FORTIFICE OCD-HOLO CAPTIFICATION OCD-HOLO COMPARTMENT OF THE INTERIOR HOBSUNDRY NOTICES AND REPORTS ON WELLS CD-HOBBS FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007 5. Lease Serial No. LC061374A 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 Oil Well X Gas Well 8. Well Name and No. 2. Name of Operator Bell Lake #32 Kaiser-Francis Oil Company' 9. API Well No. 3a. Address 3b. Phone No. (include area code) 30-025-39253 P. O. Box 21468, Tulsa, OK 74121-1468 918-491-4314 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) S. Bell Lake (Morrow) Unix M 11. County or Parish, State 1150' FSL & 990' FWL of Sec. 5-24S-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) Deepen Water Shut-Off X Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair Subsequent Report X Other Add perfs -New Construction Recomplete Change Plans Plug and Abandon Temporarily Abandon zone Final Abandonment Notice Convert to Injection J 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.) Proposed procedure: MIRU PU. Kill well as necessary. ND WH. NU BOP. POOH w/tbg. RU WL. RIH w/CIBP on WL. Tag top of Liner @ 13622, PU 1' & set CIBP. POOH w/WL. Dump 2 sxs cmt on top of CIBP. RD.WL. PU & RIH w/7" pkr to 13580'. Pressure test csg & CIBP to 2000# for 30 minutes. Release pkr, circ hole w/pkr fluid, & POOH & LD pkr. Perf Morrow @ 13512' - 13552' 4 SPF. Turn to production. Current & proposed wellbore schematics are attached SEE ATTACHED FOR CONDITIONS OF APPROVAL Approximate starting date: 12/26/09. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Title Technical Coordinator Charlotte Van Valkenburg Signatur 12/23/09 APPROVETHIS SPACE FOR FEDERAL OR STATE OFFICE USE ROLEUM ENOUNCELL bE. JAN Date DEC 2 4 2009 7 2010 Title 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 Office which would entitle the applicant to conduct operations thereon. WESLEY W. INGRAM 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 of agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Bell Lake 32 Morrow B - Proposed completion

7" TOL 9932'

9 5/8" 53.5# P-110 BTC CSG @ 10292' W/ CMT CIRC

7" CIBP set on top of $4\frac{1}{2}$ " liner $\sqrt{2}$ w/2 sxsccmt on top.

Morrow B perfs 13,512' - 13,552'

Estimated top of plug & cement ~13,600' 4-1/2" TOL @ 13,622'

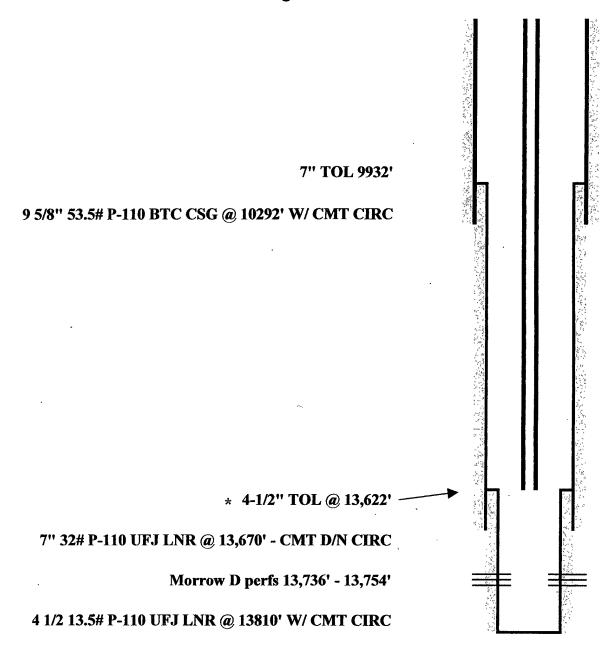
7" 32# P-110 UFJ LNR @ 13,670' - CMT D/N CIRC

Morrow D perfs 13,736' - 13,754'

4 1/2 13.5# P-110 UFJ LNR @ 13810' W/ CMT CIRC

Not to scale

Bell Lake 32 - Current Well configuration



* Top of $4\frac{1}{2}$ " liner possibly damaged by dropped fish.

Not to scale

Bell Lake #32 30-025-39253 Kaiser-Francis Oil Company December 24, 2009 Conditions of Approval

Notify BLM (575-393-3612) a minimum of 24 hours prior to starting operation as plug must be witnessed.

- 1. 5M BOP required. Test BOP.
- 2. Modify plug is required across 7" shoe and top of 4-1/2" liner. Operator to place a plug (Class H yield 1.06) from bottom of hole to approximately 13580'. Plug to be tagged. Plug will probably be less than 25 sacks. Minimum plug requirement is 25 sacks. This will be waived for this operation to allow for new perforations from 13512' 13552'.
- 3. Pressure test will be for plug and casing.
- 4. Ok
- 5. Submit subsequent sundry and completion report within 30 days of completing the proposed procedure.

WWI 122409