



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Wyoming State Office Reservoir Management Group
2987 Prospector Drive
Casper, Wyoming 82604-2968



In Reply Refer To:
3186
(3186.1)
Bell Lake Unit
NMNM68292X

APR 29 2021

Kaiser-Francis Oil Company
Attn: David V. Hamilton
P.O. Box 21468
Tulsa, Oklahoma 74121-1468

Re: Initial Wolfcamp Formation Participating Area "A"
Bell Lake Unit
Lea County, New Mexico

Gentlemen:

The Initial Wolfcamp Formation Participating Area "A" is hereby approved effective as of September 19, 2018, pursuant to Section 11 of the Bell Lake Unit Agreement, Lea County, New Mexico. This participating area has been designated NMNM68292J.

The application establishes an Initial Wolfcamp Formation Participating Area "A" of 479.31 acres and is based upon the completion of unit well 419H, located in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ (SHL) of Section 1, T.24S., R.33E., unit tract No. 59, state lease, and in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ (BHL) of Section 36, T.23S., R.33E., unit tract No. 55, state lease, with an initial potential of 542 BOPD and 1,666 MCFPD from the Wolfcamp Formation. The well first produced on September 19, 2018.

Copies of the approved request are being distributed to the appropriate agencies and one copy of Exhibits "A" and "B" is returned herewith. Please advise all interested parties of the approval of the Initial Wolfcamp Formation Participating Area "A" effective as of September 19, 2018.

Any production royalties that are due must be reported and paid within 30 days of the Bureau of Land Management's approval date or the payors will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (30 CFR 218.54). If you need assistance or clarifications, please contact the Office of Natural Resources Revenue at <http://onrr.gov> or <https://onrr.gov/about/contact.htm>.

If you have any questions, please call the undersigned at (307) 261-7685.

Sincerely,

/S/ J. David Chase

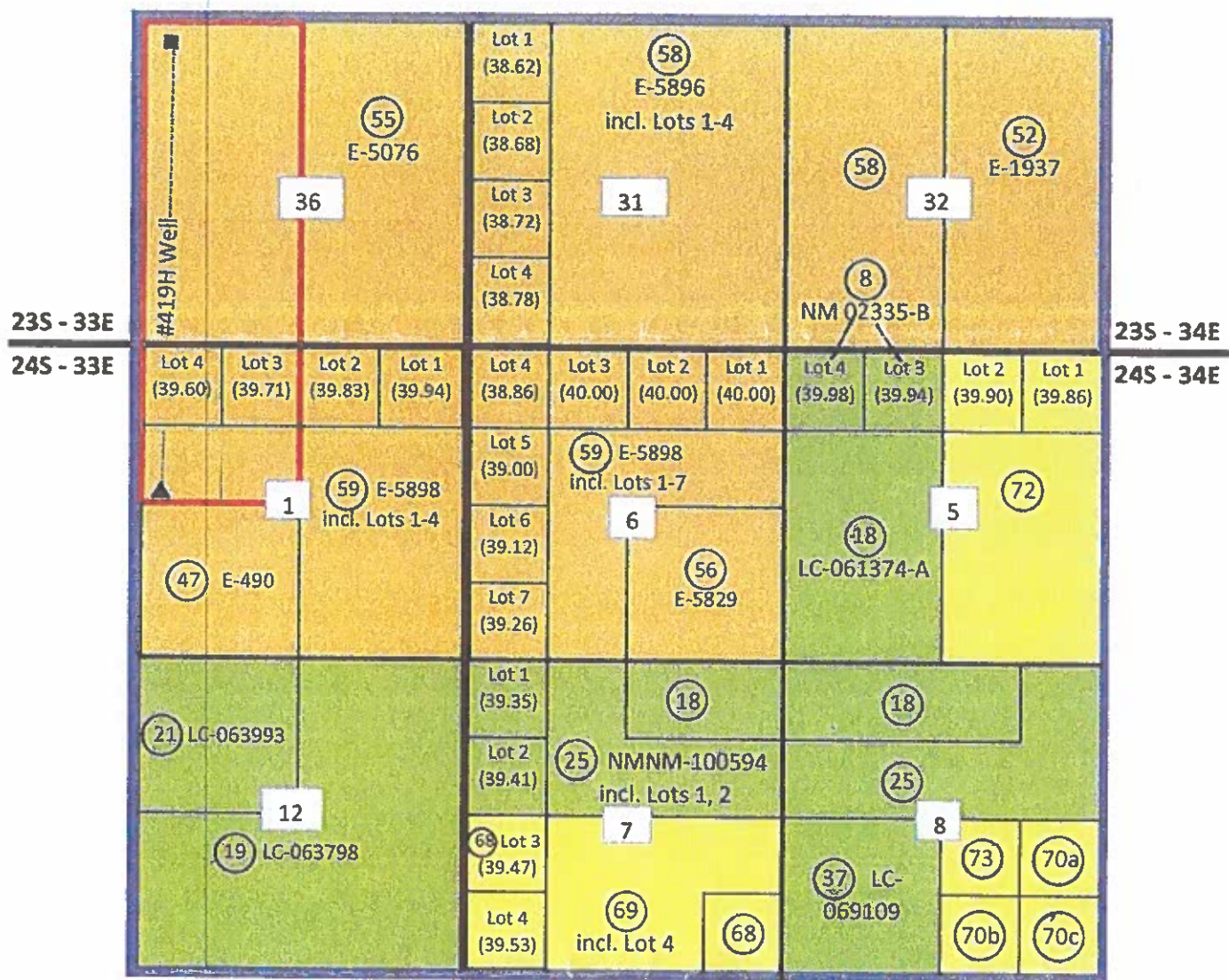
J. David Chase
Chief, Reservoir Management Group

