

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF KAISER-FRANCIS OIL  
COMPANY COMPULSORY POOLING, EDDY  
COUNTY, NEW MEXICO.**

**Case No. 20293**

**VERIFIED STATEMENT OF MICHAEL MAXEY**

Michael Maxey, being duly sworn upon his oath, deposes and states:

1. I am a landman for Kaiser-Francis Oil Company ("KFOC"), and have personal knowledge of the matters stated herein. I have been qualified by the Division as an expert petroleum landman.

2. The following information is submitted in support of the compulsory pooling application filed herein:

(a) The purpose of this application is to force pool working interest owners into the Wolfcamp horizontal spacing unit described below, and in the well to be drilled in the unit.

(b) No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests to the well.

(c) A Midland Map Co. plat outlining the unit being pooled is attached hereto as Attachment A. KFOC seeks an order approving a 640.00 horizontal spacing unit in the Wolfcamp formation comprised of the N/2 of Section 24, Township 23 South Range 28 East and the N/2 of Section 19, Township 23 South Range 29E East, NMPM. Applicant further seeks the pooling of all mineral interests in:

- (i) Pool Code: 98220 Pool Name: Purple Sage; Wolfcamp Gas Pool, to be dedicated to the Mosaic Federal 2419 WA No. 1H. The well is a horizontal well with a first take point in NW/4 NW/4 of Section 24 and a final take point in NE/4 NE/4 of Section 19.
- (ii) Pool Code: 98220 Pool Name: Purple Sage; Wolfcamp Gas Pool, to be dedicated to the Mosaic Federal 2419 WA No. 2H. The well is a horizontal

EXHIBIT /

well with a first take point in SW/4 NW/4 of Section 24 and a final take point in SE/4 NE/4 of Section 19.

- (iii) Pool Code: 98220 Pool Name: Purple Sage; Wolfcamp Gas Pool, to be dedicated to the Mosaic Federal 2419 WAM No. 1H. The well is a horizontal well with a first take point in NW/4 NW/4 of Section 24 and a final take point in NE/4 NE/4 of Section 19.
- (iv) Pool Code: 98220 Pool Name: Purple Sage; Wolfcamp Gas Pool, to be dedicated to the Mosaic Federal 2419 WC No. 1H. The well is a horizontal well with a first take point in NW/4 NW/4 of Section 24 and a final take point in NE/4 NE/4 of Section 19.
- (v) Pool Code: 98220 Pool Name: Purple Sage; Wolfcamp Gas Pool, to be dedicated to the Mosaic Federal 2419 WC No. 2H. The well is a horizontal well with a first take point in SW/4 NW/4 of Section 24 and a final take point in SE/4 NE/4 of Section 19

C-102's for the wells are attached as Attachment B. There is no depth severance in the Wolfcamp formation.

(d) The parties being pooled and their interests are set forth in Attachment C. Their current and correct addresses are also set forth.

(e) There is one unlocatable interest owner.

(f) Attachment D contains a summary of contacts or attempted contacts with the interest owners, together with copies of the proposal letters sent to the interest owners.

(g) KFOC has made a good faith effort to obtain the voluntary joinder of the working interest owners in the proposed well.

(h) KFOC has the right to pool the overriding royalty owners in the well unit.

(i) Attachment E contains the Authorization for Expenditure for the proposed wells. The estimated cost of the well set forth therein is fair and reasonable, and is comparable to the cost of other wells of similar depth and length drilled in this area of Eddy County.

(j) KFOC requests overhead and administrative rates of \$8,000.00/month for a drilling well and \$800.00/month for a producing well. These rates are fair, and are comparable to the rates charged by other operators for wells of this type in this portion of Eddy County. They are also the rates set forth in the Joint Operating Agreement for the well unit. KFOC requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

(k) KFOC requests that the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

(l) KFOC requests that it be designated operator of the well.

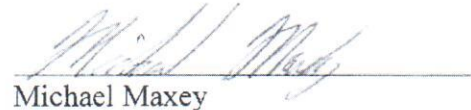
(m) The attachments to this affidavit were prepared by me, or compiled from company business records.

(n) The granting of this application is in the interests of conservation and the prevention of waste.

VERIFICATION

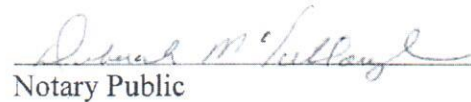
STATE OF OKLAHOMA                    )  
  ) ss.  
COUNTY OF Tulsa                    )

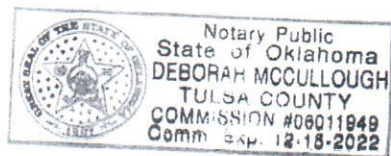
Michael Maxey, being duly sworn upon his oath, deposes and states that: He is a landman for Kaiser-Francis Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

  
Michael Maxey

SUBSCRIBED AND SWORN TO before me this 17<sup>th</sup> day of April, 2019 by Michael Maxey.

My Commission Expires: 12-15-22

  
Notary Public









District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
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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

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					
4 Property Code		5 Property Name			6 Well Number				
		MOSAIC FED 2419 WA			1H				
7 OGRID No.		8 Operator Name			9 Elevation				
12361		KAISER-FRANCIS OIL CO.			2986.9				
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
D	24	23 S	28 E		1045	NORTH	156	WEST	EDDY
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
A	19	23 S	29 E		660	NORTH	330	EAST	EDDY
12 Dedicated Acres		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.

<p>16 OPERATOR CERTIFICATION</p> <p>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.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>	
<p>17 SURVEYOR CERTIFICATION</p> <p>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>JANUARY 17, 2019</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>Certificate Number _____</p> <p>EDMUND F. JARAMILLO, PLS 12797</p> <p>PROFESSIONAL SURVEYOR</p> <p>SURVEY NO. 6830</p>	

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1927 (NAD27). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD27). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST (NAD83)-COORDINATES MODIFIED TO THE SURFACE. ELEVATION VALUES ARE NAVD 88.

ATTACHMENT



District I  
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WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name					
<sup>4</sup> Property Code		<sup>5</sup> Property Name							
		MOSAIC FED 2419 WA							
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name							
12361		KAISER-FRANCIS OIL CO.							
		<sup>6</sup> Well Number							
		2H							
		<sup>9</sup> Elevation							
		2986.8							
<sup>10</sup> Surface Location									
UL, or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	24	23 S	28 E		1075	NORTH	156	WEST	EDDY
<sup>11</sup> 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
H	19	23 S	29 E		1980	NORTH	330	EAST	EDDY
<sup>12</sup> Dedicated Acres		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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.

