	2290	EAST	LEA

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
480			R-14527-A

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.



[17] OPERATOR CERTIFICATION

I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Stormi Davis 7/16/19
Signature Date

Stormi Davis
Printed Name

ssdavis104@gmail.com
E-mail Address

[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.

FEBRUARY 26, 2019
Date of Survey

FILIMON F. JARAMILLO
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR

Signature and Seal of Professional Surveyor:

Certificate Number: FILIMON F. JARAMILLO, PLS 12797
SURVEY NO. 6964

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State of New Mexico
Energy, Minerals and Natural Resources Department

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit Original
to Appropriate
District Office

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GAS CAPTURE PLAN

Date: **01/26/2018**

☒ Original

Operator & OGRID No.: Kaiser-Francis Oil Company, 12361

☐ Amended - Reason for Amendment:_____

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Bell Lake Unit North 033H		5-23S-34E		2000	0	
Bell Lake Unit North 034H		5-23S-34E		2000	0	
Bell Lake Unit North 133H		5-23S-34E		2000	0	
Bell Lake Unit North 134H	30-025-47769	5-23S-34E		2000	0	
Bell Lake Unit North 233H		5-23S-34E		2000	0	
Bell Lake Unit North 234H		5-23S-34E		2000	0	
Bell Lake Unit North 333H		5-23S-34E		2000	0	
Bell Lake Unit North 334H		5-23S-34E		2000	0	
Bell Lake Unit North 433H		5-23S-34E		2000	0	
Bell Lake Unit North 434H		5-23S-34E		2000	0	

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to Targa and will be connected to Targa low/high pressure gathering system located in _Lea_ County, New Mexico. It will require _11,000' of pipeline to connect the facility to low/high pressure gathering system. Kaiser-Francis Oil Company provides (periodically) to Targa a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Kaiser-Francis Oil Company and Targa have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Targa Processing Plant located in Sec._36_, Twn.__19S_, Rng._36E, __Lea__ County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Targa system at that time. Based on current information, it is Kaiser-Francis Oil Company's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
  - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
  - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
  - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines