

1625 N. French Dr., Hobbs, NM 88240
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED
OCD - ARTESIA
State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Kaiser-Francis Oil Company P. O. Box 21468, Tulsa, OK 74121-1468		² OGRID Number 012361
³ Property Code 23070		⁴ Property Name Malaga 36 State
⁵ Well No. 1		⁶ API Number 30-015-26564
⁹ Proposed Pool 1 Culebra Bluff South (Wolfcamp)		¹⁰ Proposed Pool 2 Culebra Bluff South (Bone Springs)

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	36	23S	28E	-	1980	South	1980	East	Eddy

8 Proposed Bottom Hole Location If Different From Surface n/a

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 2974
¹⁶ Multiple N	¹⁷ Proposed Depth 12150	¹⁸ Formation Atoka	¹⁹ Contractor Unknown	²⁰ Spud Date 1/1/91
Depth to Groundwater n/a		Distance from nearest fresh water well n/a		Distance from nearest surface water n/a
Pit: Liner: Synthetic <input type="checkbox"/> _____mils thick Clay <input type="checkbox"/> Pit Volume: _____bbls Drilling Method: _____ Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
	13 3/8	48	625	775	Surf
	9 5/8	36	2565	1450	Surf
	7	26	10573	1325	3200
	4 1/2	15.1	10224 - 12150	324	10224

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

See attached program.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines ☐ a general permit ☐ or an (attached) alternative OCD approved plan ☐.

Printed name: Charlotte Van Valkenburg

Title: Technical Coordinator

E-mail Address: Charlottv@KFOC.net

Date: 12/20/06

Phone: 918-491-4314

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARRANT
DISTRICT II GEOLOGIST

Title:

Approval Date: JAN 12 2007

Expiration Date: JAN 12 2008

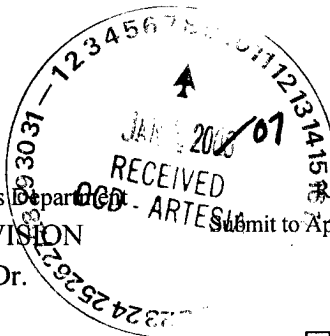
Conditions of Approval Attached ☒

Please review

Stipulations
Thanks, BGA

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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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 015-26564		² Pool Code 75750	³ Pool Name Culebra Bluff South (Wolfcamp)
⁴ Property Code 23070	⁵ Property Name Malaga 36 State		⁶ Well Number 1
⁷ OGRID No. 012361	⁸ Operator Name Kaiser-Francis Oil Company		⁹ Elevation 2974 GR

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
J	36	23S	28E	-	1980	South	1980	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

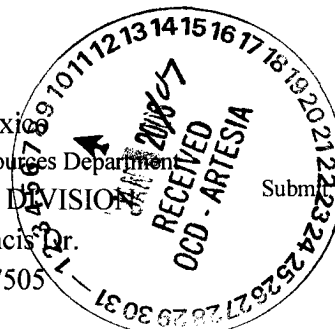
¹² Dedicated Acres 320	¹³ Joint or Infill N	¹⁴ Consolidation Code -	¹⁵ Order No. -
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<div>16</div>	<div>17 OPERATOR CERTIFICATION</div> <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><i>Charlotte Van Valkenburg</i> Signature Date 1/4/07 Charlotte Van Valkenburg Printed Name</p>
	<div>18 SURVEYOR CERTIFICATION</div> <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>
	Date of Survey Signature and Seal of Professional Surveyor:
	Certificate Number

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 015-26564		² Pool Code 15011	³ Pool Name Culebra Bluff South (Bone Springs)
⁴ Property Code 23070	⁵ Property Name Malaga 36 State		⁶ Well Number 1
⁷ OGRID No. 012361	⁸ Operator Name Kaiser-Francis Oil Company		⁹ Elevation 2974 Gr

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
J	36	23S	28E	-	1980	South	1980	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

¹² Dedicated Acres 40	¹³ Joint or Infill N	¹⁴ Consolidation Code -	¹⁵ Order No. -
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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.