<p>NW CORNER SEC. 24 LAT. = 32.2981499°N LONG. = 104.0491721°W NMSP EAST (FT) N = 472300.17 E = 587802.40</p> <p>N/4 CORNER SEC. 24 LAT. = 32.2981153°N LONG. = 104.0404066°W NMSP EAST (FT) N = 472294.89 E = 590510.87</p> <p>NE CORNER SEC. 24 LAT. = 32.2880805°N LONG. = 104.0316408°W NMSP EAST (FT) N = 472289.73 E = 593219.44</p> <p>N/4 CORNER SEC. 19 LAT. = 32.2979010°N LONG. = 104.0234363°W NMSP EAST (FT) N = 472231.65 E = 595754.74</p> <p>NE CORNER SEC. 19 LAT. = 32.2977155°N LONG. = 104.0150405°W NMSP EAST (FT) N = 472171.77 E = 596349.15</p>		<p><b>17 OPERATOR CERTIFICATION</b> 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 undivided 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.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>	
<p>W/4 CORNER SEC. 24 LAT. = 32.2909391°N LONG. = 104.0491464°W NMSP EAST (FT) N = 469677.11 E = 587817.29</p> <p>E/4 CORNER SEC. 24 LAT. = 32.2907641°N LONG. = 104.0317009°W NMSP EAST (FT) N = 469628.14 E = 593208.37</p> <p>W/4 CORNER SEC. 19 LAT. = 32.2903789°N LONG. = 104.0150424°W NMSP EAST (FT) N = 469602.90 E = 598356.51</p> <p>E/4 CORNER SEC. 19 LAT. = 32.2832547°N LONG. = 104.0234780°W NMSP EAST (FT) N = 468003.67 E = 595757.26</p> <p>SE CORNER SEC. 19 LAT. = 32.2830325°N LONG. = 104.0150358°W NMSP EAST (FT) N = 468830.48 E = 598388.47</p>		<p><b>18 SURVEYOR CERTIFICATION</b> 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>JANUARY 17, 2019</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____ Certificate Number: _____ SURVEY NO. 6831</p>	



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WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>4</sup> Property Name MOSAIC FED 2419 WAM	<sup>6</sup> Well Number 1H
<sup>7</sup> OGRID No. 12361	<sup>8</sup> Operator Name KAISER-FRANCIS OIL CO.	<sup>9</sup> Elevation 2986.6

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	24	23 S	28 E		1075	NORTH	186	WEST	EDDY

<sup>11</sup> 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	19	23 S	29 E		1320	NORTH	330	EAST	EDDY

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

<sup>17</sup> SURVEYOR CERTIFICATION

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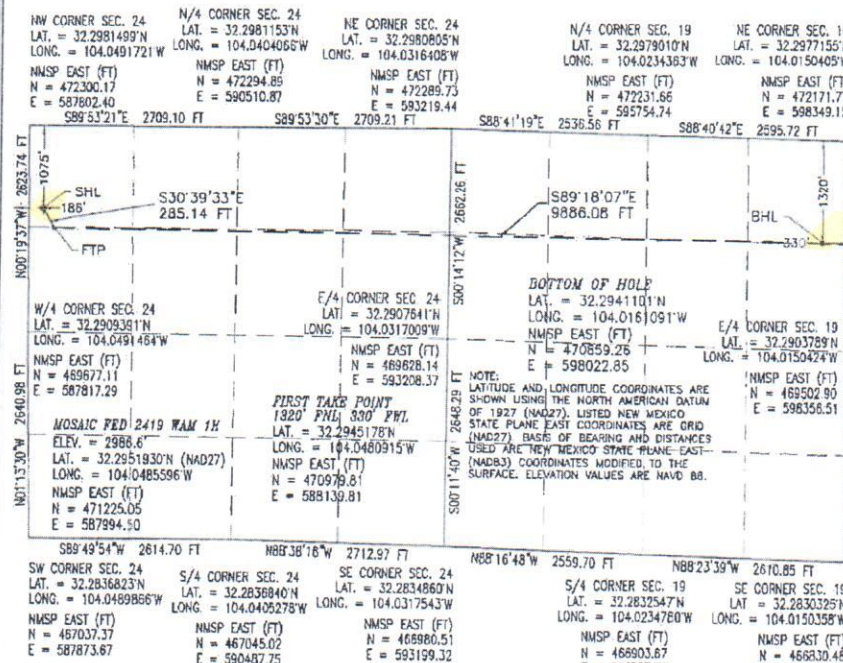
JANUARY 30, 2019

Date of Survey \_\_\_\_\_

Signature and Seal of Professional Surveyor: \_\_\_\_\_

Certificate Number: YC-ELIMON F. JARAMILLO, PLS 12797

SURVEY NO. 6880





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<sup>4</sup> Property Code		<sup>5</sup> Property Name							
		MOSAIC FED 2419 WC							
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name							
12361		KAISER-FRANCIS OIL CO.							
		<sup>6</sup> Well Number							
		1H							
		<sup>9</sup> Elevation							
		2986.9							
<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	24	23S	28E		985	NORTH	156	WEST	EDDY
<sup>11</sup> 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	19	23S	29E		660	NORTH	330	EAST	EDDY
<sup>12</sup> Dedicated Acres		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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		MOSAIC FED 2419 WC							
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name							
12361		KAISER-FRANCIS OIL CO.							
		<sup>6</sup> Well Number							
		2H							
		<sup>9</sup> Elevation							
		2986.9							
<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	24	23 S	28 E		1015	NORTH	156	WEST	EDDY
<sup>11</sup> 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
H	19	23 S	29 E		1980	NORTH	330	EAST	EDDY
<sup>12</sup> Dedicated Acres		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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N/2 of Section 24-23S-28E and N/2 of Section 19-23S-29E Eddy Co., NM

Mosaic Federal 2419 WA #1H and #2H

Mosaic Federal 2419 WAM #1H

Mosaic Federal 2419 WC #1H and 2H

Chevron North America Exploration and Production Co.

59 acres

Attn: Mr. Irvin R. Gutierrez

1400 Smith Street

Houston, Texas 77002

MRC Permian LKE Company, LLC

Dismiss

Attn: Mr. Chris Carlton

5400 LBJ Freeway, Suite 1500

Dallas, TX 75240

TLW Investments, LLC

1 acre

1601 NW Expressway

Oklahoma City, OK 73118

(came back undeliverable / address unknown)

ATTACHMENT

C

February 1, 2019

Sent by Certified Mail

MRC Permian LKE Company, LLC  
Attn: Mr. Chris Carlton  
5400 LBJ Freeway, Suite 1500  
Dallas, TX 75240

Re: Mosaic Fed 2419 WA #1H  
N/2 Section 24-23S-28E and N/2 Section 19-23S-29E  
Eddy Co., NM

Chris:

Kaiser-Francis Oil Company hereby proposes the drilling of a 20,143' MD / 9716' TVD horizontal Wolfcamp "A" test well, covering the referenced 2.0 mile well path. The well will have an approximate surface location of 1,045' FNL and 156' FWL of Section 24-23S-28E, and a terminus of approximately 660' FNL and 330' FWL of Section 19-23S-29E.

AFE costs are estimated to be \$3,908,954 DHC and \$11,328,359 CWC. Two copies of the AFE are enclosed.

Should you wish to participate in the well, please execute and return one copy of the AFE, along with a reply letter indicating your desire to participate, and we will in turn send you a JOA for your review and approval.

We plan to file for pooling with the NMOCD soon, therefore, a prompt answer regarding our proposal would be greatly appreciated.

Should you have any questions, I can be reached at the above number, extension 424.

Respectfully,



Michael D. Maxey, Landman  
Kaiser-Francis Oil Company

ATTACHMENT

D



KAISER-FRANCIS OIL COMPANY

P.O. BOX 2168

TULSA, OKLAHOMA 74121-1468

CALL 800-368-7111  
OR 918-494-0000

February 1, 2019

Sent by Certified Mail

MRC Permian LKE Company, LLC  
Attn: Mr. Chris Carlton  
5400 LBJ Freeway, Suite 1500  
Dallas, TX 75240

Re: Mosaic Fed 2419 WA #2H  
N/2 Section 24-23S-28E and N/2 Section 19-23S-29E  
Eddy Co., NM

Chris:

Kaiser-Francis Oil Company hereby proposes the drilling of a 20,143' MD / 9716' TVD horizontal Wolfcamp "A" test well, covering the referenced 2.0 mile well path. The well will have an approximate surface location of 1,075' FNL and 156' FWL of Section 24-23S-28E, and a terminus of approximately 1,980' FNL and 330' FEL of Section 19-23S-29E.

