

Submit 3 Copies To Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources

Form C-103 May 27, 2004

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

RECEIVED CONSERVATION DIVISION FEB 07 2010 HOBBSUCD

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

WELL API NO. 30-025-38564

5. Indicate Type of Lease STATE [x] FEE []

6. State Oil & Gas Lease No. E-5829

7. Lease Name or Unit Agreement Name Bell Lake Unit

8. Well Number 26

9. OGRID Number 012361

10. Pool name or Wildcat Bell Lake South, Morrow

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 [x] Other []

2. Name of Operator Kaiser-Francis Oil Company

3. Address of Operator P. O. Box 21468, Tulsa, OK 74121-1468

4. Well Location Unit Letter I : 1650 feet from the South line and 660 feet from the East line Section 6 Township 24S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3600 GR

Pit or Below-grade Tank Application [] or Closure [] Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK [] PLUG AND ABANDON []
TEMPORARILY ABANDON [] CHANGE PLANS []
PULL OR ALTER CASING [] MULTIPLE COMPL []

SUBSEQUENT REPORT OF:

- REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A []
CASING/CEMENT JOB []

OTHER: Add perms to existing Morrow zone [x] OTHER: []

13. 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 recompletion.

Proposed procedure:

- 1. RU WL. RUH w/ sand filled bailer. Dump sand up to 13507'. Verify TOS.
2. Dump 10' cmt on top of sand. SDFN.
3. Load hole w/4% KCL wtr. RIH w/gamma gun & 3 1/8" casing gun loaded 4 spf, alternating BH & DP charges. Perf 13383-13399 & 13407-13423 (130 holes total). Correlate to Gamma Ray/CCL log dated 3/30/08.
4. RDMO WL unit. Have a coiled tbg unit on standby to jet the well if required. Turn to sales.

Approximate starting date: February 1, 2010.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines [], a general permit [] or an (attached) alternative OCD-approved plan [].

SIGNATURE [Signature] TITLE Technical Coordinator DATE 1/27/10

Type or print name Charlotte Van Valkenburg E-mail address: Charlotv@kfoc.net Telephone No: 918-491-4314 For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE FEB 02 2010

Conditions of Approval (if any):