1 Enclosure

Encl. 1 - Exhibits "A" and "B"

cc: NMSO, Sheila Mallory w/exhibits A & B
ONRR-RRM (email: leases.blm@onrr.gov) w/exhibits A & B
New Mexico State Land Office, Scott Dawson w/exhibits A & B
New Mexico Oil Conservation Division, Leonard Lowe w/exhibits A & B

EXHIBIT "A"
UNIT MAP WITH PA BOUNDARY
INITIAL WOLFCAMP PARTICIPATING AREA "A"
BELL LAKE UNIT-LEA COUNTY, NM
EFFECTIVE DATE: SEPTEMBER 19, 2018



- Federal Acreage
- State of New Mexico Acreage
- Patented Acreage
- Bell Lake Unit Outline
- PA A Outline
- HZ Well Path
- Well Surface Location
- Well Bottom Hole Location

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EXHIBIT "B"

SCHEDULE OF LANDS AND TRACT PARTICIPATION

INITIAL WOLFCAMP FORMATION PARTICIPATING AREA "A"

BELL LAKE UNIT

LEA COUNTY, NEW MEXICO

EFFECTIVE DATE: SEPTEMBER 19, 2018

| Tract No. | Lease No. | Description | Participating Acres | Non-Participating Acres | Percent of Participation |
|---------------|--------------------|---|---------------------|-------------------------|--------------------------|
| 55 | State NM E-5076 | <u>T23S-R33E</u> Sec 36: W/2 | 320.00 | 0.00 | 66.7626% |
| 59 | State NM E-5898 | <u>T24S-R33E</u> Sec 1: Lot 3 (39.71 ac.); Lot 4 (39.60 ac.); S/2 NW/4 | 159.31 | 0.00 | 33.2374% |
| Totals | | | 479.31 | 0.00 | 100.0000% |

| TYPE OF LAND | COMMITTED ACRES | NON-COMMITTED ACRES | PERCENT |
|--------------|-----------------|---------------------|------------------|
| FEDERAL | 0.00 | 0.00 | 0.0000% |
| STATE | 479.31 | 0.00 | 100.0000% |
| PATENTED | 0.00 | 0.00 | 0.0000% |
| TOTAL | 479.31 | 0.00 | 100.0000% |

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