AFF costs are estimated to be \$3,908,954 DHC and \$11,328,359 CWC. Two copies of the AFE are enclosed.

Should you wish to participate in the well, please execute and return one copy of the AFE, along with a reply letter indicating your desire to participate, and we will in turn send you a JOA for your review and approval.

We plan to file for pooling with the NMOCD soon, therefore, a prompt answer regarding our proposal would be greatly appreciated.

Should you have any questions, I can be reached at the above number, extension 424.

Respectfully,



Michael D. Maxey, Landman  
Kaiser-Francis Oil Company

February 1, 2019

Sent by Certified Mail

MRC Permian LKE Company, LLC  
Attn: Mr. Chris Carlton  
5400 LBJ Freeway, Suite 1500  
Dallas, TX 75240

Re: Mosaic Fed 2419 WAM #1H  
N/2 Section 24-23S-28E and N/2 Section 19-23S-29E  
Eddy Co., NM

Chris:

Kaiser-Francis Oil Company hereby proposes the drilling of a 20,143' MD / 9716' TVD horizontal Wolfcamp "A-Mid" test well, covering the referenced 2.0 mile well path. The well will have an approximate surface location of 1,075' FNL and 186' FWL of Section 24-23S-28E, and a terminus of approximately 1,320' FNL and 330' FEL of Section 19-23S-29E.

AFE costs are estimated to be \$3,938,856 DHC and \$11,358,261 CWC. Two copies of the AFE are enclosed.

Should you wish to participate in the well, please execute and return one copy of the AFE, along with a reply letter indicating your desire to participate, and we will in turn send you a JOA for your review and approval.

We plan to file for pooling with the NMOCD soon, therefore, a prompt answer regarding our proposal would be greatly appreciated.

Should you have any questions, I can be reached at the above number, extension 424.

Respectfully,



Michael D. Maxey, Landman  
Kaiser-Francis Oil Company



February 1, 2019

Sent by Certified Mail

MRC Permian LKE Company, LLC  
Attn: Mr. Chris Carlton  
5400 LBJ Freeway, Suite 1500  
Dallas, TX 75240

Re: Mosaic Fed 2419 WC #1H  
N/2 Section 24-23S-28E and N/2 Section 19-23S-29E  
Eddy Co., NM

Chris:

Kaiser-Francis Oil Company hereby proposes the drilling of a 21,000' MD / 10,686' TVD horizontal Wolfcamp "C" test well, covering the referenced 2.0 mile well path. The well will have an approximate surface location of 985' FNL and 156' FWL of Section 24-23S-28E, and a terminus of approximately 660' FNL and 330' FEL of Section 19-23S-29E.

AFE costs are estimated to be \$4,063,956 DHC and \$11,486,249 CWC. Two copies of the AFE are enclosed.

Should you wish to participate in the well, please execute and return one copy of the AFE, along with a reply letter indicating your desire to participate, and we will in turn send you a JOA for your review and approval.

We plan to file for pooling with the NMOCSD soon, therefore, a prompt answer regarding our proposal would be greatly appreciated.

Should you have any questions, I can be reached at the above number, extension 424.

Respectfully,



Michael D. Maxey, Landman  
Kaiser-Francis Oil Company

Sent by Certified Mail

Re: Mosaic Fed 2419 WC #2H  
N/2 Section 24-23S-28E and N/2 Section 19-23S-29E  
Eddy Co., NM

Kaiser-Francis Oil Company hereby proposes the drilling of a 21.000' MD / 10.686' TVD horizontal Wolfcamp "C" test well, covering the referenced 2.0 mile well path. The well will have an approximate surface location of 1.015' FNL and 156' FWL of Section 24-23S-28E, and a terminus of approximately 1980' FNL and 330' FEL of Section 19-23S-29E.

Should you wish to participate in the well, please execute and return one copy of the AFE, along with a properly letter indicating your desire to participate, and we will in turn send you a JOA for your review and approval.

Should you have any questions, I can be reached at the above number, extension 424.

