

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)  
(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)

[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

September 16, 2020

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

Re: Request of Kaiser-Francis Oil Company to extend well commencement deadlines  
in two pooling orders

Ladies and gentlemen:

The following pooling orders were issued to Kaiser-Francis Oil Company ("KFOC") on  
September 11, 2019:

1. Order No. R-20852; Case No. 20288  
Well: Loving Townsite 2021 LBC Well No. 1H (API No. 30-015-45001)  
Well Unit: N/2SE/4 of Section 20 and N/2SW/4 of Section 21 (**Exhibit A**)  
Pool: Loving; Brushy Canyon, East Pool (Pool Code 40350)
2. Order No. R-20853; Case No. 20289  
Well: Loving Townsite 2021 LBC Well No. 2H (API No. 30-015-45002)  
Well Unit: S/2SE/4 of Section 20 and S/2SW/4 of Section 21 (**Exhibit B**)  
Pool: Loving; Brushy Canyon, East Pool (Pool Code 40350)

All of the lands are in Township 23 South, Range 28 East, N.M.P.M.

Ordering Paragraph (4) in each of the above orders granted KFOC until September 30, 2020 to  
commence the wells. Pursuant to Ordering Paragraph (5) in each order, KFOC requests a one  
year extension of the well commencement deadlines, through September 30, 2021.

The reason for the extension request is as follows: Few horizontal Delaware wells have been  
drilled in New Mexico because their economics are not as good as for Bone Spring and  
Wolfcamp wells. Due to the current oil price and well cost uncertainty, the well's economics  
have deteriorated. KFOC requests the additional time to let oil prices stabilize and drilling costs  
to decline (as they have started doing).

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

Very truly yours,

A handwritten signature in blue ink that reads "James Bruce". The signature is written in a cursive style with a large, stylized "J" and "B".

James Bruce

Attorney for Kaiser-Francis Oil Company

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (505) 745-1293 Fax: (505) 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 **Oil Conservation**  
Energy, Minerals & Natural Resources Department  
ARTESIA DISTRICT  
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

RECEIVED

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-015-45001</b>	<sup>2</sup> Pool Code <b>40350</b>	<sup>3</sup> Pool Name <b>Loving, East Brushy Canyon</b>
<sup>4</sup> Property Code <b>321474</b>	<sup>5</sup> Property Name <b>LOVING TOWNSITE 2021 LBC</b>	
<sup>6</sup> OGRID No. <b>12361</b>	<sup>7</sup> Operator Name <b>KAISER-FRANCIS OIL COMPANY</b>	<sup>8</sup> Well Number <b>1H</b>
		<sup>9</sup> Elevation <b>3069.7</b>

<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
<b>O</b>	<b>20</b>	<b>23 S</b>	<b>28 E</b>		<b>1068</b>	<b>SOUTH</b>	<b>2499</b>	<b>EAST</b>	<b>EDDY</b>

<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
<b>K</b>	<b>21</b>	<b>23 S</b>	<b>28 E</b>		<b>1980</b>	<b>SOUTH</b>	<b>2310</b>	<b>WEST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
<b>160</b>	<b>-</b>	<b>-</b>	<b>-</b>

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.

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES, MODIFIED TO THE SURFACE, VERTICAL DATUM NAVD83.

**"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 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.

Signature: *Charlotte Van Valkenburg*  
Date: **5/24/18**  
Printed Name: **Charlotte Van Valkenburg**  
E-mail Address: **Charlotv@kfoc.net**

**"SURVEYOR CERTIFICATION"**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

DATE: **MAY 16, 2018**  
Date of Survey: **MAY 16, 2018**  
Signature: *Philmon F. Ramirez*  
Certificate Number: **PHILMON F. RAMIREZ PLS 12797**  
SURVEY NO. **6252**

EXHIBIT

**A**



District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (505) 745-1283 Fax: (505) 745-9720  
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

Form C-102  
August 1, 2011  
Submit one copy to appropriate  
District Office

**RECEIVED**

**JUN 01 2018**

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-015-45002</b>	<sup>2</sup> Pool Code <b>40350</b>	<sup>3</sup> Pool Name <b>Loving, East Brushy Canyon</b>
<sup>4</sup> Property Code <b>321474</b>	<sup>5</sup> Property Name <b>LOVING TOWNSITE 2021 LBC</b>	<sup>6</sup> Well Number <b>2H</b>
<sup>7</sup> OGRID No. <b>12361</b>	<sup>8</sup> Operator Name <b>KAISER-FRANCIS OIL COMPANY</b>	<sup>9</sup> Elevation <b>3069.7</b>

**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
O	20	23 S	28 E		1028	SOUTH	2499	EAST	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
N	21	23 S	28 E		660	SOUTH	2310	WEST	EDDY

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
160	-	-	-

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

**NOTE:** LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83) LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BEARS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE VERTICAL DATUM NAVD83.

**11 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 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, and is not a

Signature: *Charlotte Van Valkenburg* Date: *5/24/18*

Printed Name: **Charlotte Van Valkenburg**

E-mail Address: **Charlotv@kfoc.net**

**13 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.

MAY 16, 2018

Date of Survey: *5/16/18*

Signature and Seal of Professional Surveyor: *Edmon F. Jaramillo*

Certificate Number: **EDMON F. JARAMILLO PLS 12797**

SURVEY NO. 6253

EXHIBIT

**B**