

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources

Form C-103

May 27, 2004

RECEIVED

JUL 06 2010

HOBBSOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-38564

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

E-5829

7. Lease Name or Unit Agreement Name

Bell Lake Unit

8. Well Number

26

9. OGRID Number

012361

10. Pool name or Wildcat

Bell Lake South, Morrow

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Kaiser-Francis Oil Company

3. Address of Operator

P. O. Box 21468, Tulsa, OK 74121-1468

4. Well Location

Unit Letter I: 1650 feet from the South line and 660 feet from the East line

Section 6 Township 24S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3600 GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Add perms to existing Morrow zone ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See attached proposed procedure & wellbore diagram.

Approximate starting date: 7/15/10

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE

Charlotte Van Valkenburg

TITLE

Technical Coordinator

DATE 7/2/10

Type or print name Charlotte Van Valkenburg

E-mail address: Charlotv@kfoc.net Telephone No. 918-491-4314

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

JUL 07 2010

Conditions of Approval (if any):

COH

Kaiser-Francis Oil Company
South Bell Lake Unit #26
Recomplete to 1st Morrow
1650' FSL, 660' FEL
Section 6, T24S, R34E
Lea County, New Mexico
API # 30-025-38564

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WELL DATA

TD: 13,623'
PBSD: 13,494'

Elevation: GL Elev. = 3600'
KB Elev. = 3623'

Surface Casing: 16" 84# K-55 @ 794', cemented w/ 970 sx, circ.

Intermediate Csg: 10-3/4" 51#, L-80 @ 5050' cemented w/ 2140 sx. circ.

Intermediate Csg: 7-5/8" 39# P110 @ 11,930' cemented w/ 715 sx, DV tool @ 8027' cemented with an additional 715 sx.

Production Csg: 5" 23.2# P110 @ 13,554', cemented w/ 190 sx.

Production Liner: 3-1/2" 12.95# FL4S @ 13,623'

Existing Perfs: 2nd Morrow: 13,383' - 399' & 13,407' - 423'
Proposed Perfs: 1st Morrow: 13,214' - 229', 13,232' - 238', & 13,250' - 260'

Correlation Log: Halliburton Dual Spaced Neutron Spectral Density - Dated 12/16/07.

BH Temp: 186 deg F @ 13,348'

Tubular Specs:

<u>Item</u>	<u>ID</u>	<u>Drift</u>	<u>Bbl/ft</u>	<u>Gal/ft</u>	<u>100% Burst</u>	<u>80% Burst</u>
5" 23.2# P-110	4.044	3.919	.01588	0.6672	18400	14720
2-3/8" 4.7# P-110	1.995	1.901	.00387	0.1626	15400	12320

PROCEDURE

- 1) MIRU PU. Top kill well w/ produced water (keep kill fluid vols to a minimum).
ND BOP, NU WH. POOH w/ 2-3/8" tbq.

- 2) RU 10k lubricator & WL. Correlate to OH log. Dump bail sand, bringing PBD from 13,494' to 13,350' (approximately 13 cu-ft, or 1400# sand). Dump bail 10' of cmt on top of sand plug. Load hole with 2% KCl water and test plug to 2000#. RIH w/ 3-3/8" gun and shoot 4 squeeze holes @ 13,175'. RIH w/ cmt retainer & set @ 13,140'. RD WL.
- 3) TIH w/ 2-3/8" tbg and sting into cmt retainer. Open 7-5/8" csg valve and establish injection rate down tbg. Attempt to establish circulation to surface through casing valve (it may require 3000 psi or more to overcome the differential pressure due to the annular mud wt).
- 4) RU cementers. Open 7-5/8" csg valve and monitor for returns while cementing. Squeeze perms through tbg w/ 50 – 150 sx cement (volume to be determined based upon injection test and whether circulation can be established). Stage as necessary to get a +/- 2000 psi sqz. Reverse tbg clean and POOH.
- 5) PU 3-7/8" sealed bearing bit and TIH on 2-3/8" tbg. Drill out cmt and retainer, continue in hole and tag PBD @ 13,330'. Circ and load hole w/ clean 2% KCl. Test csg to 2000#, be prepared to resqueeze if necessary. POOH and LD tbg.
- 6) RU WL. RIH w/ 3-3/8" casing gun, 4 spf, 60 or 90 deg phase, 25 gr charges, .42" EH, 49" penetration. Correlate to OH logs and perforate the 1st Morrow as follows; 13,188-190' (3', 12 holes), 13,192-194' (3', 12 holes), 13,196'-13,205' (10', 40 holes), 13,214'-229' (16', 64 holes), 13,232-238' (7', 28 holes), & 13,250'-13,260' (11', 44 holes) - 200 holes total. RD WL.
- 7) Flow back casing load and turn well to sales.