Richard D. Riley

Michael D. Maxey, Landman  
Kaiser-Francis Oil Company



**Kaiser-Francis Oil Company**  
Authority for Expenditure

Operator: Kaiser-Francis Oil Company		Date: 7/18/2019				
Well Name: Mistic Fed 2413 WA F2H	Field:					
Location: Mistic Fed 2413 WA F2H	County / Job:	Edley County				
	State:	New Mexico				
Prepared: Hollenbeck & 20143 MD	Prepared:	RSC/JJD				
Objective: Well and Geoprice Well and A						
Job Code	Location / Road Expense / Frac PC Construction	Drilling	Completion	Drilling	Completion	Total
500/600	Location / Road Expense / Frac PC Construction	\$65,200	\$14,250	\$79,450	\$0	\$79,450
501/600	Cond. Rat Hole, Mouse Hole Services	\$40,000		\$40,000		\$40,000
502/602	Location Damages	\$0		\$0		\$0
504/604	Turnkey					
	Footage @ 32 days at					
505/605	Coiled Tubing & Related Services	\$776,000		\$776,000		\$776,000
506/606	Log Meters / Demos	\$11,000		\$11,000		\$11,000
507/607	Log Meters / Demos	\$302,000		\$302,000		\$302,000
508/608	Log Meters / Demos	\$17,000		\$17,000		\$17,000
509/609	Log Meters / Demos	\$3,000		\$3,000		\$3,000
510/610	Log Meters / Demos	\$3,000		\$3,000		\$3,000
511/611	Log Meters / Demos	\$3,000		\$3,000		\$3,000
512/612	Drilling Water / Completion Fluid	\$18,000		\$18,000		\$18,000
513/613	Mud & Chemicals	\$18,000		\$18,000		\$18,000
514/614	Closed Loop System / Mud & Cement Disposal / SWD	\$18,000		\$18,000		\$18,000
515/615	Surface Equipment Rental / Inspection	\$18,000		\$18,000		\$18,000
516/616	Surface Equipment Rental / Inspection	\$18,000		\$18,000		\$18,000
517/617	Downhole Equipment Rental / Inspection	\$11,844		\$11,844		\$11,844
518/618	Transportation & Loading	\$13,500		\$13,500		\$13,500
519/619	Transportation & Loading	\$13,500		\$13,500		\$13,500
520/620	Log Meters / Demos	\$3,000		\$3,000		\$3,000
521/621	Log Meters / Demos	\$3,000		\$3,000		\$3,000
522/622	Log Meters / Demos	\$3,000		\$3,000		\$3,000
523/623	Log Meters / Demos	\$3,000		\$3,000		\$3,000
524/624	Log Meters / Demos	\$3,000		\$3,000		\$3,000
525/625	Log Meters / Demos	\$3,000		\$3,000		\$3,000
526/626	Log Meters / Demos	\$3,000		\$3,000		\$3,000
527/627	Log Meters / Demos	\$3,000		\$3,000		\$3,000
528/628	Log Meters / Demos	\$3,000		\$3,000		\$3,000
529/629	Log Meters / Demos	\$3,000		\$3,000		\$3,000
530/630	Log Meters / Demos	\$3,000		\$3,000		\$3,000
531/631	Log Meters / Demos	\$3,000		\$3,000		\$3,000
532/632	Log Meters / Demos	\$3,000		\$3,000		\$3,000
533/633	Log Meters / Demos	\$3,000		\$3,000		\$3,000
534/634	Log Meters / Demos	\$3,000		\$3,000		\$3,000
535/635	Log Meters / Demos	\$3,000		\$3,000		\$3,000
536/636	Log Meters / Demos	\$3,000		\$3,000		\$3,000
537/637	Log Meters / Demos	\$3,000		\$3,000		\$3,000
538/638	Log Meters / Demos	\$3,000		\$3,000		\$3,000
539/639	Log Meters / Demos	\$3,000		\$3,000		\$3,000
540/640	Log Meters / Demos	\$3,000		\$3,000		\$3,000
541/641	Log Meters / Demos	\$3,000		\$3,000		\$3,000
542/642	Log Meters / Demos	\$3,000		\$3,000		\$3,000
543/643	Log Meters / Demos	\$3,000		\$3,000		\$3,000
544/644	Log Meters / Demos	\$3,000		\$3,000		\$3,000
545/645	Log Meters / Demos	\$3,000		\$3,000		\$3,000
546/646	Log Meters / Demos	\$3,000		\$3,000		\$3,000
547/647	Log Meters / Demos	\$3,000		\$3,000		\$3,000
548/648	Log Meters / Demos	\$3,000		\$3,000		\$3,000
549/649	Log Meters / Demos	\$3,000		\$3,000		\$3,000
550/650	Log Meters / Demos	\$3,000		\$3,000		\$3,000
551/651	Log Meters / Demos	\$3,000		\$3,000		\$3,000
552/652	Log Meters / Demos	\$3,000		\$3,000		\$3,000
553/653	Log Meters / Demos	\$3,000		\$3,000		\$3,000
554/654	Log Meters / Demos	\$3,000		\$3,000		\$3,000
555/655	Log Meters / Demos	\$3,000		\$3,000		\$3,000
556/656	Log Meters / Demos	\$3,000		\$3,000		\$3,000
557/657	Log Meters / Demos	\$3,000		\$3,000		\$3,000
558/658	Log Meters / Demos	\$3,000		\$3,000		\$3,000
559/659	Log Meters / Demos	\$3,000		\$3,000		\$3,000
560/660	Log Meters / Demos	\$3,000		\$3,000		\$3,000
561/661	Log Meters / Demos	\$3,000		\$3,000		\$3,000
562/662	Log Meters / Demos	\$3,000		\$3,000		\$3,000
563/663	Log Meters / Demos	\$3,000		\$3,000		\$3,000
564/664	Log Meters / Demos	\$3,000		\$3,000		\$3,000
565/665	Log Meters / Demos	\$3,000		\$3,000		\$3,000
566/666	Log Meters / Demos	\$3,000		\$3,000		\$3,000
567/667	Log Meters / Demos	\$3,000		\$3,000		\$3,000
568/668	Log Meters / Demos	\$3,000		\$3,000		\$3,000
569/669	Log Meters / Demos	\$3,000		\$3,000		\$3,000
570/670	Log Meters / Demos	\$3,000		\$3,000		\$3,000
571/671	Log Meters / Demos	\$3,000		\$3,000		\$3,000
572/672	Log Meters / Demos	\$3,000		\$3,000		\$3,000
573/673	Log Meters / Demos	\$3,000		\$3,000		\$3,000
574/674	Log Meters / Demos	\$3,000		\$3,000		\$3,000
575/675	Log Meters / Demos	\$3,000		\$3,000		\$3,000
576/676	Log Meters / Demos	\$3,000		\$3,000		\$3,000
577/677	Log Meters / Demos	\$3,000		\$3,000		\$3,000
578/678	Log Meters / Demos	\$3,000		\$3,000		\$3,000
579/679	Log Meters / Demos	\$3,000		\$3,000		\$3,000
580/680	Log Meters / Demos	\$3,000		\$3,000		\$3,000
581/681	Log Meters / Demos	\$3,000		\$3,000		\$3,000
582/682	Log Meters / Demos	\$3,000		\$3,000		\$3,000
583/683	Log Meters / Demos	\$3,000		\$3,000		\$3,000
584/684	Log Meters / Demos	\$3,000		\$3,000		\$3,000
585/685	Log Meters / Demos	\$3,000		\$3,000		\$3,000
586/686	Log Meters / Demos	\$3,000		\$3,000		\$3,000
587/687	Log Meters / Demos	\$3,000		\$3,000		\$3,000
588/688	Log Meters / Demos	\$3,000		\$3,000		\$3,000
589/689	Log Meters / Demos	\$3,000		\$3,000		\$3,000
590/690	Log Meters / Demos	\$3,000		\$3,000		\$3,000
591/691	Log Meters / Demos	\$3,000		\$3,000		\$3,000
592/692	Log Meters / Demos	\$3,000		\$3,000		\$3,000
593/693	Log Meters / Demos	\$3,000		\$3,000		\$3,000
594/694	Log Meters / Demos	\$3,000		\$3,000		\$3,000
595/695	Log Meters / Demos	\$3,000		\$3,000		\$3,000
596/696	Log Meters / Demos	\$3,000		\$3,000		\$3,000
597/697	Log Meters / Demos	\$3,000		\$3,000		\$3,000
598/698	Log Meters / Demos	\$3,000		\$3,000		\$3,000
599/699	Log Meters / Demos	\$3,000		\$3,000		\$3,000
600/700	Log Meters / Demos	\$3,000		\$3,000		\$3,000
601/701	Log Meters / Demos	\$3,000		\$3,000		\$3,000
602/702	Log Meters / Demos	\$3,000		\$3,000		\$3,000
603/703	Log Meters / Demos	\$3,000		\$3,000		\$3,000
604/704	Log Meters / Demos	\$3,000		\$3,000		\$3,000
605/705	Log Meters / Demos	\$3,000		\$3,000		\$3,000
606/706	Log Meters / Demos	\$3,000		\$3,000		\$3,000
607/707	Log Meters / Demos	\$3,000		\$3,000		\$3,000
608/708	Log Meters / Demos	\$3,000		\$3,000		\$3,000
609/709	Log Meters / Demos	\$3,000		\$3,000		\$3,000
610/710	Log Meters / Demos	\$3,000		\$3,000		\$3,000
611/711	Log Meters / Demos	\$3,000		\$3,000		\$3,000
612/712	Log Meters / Demos	\$3,000		\$3,000		\$3,000
613/713	Log Meters / Demos	\$3,000		\$3,000		\$3,000
614/714	Log Meters / Demos	\$3,000		\$3,000		\$3,000
615/715	Log Meters / Demos	\$3,000		\$3,000		\$3,000
616/716	Log Meters / Demos	\$3,000		\$3,000		\$3,000
617/717	Log Meters / Demos	\$3,000		\$3,000		\$3,000
618/718	Log Meters / Demos	\$3,000		\$3,000		\$3,000
619/719	Log Meters / Demos	\$3,000		\$3,000		\$3,000
620/720	Log Meters / Demos	\$3,000		\$3,000		\$3,000
621/721	Log Meters / Demos	\$3,000		\$3,000		\$3,000
622/722	Log Meters / Demos	\$3,000		\$3,000		\$3,000
623/723	Log Meters / Demos	\$3,000		\$3,000		\$3,000
624/724	Log Meters / Demos	\$3,000		\$3,000		\$3,000
625/725	Log Meters / Demos	\$3,000		\$3,000		\$3,000
626/726	Log Meters / Demos	\$3,000		\$3,000		\$3,000
627/727	Log Meters / Demos	\$3,000		\$3,000		\$3,000
628/728	Log Meters / Demos	\$3,000		\$3,000		\$3,000
629/729	Log Meters / Demos	\$3,000		\$3,000		\$3,000
630/730	Log Meters / Demos	\$3,000		\$3,000		\$3,000
631/731	Log Meters / Demos	\$3,000		\$3,000		\$3,000
632/732	Log Meters / Demos	\$3,000		\$3,000		\$3,000
633/733	Log Meters / Demos	\$3,000		\$3,000		\$3,000
634/734	Log Meters / Demos	\$3,000		\$3,000		\$3,000
635/735	Log Meters / Demos	\$3,000		\$3,000		\$3,000
636/736	Log Meters / Demos	\$3,000		\$3,000		\$3,000
637/737	Log Meters / Demos	\$3,000		\$3,000		\$3,000
638/738	Log Meters / Demos	\$3,000		\$3,000		\$3,000
639/739	Log Meters / Demos	\$3,000		\$3,000		\$3,000
640/740	Log Meters / Demos	\$3,000		\$3,000		\$3,000
641/741	Log Meters / Demos	\$3,000		\$3,000		\$3,000
642/742	Log Meters / Demos	\$3,000		\$3,000		\$3,000
643/743	Log Meters / Demos	\$3,000		\$3,000		\$3,000
644/744	Log Meters / Demos	\$3,000		\$3,000		\$3,000
645/745	Log Meters / Demos	\$3,000		\$3,000		\$3,000
646/746	Log Meters / Demos	\$3,000		\$3,000		\$3,000
647/747	Log Meters / Demos	\$3,000		\$3,000		\$3,000
648/748	Log Meters / Demos	\$3,000		\$3,000		\$3,000
649/749	Log Meters / Demos	\$3,000		\$3,000		\$3,000
650/750	Log Meters / Demos	\$3,000		\$3,000		\$3,000
651/751	Log Meters / Demos	\$3,000		\$3,000		\$3,000
652/752	Log Meters / Demos	\$3,000		\$3,000		\$3,000
653/753	Log Meters / Demos	\$3,000		\$3,000		\$3,000
654/754	Log Meters / Demos	\$3,000		\$3,000		\$3,000
655/755	Log Meters / Demos	\$3,000		\$3,000		\$3,000
656/756	Log Meters / Demos	\$3,000		\$3,000		\$3,000
657/757	Log Meters / Demos	\$3,000		\$3,000		\$3,000
658/758	Log Meters / Demos	\$3,000		\$3,000		\$3,000
659/759	Log Meters / Demos	\$3,000		\$3,000		\$3,000
660/760	Log Meters / Demos	\$3,000		\$3,000		\$3,000
661/761	Log Meters / Demos	\$3,000		\$3,000		\$3,000
662/762	Log Meters / Demos	\$3,000		\$3,000		\$3,000
663/763	Log Meters / Demos	\$3,000		\$3,000		\$3,000
664/764	Log Meters / Demos	\$3,000		\$3,000		\$3,000
665/765	Log Meters / Demos	\$3,000		\$3,000		\$3,000
666/766	Log Meters / Demos	\$3,000		\$3,000		\$3,000
667/767	Log Meters / Demos	\$3,000		\$3,000		\$3,000
668/768	Log Meters / Demos	\$3,000		\$3,000		\$3,000
669/769	Log Meters / Demos	\$3,000		\$3,000		\$3,000
670/770	Log Meters / Demos	\$3,000		\$3,000		\$3,000
671/771	Log Meters / Demos	\$3,000		\$3,000		\$3,000
672/772	Log Meters / Demos	\$3,000		\$3,000		\$3,000
673/773	Log Meters / Demos	\$3,000		\$3,000		\$3,000
674/774	Log Meters / Demos	\$3,000		\$3,000		\$3,000
675/775	Log Meters / Demos	\$3,000		\$3,000		\$3,000
676/776	Log Meters / Demos	\$3,000		\$3,000		\$3,000
677/777	Log Meters / Demos	\$3,000		\$3,000		\$3,000
678/778	Log Meters / Demos	\$3,000		\$3,000		\$3,000
679/779</						