<div data-bbox="108 972 1023 1883" data-label="Figure"> </div>	<p>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.</p> <p><i>Signature</i> <i>11/14/07</i> <i>Date</i> Charlotte Van Valkenburg Printed Name</p>
	<p>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.</p> <p>Date of Survey Signature and Seal of Professional Surveyor: Certificate Number</p>

MALAGA 36 #1
36-23S-28E
EDDY CO., NM.



PROPOSED WORKOVER:

- MIRU WSU. POOH w/tbg ^{35'} ~~20'~~
- Set CIBP at 12,000' w/~~20'~~ cmt on top.
- PF: ATOKA LIME BANK: 11,904'-14' (2SPF)
- Lubricate Retrievable Pkr in hole and set at 11,890'.
- GIH w/tbg to Pkr. Latch into packer. Swab test
- Acidize if needed w/1000 gal 15% NEFE down 2 3/8" tbg.
- Swab test. If non-commercial. Pull Packer
- Proceed to test WOLFCAMP ^{35'} ~~35'~~
- Set CIBP at 11,550' w/~~15'~~ cement on top
- PERF: WOLFCAMP: 10,836'-10,886'; 10,898'-10,911' (1spf)
- GIH w/pkr on 2 3/8" tbg. Test tbg to 5000#. Set pkr at 10,850'. Swab
- Acidize w/3500 gal 15% NEFE + 100 BS.
- Swab test and report
- Based on results – Frac or Set CIBP and move to Bone Springs
- If frac is done – POOH w/2 3/8" tubing
- GIH w/3 1/2" 12.95# P110 PH6 tubing with packer for 7"26# casing.
- Set packer at 10,200' +/-
- Frac as follows:
 - 30,000 gal Pad
 - 15,000 gal Slk Wtr w/0.2 ppg 100 mesh sd
 - 15,000 gal Slk Wtr w/0.4 ppg 100 mesh sd
 - 15,000 gal Slk Wtr w/0.6 ppg 100 mesh sd
 - 15,000 gal Slk Wtr w/0.8 ppg 100 mesh sd
 - 15,000 gal Slk Wtr w/1.0 ppg 100 mesh sd
 - 20,000 gal Slk Wtr w/0.5 ppg 40/70 TLC
 - 20,000 gal Slk Wtr w/0.75 ppg 40/70 TLC
 - 20,000 gal Slk Wtr w/1.0 ppg 40/70 TLC
 - 20,000 gal Slk Wtr w/1.25 ppg 40/70 TLC
 - 20,000 gal BFrac 25 w/1.5 ppg 40/70 TLC
 - 10,000 gal BFrac 25 w/1.0 ppg 20/40 TLC
 - 10,000 gal BFrac 25 w/1.5 ppg 20/40 TLC
 - 10,000 gal BFrac 25 w/2.0 ppg 20/40 TLC
 - Flush w/16,500 gal Slick Water
- Swab and Flow back and test.
- POOH w/3 1/2" work string. Run in hole with 2 3/8" tubing.
- Put well on production.
- Test and Report