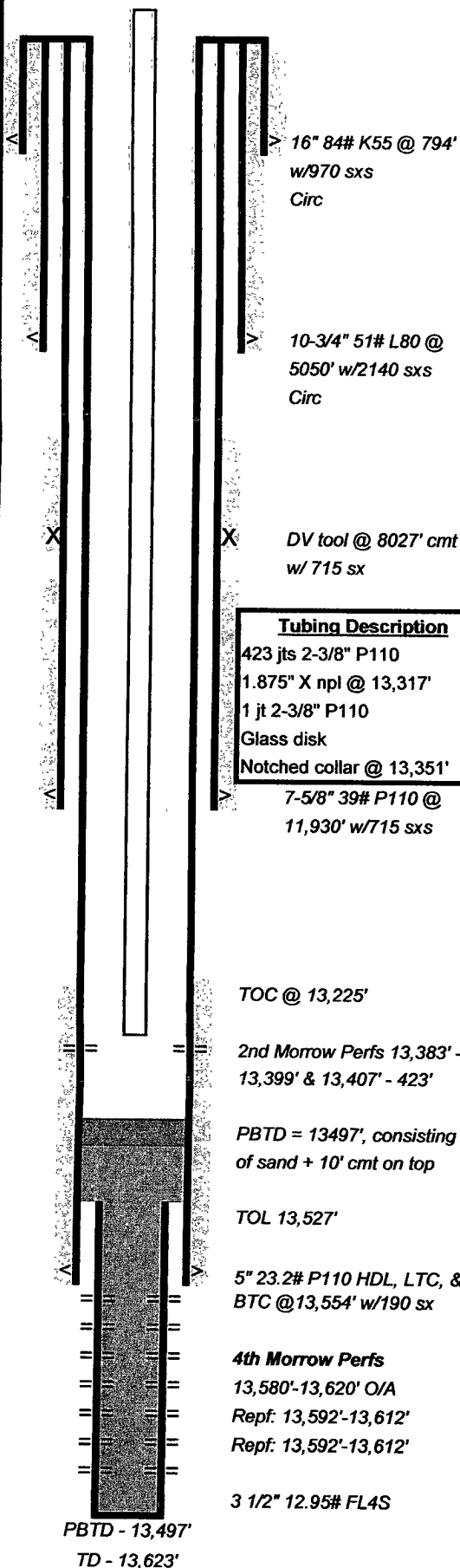
S. BELL LAKE #26

1650' FSL, 660' FEL, SECTION 6-24S-34E

LEA COUNTY, NM

GL 3600' KB 3623'

Sketch Updated - 06/29/10



Tubing Description

423 jts 2-3/8" P110
1.875" X npl @ 13,317'
1 jt 2-3/8" P110
Glass disk
Notched collar @ 13,351'
7-5/8" 39# P110 @
11,930' w/715 sxs

Spud: 10/21/07, well kicked @ 1st Morrow (13,175'). Killed well & lost 130 bbls. After setting 5", ran CBL and showed TOC @ 13,230'.

COMPLETION: Drill out to 5" csg shoe. Reran CBL, log showed same good TOC @ 13,230', w/ indication of gas cut cmt above. Drid 3-7/8" hole to 13,623' w/ coil. Started recov black sticky shale while drlg w/ N2 foam. Ran tbg w/ notched collar, put on prod. Miminimal flow, and tbg plugged. Cleaned out bridge w/ CT, and cleaned to 13,574' in OH. Cleaned out w/ prod tbg. Ran 3 jts 3-1/2" 12.95# liner w/ cutrite shoe and on/off tool. Landed liner @ 13,620', clean out w/ coil tbg, and perf thru tbg 13,580' - 620', 4 spf 120 deg ph. Pmpd 2100 gal methanol w/ N2. Put well to sales making ~ 800 mcf/d, well plugging off w/ shale chunks.

2/13/08 - Fill at 13,300'. CO to 13,628' w/CTU

2/24/08 - Tried to release tbg from on/off tool in top of 3-1/2" liner, stuck. PF: 13592'-13612' (4spf) Big Hole Gun.

3/18/08 - CO w/CT from 12162 to 13623'. Atmpt to sd cut lnr below on/off tool - Could not. Chemical cut tbg above on/off tool. Fish & rec Cut off jt, on-off tool, 2' of 3 1/2" tbg. CO to 13,626' w/CTU. Set CIBP in 3 1/2" liner - plug. TOL @ 13,527' wlm. Ran gyro. Left 4.5" stator & mill in hole - dump 2' cmt on top (PBTD by WLM = 13,619'). REPF: 13,592'-13,612' (4spf).

4/15/08 - F/28,500 g 65Q BIN, 45000# sd, Flex sd in lst 16662#. F - 3.1 mmcfpd, 260#.

5/10/08 - Ran static BHP grad. Ck TD. 13,579'. CO to 13,611' (PBTD), dress off liner top. SNUB tbg in hole - 413 jts, 2 3/8 N, XN (1.875), 1 jt. EOT 13,480'. Unable to pull plug out of tbg. Got prong out. Tbg communicated

7/15/08 - Pulled plug. Set dwn at 13,610'. PBTD 13,611'

7/28/08 - Run 5 day SIBHP. FBHP 257#. SIBHP 1310#

9/30/09 - TD check w/ WL, tag fill @ 13,590'. RIH w/ 2-1/8" mill, clean out to 13612'. POOH & LD 2-3/8" tbg.

2/8/10 - Dump bail sand across 4th Morrow perfs to 13,507'. Dump 10' cmt on top of sd. Perf 2nd Morrow; 13,383'-399' & 13,407'-423', 4 spf. IP-F 6.2 mmcf, 1 bwpd @ 1050#.

4/13/10 - Tagged PBTD w/ wireline @ 13,494'.

6/09/10 - Snub in 2-3/8" P110 tbg.