AUDITORY ENDORSEMENT									
Operator: Kaiser-Francis Oil Company					Date: 1/18/2019		Well Name: Hild		
Prospect: Mosak Fed 2019 WA 23H					County / Psh: Elder County		State: New Mexico		
Location: Wellcamp A					Prepares: RS/C/INE				
701	Wellcamp A	20143 MD	97516 TVO						
702	Wellcamp A	20143 MD	97516 TVO						
703	Wellcamp A	20143 MD	97516 TVO						
704	Wellcamp A	20143 MD	97516 TVO						
705	Wellcamp A	20143 MD	97516 TVO						
706	Wellcamp A	20143 MD	97516 TVO						
707	Wellcamp A	20143 MD	97516 TVO						
708	Wellcamp A	20143 MD	97516 TVO						
709	Wellcamp A	20143 MD	97516 TVO						
710	Wellcamp A	20143 MD	97516 TVO						
711	Wellcamp A	20143 MD	97516 TVO						
712	Wellcamp A	20143 MD	97516 TVO						
713	Wellcamp A	20143 MD	97516 TVO						
714	Wellcamp A	20143 MD	97516 TVO						
715	Wellcamp A	20143 MD	97516 TVO						
716	Wellcamp A	20143 MD	97516 TVO						
717	Wellcamp A	20143 MD	97516 TVO						
718	Wellcamp A	20143 MD	97516 TVO						
719	Wellcamp A	20143 MD	97516 TVO						
720	Wellcamp A	20143 MD	97516 TVO						
721	Wellcamp A	20143 MD	97516 TVO						
722	Wellcamp A	20143 MD	97516 TVO						
723	Wellcamp A	20143 MD	97516 TVO						
724	Wellcamp A	20143 MD	97516 TVO						
725	Wellcamp A	20143 MD	97516 TVO						
726	Wellcamp A	20143 MD	97516 TVO						
727	Wellcamp A	20143 MD	97516 TVO						
728	Wellcamp A	20143 MD	97516 TVO						
729	Wellcamp A	20143 MD	97516 TVO						
730	Wellcamp A	20143 MD	97516 TVO						
731	Wellcamp A	20143 MD	97516 TVO						
732	Wellcamp A	20143 MD	97516 TVO						
733	Wellcamp A	20143 MD	97516 TVO						
734	Wellcamp A	20143 MD	97516 TVO						
735	Wellcamp A	20143 MD	97516 TVO						
736	Wellcamp A	20143 MD	97516 TVO						
737	Wellcamp A	20143 MD	97516 TVO						
738	Wellcamp A	20143 MD	97516 TVO						
739	Wellcamp A	20143 MD	97516 TVO						
740	Wellcamp A	20143 MD	97516 TVO						
741	Wellcamp A	20143 MD	97516 TVO						
742	Wellcamp A	20143 MD	97516 TVO						
743	Wellcamp A	20143 MD	97516 TVO						
744	Wellcamp A	20143 MD	97516 TVO						
745	Wellcamp A	20143 MD	97516 TVO						
746	Wellcamp A	20143 MD	97516 TVO						
747	Wellcamp A	20143 MD	97516 TVO						
748	Wellcamp A	20143 MD	97516 TVO						
749	Wellcamp A	20143 MD	97516 TVO						