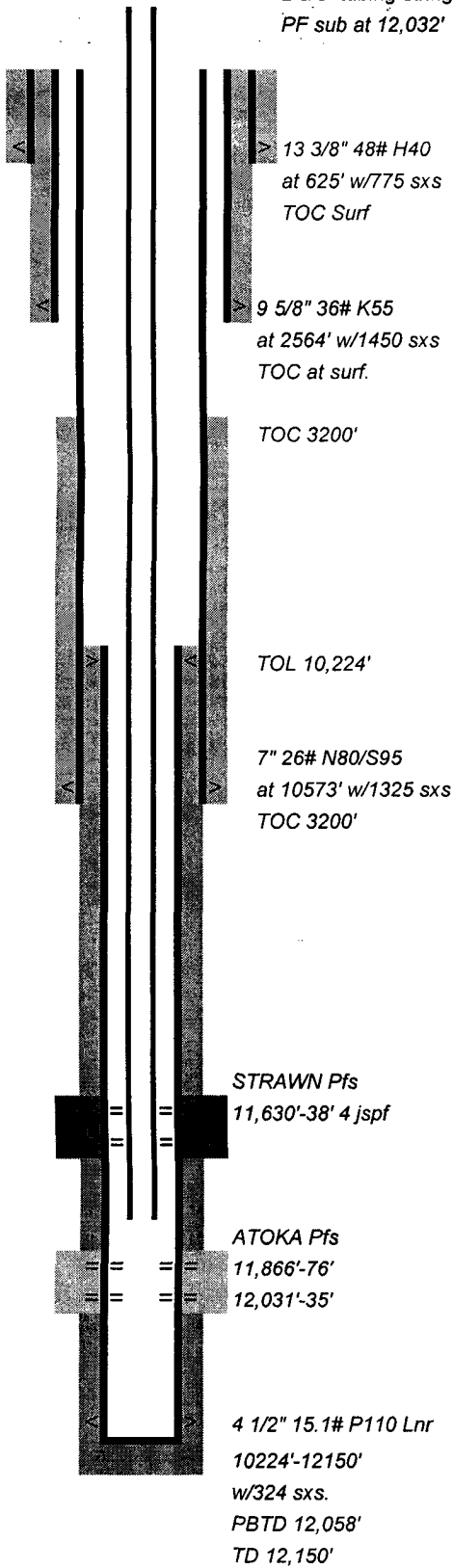
STIP
B

If no frac is done – POOH w/pkr. Set CIBP 10,210' w/^{35'} ~~15'~~ cmt on top.
Prepare to test Bone Springs. Send out AFE for approval while
abandoning the Wolfcamp

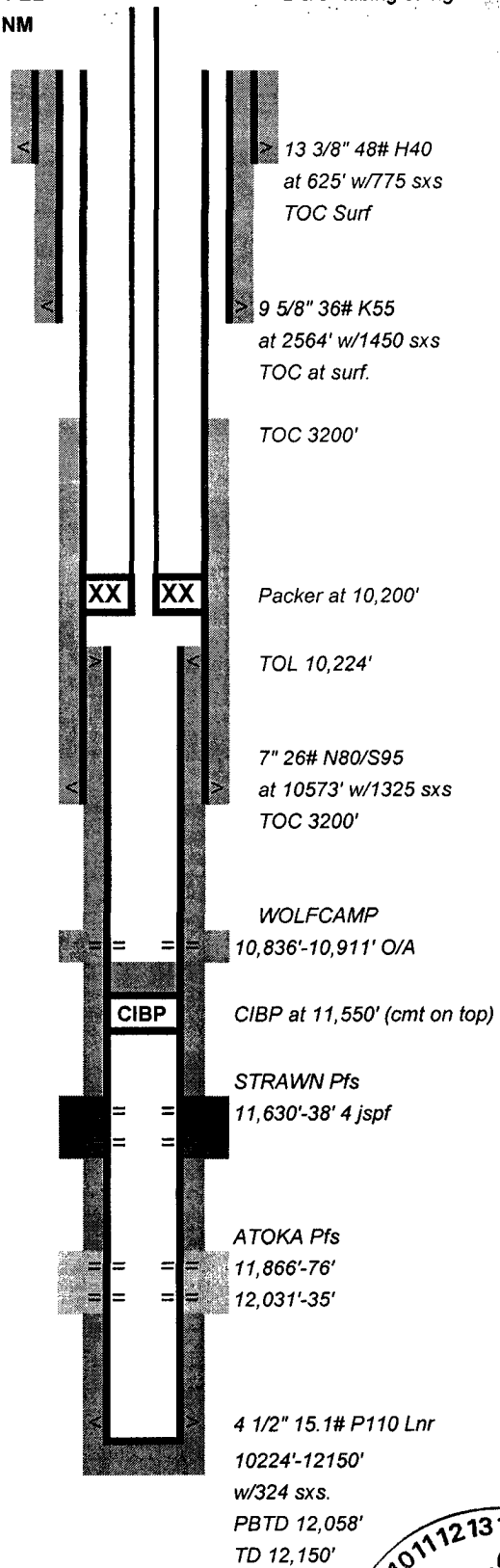
MALAGA 36 State #1
SECTION 36-23S-28E
1980' FSL & 1980' FEL
EDDY COUNTY, NM

2 3/8" tubing string
PF sub at 12,032'

2 3/8" tubing string



PRESENT WELL



PROPOSED WELL

