

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
BOED-HOBBS

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No. LC061374A
6. If Indian, Allottee or Tribe Name -

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other
2. Name of Operator Kaiser-Francis Oil Company
3a. Address P. O. Box 21468, Tulsa, OK 74121-1468
3b. Phone No. (include area code) 918-491-4314
8. Well Name and No. Bell Lake #32
9. API Well No. 30-025-39253
10. Field and Pool or Exploratory Area S. Bell Lake (Morrow)
11. Country or Parish, State Lea/NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Add perfs -
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	same zone
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Please see attached proposed procedure + current & proposed wellbore diagrams.

RECEIVED

MAR 23 2011

HOBBSOCD

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Charlotte Van Valkenburg
Title Technical Coordinator
Signature *Charlotte Van Valkenburg* Date 3/10/11
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *James G. Brown* Title *SEPS* Date *CFD*
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 applicant to conduct operations thereon.
Office

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.

(Instructions on page 2)

MAR 24 2011

PETROLEUM ENGINEER

Bell Lake #32
API No. 30-025-39253

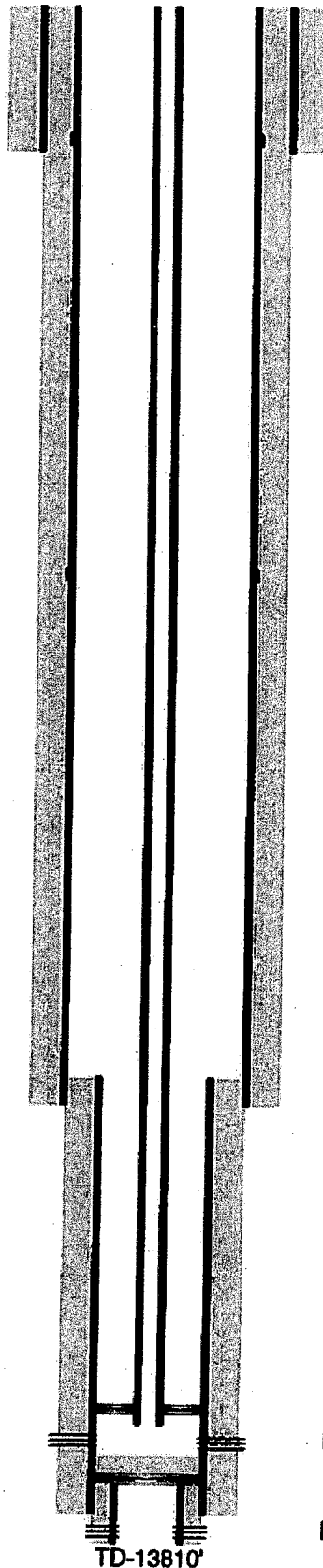
TD-13810' PBD-13587' Perfs-13512-13552' CIBP-13607'

13-3/8" 48# csg @ 1255' w/ 1080sx, 17-1/2" hole, TOC-Surf-Circ
9-5/8" 53.5# @ 10289' w/ 4425sx, DVT's @ 5150'-1197', 12-1/4" hole, TOC-Surf-Circ
7" 32# liner @ 9932-13670' w/ 1000sx, 8-1/2" hole, TOC-9932'-Circ
4-1/2" 13.5# liner @ 13621-13809' w/ 110sx, 6" hole, TOC-13621'-Circ

Procedure:

- 1) Clean location and set anchors
- 2) RU DDP, NU BOP.
- 3) POOH w/ TBG.
- 4) PU CIBP and RIH and set CIBP at 13,500'. POOH w/ Tbg.
- 5) PU & RIH w/TCP Guns, production packer, on/off tool w/ 1.875" profile nipple on 2-7/8" 6.5# P-110 tubing, spot TCP guns across interval, set packer at 13,300'. Correlate packer and gun depths to open hole GR log.
- 6) RU swab unit and swab tubing down as far as possible.
- 7) ND BOP, NU WH, drop bar & fire TCP guns to perforate well at 13,324-13,350, 13,372-13,374' and 13,378-13,384 w/ 6 JSPF (204 total shots) w/ 4" Super Deep Penetrating EXP-4309-321T w/ 38.5 GM CHG. The EHD is 0.43" W/ an API penetration of 54.58" on 60 degree phasing.
- 8) Break down perfs W/ 3500 GAL 15% HCL NEFE acid with ball sealers.
- 9) Swab well with rig to evaluate flow.
- 10) If well flows naturally go to step #10. If well does not flow, frac well at first available date per Halliburton frac procedure. ND FV and NU WH.
- 11) RD DDP.
- 12) Place well on production and test into battery.

OXY USA Inc. - Current
Bell Lake #32
API No. 30-025-39253



17-1/2" hole @ 1255'
13-3/8" csg @ 1255'
w/ 1080sx-TOC-Surf-Circ

12-1/4" hole @ 10289'
9-5/8" csg @ 10289'
DVT's @ 5150'-1197'
w/ 4425sx-TOC-Surf-Circ

8-1/2" hole @ 13670'
7" liner @ 9932-10670'
w/ 1000sx-TOC-9932'-Circ

6" hole @ 13810'
4-1/2" liner @ 13621-13809'
w/ 110sx-TOC-13621'-Circ

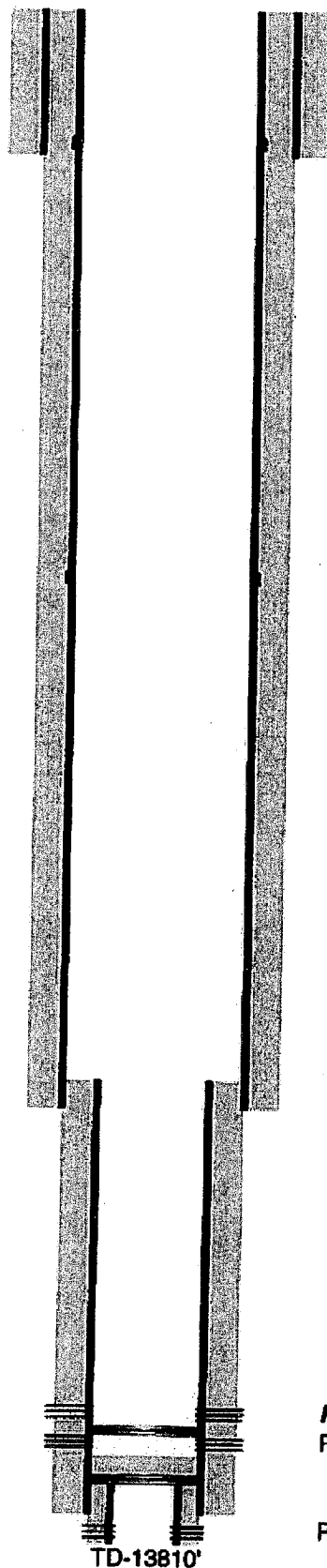
2-7/8" tbg @ 13486' w/ pkr @ 13420'

CIBP @ 13607' w/ 2sx-PBTD-13587'

Perfs @ 13512-13552'

Perfs @ 13736-13754'

OXY USA Inc. - Proposed
Bell Lake #32
API No. 30-025-39253



17-1/2" hole @ 1255'
13-3/8" csg @ 1255'
w/ 1080sx-TOC-Surf-Circ

12-1/4" hole @ 10289'
9-5/8" csg @ 10289'
DVT's @ 5150'-1197'
w/ 4425sx-TOC-Surf-Circ

8-1/2" hole @ 13670'
7" liner @ 9932-10670'
w/ 1000sx-TOC-9932'-Circ

6" hole @ 13810'
4-1/2" liner @ 13621-13809'
w/ 110sx-TOC-13621'-Circ

CIBP @ 13500'

CIBP @ 13607' w/ 2sx-PBTD-13587'

Perfs @ 13324-13374'
Perfs @ 13512-13552'

Perfs @ 13736-13754'