Signature
Printed Name
Position
Company
Date

Drilling
Completion
Land
Geology
Research
Asset Manager
Chief Operating Officer





Operator: Easer/Faces Oil Company										Date: 1/18/2019	
Well Name: Mistic Fed 2019 WC #11										Title: Field	
Prospect: Mistic Fed 2019 WC #11										County: Early	
Location: 21000 MD										State: PA	
Depth: 10686 TVD										Preparer: RSC/DE	
Objective:	Well and complete Wellbore	Intangible Drilling and Completion Costs	Drilling	Completion	Legal/Constr	Total					
700	Location / Road Expenses / Fuel for Construction		\$55,000	\$14,000	\$40,000	\$119,000					
701	Location / Road Expenses / Fuel for Construction		\$26,000			\$26,000					
702	Location Damages					\$0					
703	Location Damages					\$0					
704	Location Damages					\$0					
705	Location Damages					\$0					
706	Location Damages					\$0					
707	Location Damages					\$0					
708	Location Damages					\$0					
709	Location Damages					\$0					
710	Location Damages					\$0					
711	Location Damages					\$0					
712	Location Damages					\$0					
713	Location Damages					\$0					
714	Location Damages					\$0					
715	Location Damages					\$0					
716	Location Damages					\$0					
717	Location Damages					\$0					
718	Location Damages					\$0					
719	Location Damages					\$0					
720	Location Damages					\$0					
721	Location Damages					\$0					
722	Location Damages					\$0					
723	Location Damages					\$0					
724	Location Damages					\$0					
725	Location Damages					\$0					
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734	Location Damages					\$0					
735	Location Damages					\$0					
736	Location Damages					\$0					
737	Location Damages					\$0					
738	Location Damages					\$0					
739	Location Damages					\$0					
740	Location Damages					\$0					
741	Location Damages					\$0					
742	Location Damages					\$0					
743	Location Damages					\$0					
744	Location Damages					\$0					
745	Location Damages					\$0					
746	Location Damages					\$0					
747	Location Damages					\$0					
748	Location Damages					\$0					
749	Location Damages					\$0					
750	Location Damages					\$0					
751	Location Damages					\$0					

Signature
Printed Name
Position
Company

Printed Name	Position	Company
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Position	Company
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Company
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Operator:	Kaiser-Francis Oil Company	Date:	1/18/2019
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Well Name: Mosad Fed 2419 WC #2H

Field:

Depth:	21000 MD	10686 TVD	Prepared:	JSC/1/3	NEW MEXICO
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IB Code	Intangible Drilling and Completion Costs	Depletion	Amortization	Cost Basis
<b>DEPLETION: UNIT AND COMPLETE WELL/AMP C</b>				

SC1/2000	Cond, Rat Hole, Mouse Hole Services	\$26,000	\$16,000
SC1/2000			

Footage @	per foot	\$0,000	\$0,000
			\$0

Line Item	Contract	Contract Value	Contract Type
505/605	Coiled Tubing & Related Services	\$240,000	Fixed Fee
506/606	Rig Mob / Demob	\$240,000	Fixed Fee

S08/608	Bits & Reamers	\$92,000	\$92,000
S08/609	Bits & Reamers		

514/614	Mud & Chemicals	\$195,000	\$19,800	\$824,250
		\$195,000	\$20,000	\$715,000

5107/610	Surface Equipment Rental / Inspection	\$219,996	\$88,300	\$308,296
517/617	Downhole Equipment Rental / Inspection	\$141,500	\$196,500	\$338,000

S20/888	DST, Coring & Analysis		
S21/623			90
S21/623			90

524/624	Cementing & Squeezing	\$213,500	\$38,400
		\$213,500	\$213,500

520/628	Plug & Abandon			\$0
***630	Stimulation		2,470,000,000	\$0

534/634	Supervision	\$144,000	\$51,750	\$195,750
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541/641	Liability Insurance / Bonds			
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544/644	Miscellaneous & Unforeseen	\$176,430	\$324,955	\$3,750	\$455,135
Total Intangible Personal Assets		\$1,747,152	\$2,333,467	\$975	\$2,334,442

Drilling	Completion	Expt./Const.	Total
700	Conductor		60

702	Intermediate Casing	10-3/4" J55 40.5 ppf 6TC (TD to 11.25")	2700	581,200	
703	Intermediate Casing				581,200

[illegible]

	720	720 tuning	2 1/8" 6.5H L-80 EUE TO ROP	10500	\$57,750	\$57,750	PROF. DR.
721/720			Wellhead Equip. BCP/ACP		\$60,000	\$45,000	

726	Rods & Pumps		\$0
727	Line Pipe / Flanges / Bells		\$0

752	Tanks & Walkways	\$30,000	\$30,000
752	Tanks & Walkways	\$120,000	\$120,000

706	Air/Fuel Unit / Compressor			\$85,000	\$85,000
770	Gas Sales Unit / Dehy / Line Heater / Flare				\$8,000

777/776	Inspect/Test Tubulars BC9/AC9	\$8,900	\$8,900
770/770	Non-Corrosible Fasteners BC9/AC9		

	2017-2018	2018-2019	2019-2020
Total Drilling and Completion Cost	9,279,190.00	3,109,500	340,300
			51,560,918

PARTNER APPROVAL	
NOO APPROVAL	

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Critique

Completion	Signature
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Land \_\_\_\_\_

Printed Name \_\_\_\_\_

Baseline	Neuro

Baseline	Baseline

**Panel 1.2 (continued)**

2015年12月31日

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**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION OF KAISER-FRANCIS OIL  
COMPANY FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

Case No. 20293

**VERIFIED STATEMENT OF LEE LINDMAN**

COUNTY OF TULSA                     )  
  ) ss.  
STATE OF OKLAHOMA                )

Lee Lindman, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18, and have personal knowledge of the geological matters stated herein. I am a geologist for Kaiser-Francis Oil Company ("KFOC").

2. I have been qualified by the Division as an expert petroleum geologist.

My area of responsibility at KFOC includes this portion of Southeast New Mexico.

3. The following geological plats are attached hereto:

(a) Attachment A is a structure map on the Base of the Wolfcamp C zone. It shows that structure dips gently to the East. It also shows, in green filled circles, Wolfcamp wells producing in the vicinity of the proposed Mosaic Fed 2419 WA #1H, Mosaic Fed 2419 WA #2H, Mosaic Fed 2419 WAM #1H, Mosaic Fed 2419 WC #1H, Mosaic Fed 2419 WC #2H. Lastly, it shows a line of cross-section thru the Penroc - Brantley B #1 and the Devon - Harroun Trust 19 #1 wells.

(b) Attachment B is a Gross Isopach of the Wolfcamp C zone from the Top of the Wolfcamp C to the Base of the Wolfcamp C. The Wolfcamp C shows a uniform thickness across the proposed well unit.

(b) Attachment C is the A - A' cross section. The well logs on the cross-section give a representative sample of the Wolfcamp C formation in this area. The target zone for the wells, as indicated by the red arrow, is the Wolfcamp C zone, and is continuous across the well unit.

4. I conclude from the maps that:

(a) The horizontal spacing unit is justified from a geologic standpoint.

EXHIBIT 4



(b) Each quarter section in the well unit will contribute more or less equally to production from the wells.

(c) There is no faulting or other geologic impediment which will adversely affect the drilling of the subject wells.


