HOBBS OCD OCD-HOBBS Fond \$160-4 7 2012 (April 2004) **UNITED STATES** FORM APPROVED OM B No. 1004-013 DEPARTMENT OF THE INTERIOR Expires: March 31, 2007 BUREAU OF LAND MANAGEMENT RECEIVED SUNDRY NOTICES AND REPORTS ON WELLS NMNM00000587 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE- Other instructions on reverse side. 1. Type of Well x Oil Well Gas Well Other 8. Well Name and No. North Bell Lake Federal 2. Name of Operator Kaiser-Francis Oil Company 9. API Well No. 3a Address 30-025-32672 3b. Phone No. (include area code) P.O. Box 21468, Tulsa, OK 74121-1468 918-491-4314 10. Field and Pool, or Exploratory Area Bell Lake; Delaware, NE 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1100' FSL & 1500' FWL of Sec. 5-23S-34E Lea/NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) Water Shut-Off Deepen Notice of Intent Alter Casing Well Integrity Fracture Treat Reclamation X Other Change of Casing Repair X Subsequent Report New Construction Recomplete Change Plans Plug and Abandon Temporarily Abandon operator Final Abandonment Notice Convert to Injection Plug Back Water Disposal 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection) Effective 4/1/09, Kaiser-Francis Oil Company took over operations of the above well from Apache Corporation. Be advised that Kaiser-Francis Oil Company is considered to be the operator on the above-described lands and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands or portions thereof. Bond coverage for this well is provided by Travelers Casualty, No. 040S103877784BCM.

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 I hereby certify that the foregoing is true and correct Name (Printed/Typed) 	1			
Charlotte Van Valkenburg		Title Technical Coordinator		
Signature . Tur Tulkenleur	Date	3/13/09		ADDDOVED
THIS SPACE FOR FEDERAL	OR			AFFRUVED
Approved by		Title	Da	e
Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicable conduct operations thereon		Office		FEB 1 4 2012 (s/ JD Whitlock Jr
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United—States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. BUREAU OF I AND MANACEMENT				
(Instructions on page 2)			· · · · · · · · · · · · · · · · · · ·	CARLSBAD FIELD OFFICE

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Conditions of Approval

Kaiser-Francis Oil company North Bell Lake #2 & #3 NM0587

- 1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
- 2. Submit for approval of water disposal method.
- 3. Submit updated facility diagrams as per Onshore Order #3
- 4. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
- 6. Install legible well sign on location with operator name, well name and number; lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
- 7. Subject to like approval by NMOCD.