5. KFOC sees no difference for standup wells in this area.

6. The producing interval of the wells will be orthodox, and will comply with Division setback requirements.

VERIFICATION

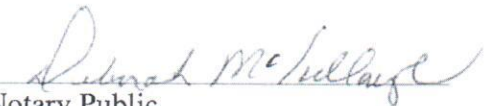
STATE OF OKLAHOMA           )  
  ) ss.  
COUNTY OF TULSA           )

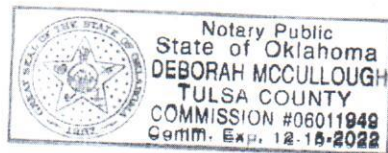
Lee Lindman, being duly sworn upon his oath, deposes and states that: He is a geologist for Kaiser-Francis Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

  
\_\_\_\_\_  
Lee Lindman

SUBSCRIBED AND SWORN TO before me this 17th day of April, 2019 by Lee Lindman.

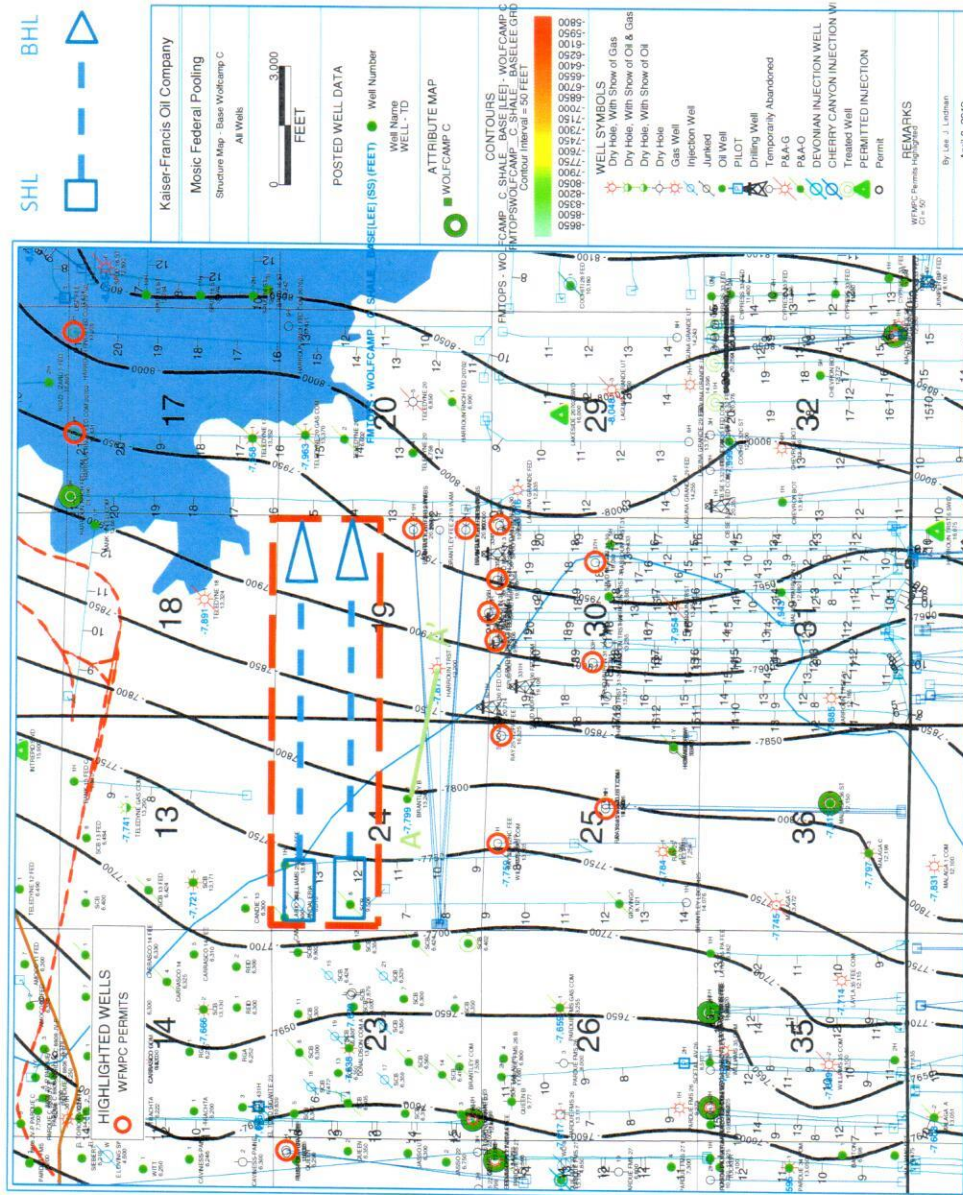
My Commission Expires: 2-18-22

  
\_\_\_\_\_  
Notary Public

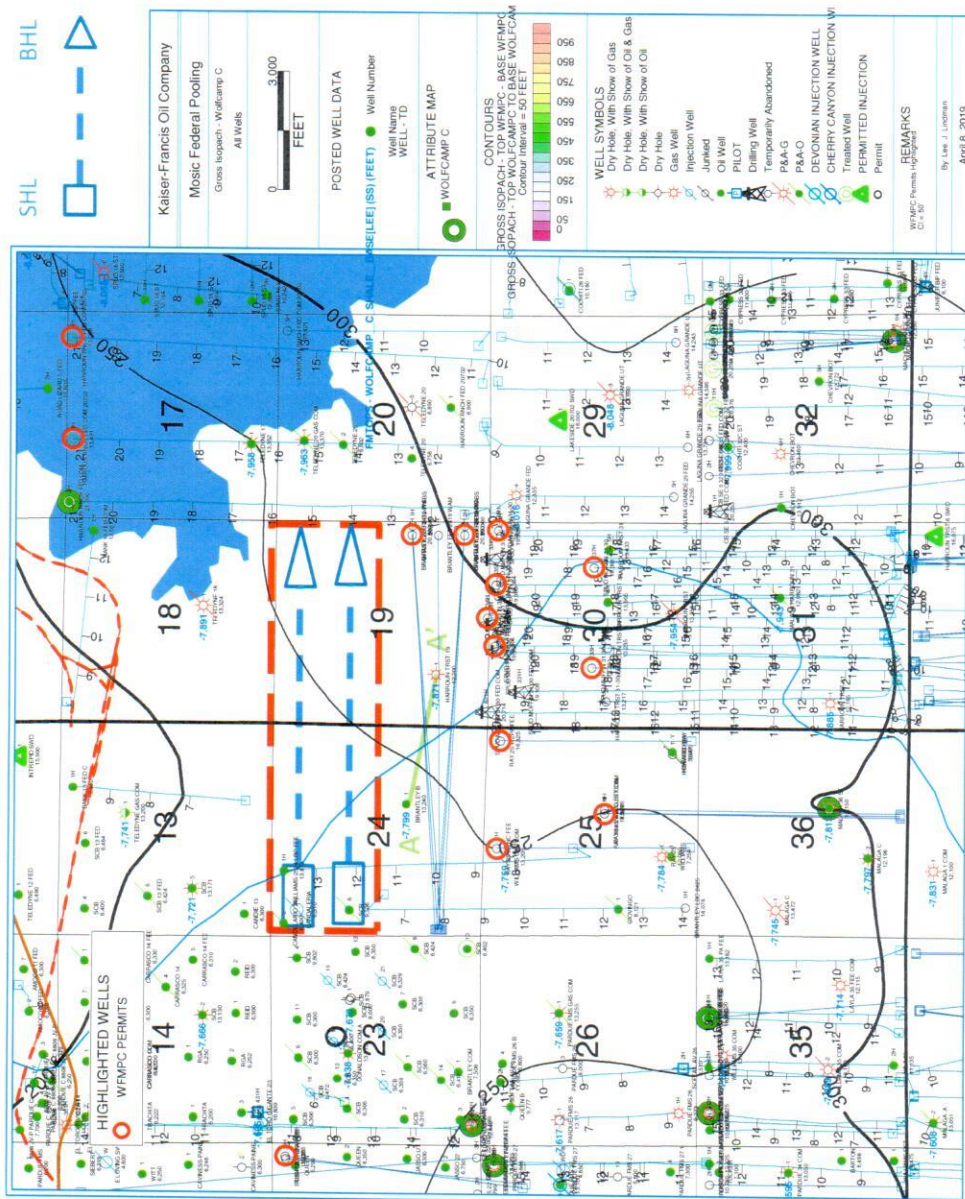




A



## Structure Map (Base Wolfcamp C - Subsea)



ATTACHMENT

### Isopach Map (Wolfcamp C)

Project Area



A

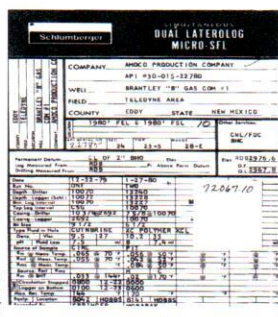
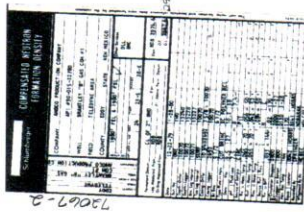
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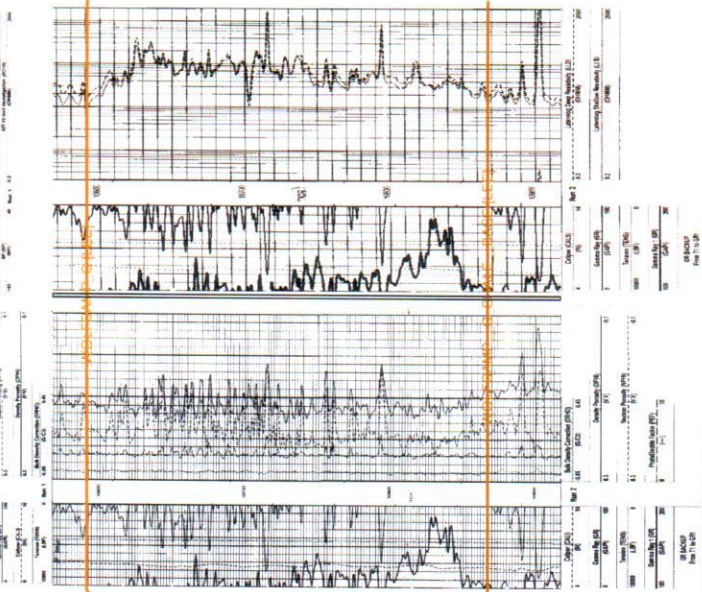
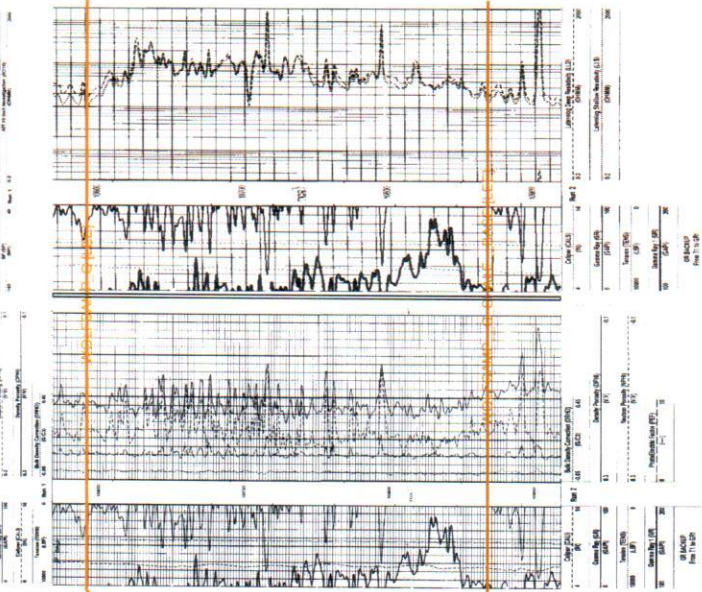
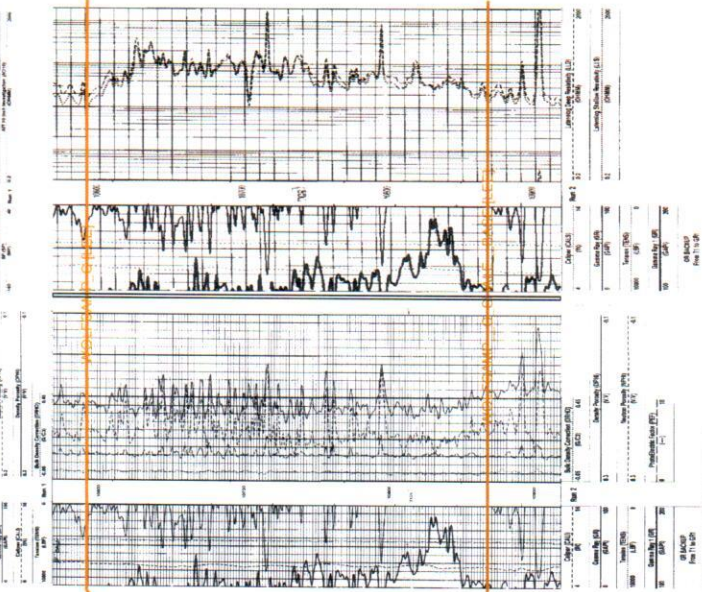
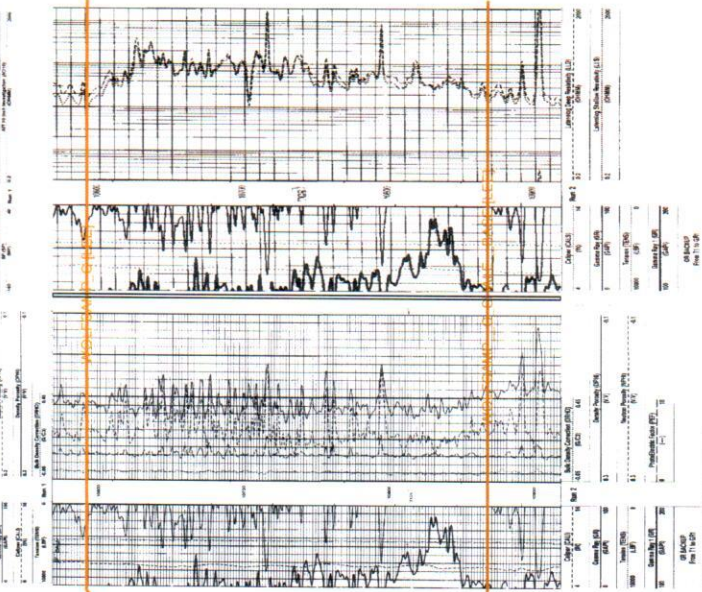
A'

PENROC OPER  
BRANTLEY B  
13,240

DEVON  
HARROUN TRST 19  
12,200



Rel Depth(ft)  
-300 -  
-250 -  
-200 -  
-150 -  
-100 -  
-50 -  
0 -  
50 -



Mosaic Fed WC 2419 #1H & 2H - Landing Point

Datum

ATTACHMENT C

Stratigraphic Cross Section A - A'