

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103  
Revised August 1, 2011

|   |  |   |
|---|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.)           |  | WELL API NO.<br>30-015-40836  |
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>  |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator<br>RKI EXPLORATION & PRODUCTION, LLC.   |  | 6. State Oil & Gas Lease No.<br>303271  |
| 3. Address of Operator<br>210 PARK AVENUE, SUITE 900, OKLAHOMA CITY, OK. 73102  |  | 7. Lease Name or Unit Agreement Name<br>PINNACLE  |
| 4. Well Location<br>Unit Letter <u>B</u> <u>200</u> feet from the <u>North</u> line and <u>1819</u> feet from the <u>East</u> line<br>Section <u>36</u> Township <u>22 S.</u> Range <u>28 E</u> NMPM County <u>Eddy</u> |  | 8. Well Number<br>35H   |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)  |  | 9. OGRID Number<br>246289   |
|   |  | 10. Pool name or Wildcat<br>South Culebra Bluff; Bone Spring, South                                 |

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 ☐  
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

RKI Exploration & Production, LLC. Proposes to construct a 250' x 250' frac pit and a 150' x 100' road turnaround.

The frac pit will be located in Unit Letter D of section 36, T. 22 S., R. 28 E. so as to serve all the horizontal wells across the north half of this state section as well as the BLM section 35. The Pinnacle State 35H will be the first well to be served.

Attached is the fresh water analysis report for the water to be used in the frac pit and survey plats of the pits size & location. Construction will begin as soon as notification that Sundry has been approved.

Pit # 213860

Spud Date:

Rig Release Date:

RECEIVED

JAN 25 2013

NMOC D ARTESIA

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

*Barry W. Hunt*

TITLE

*Permit Agent*

DATE

*1/23/13*

Type or print name BARRY W. HUNT  
specialtpermitting@gmail.com

E-mail address:

PHONE: (575) 361-4078

For State Use Only

APPROVED BY: Signed By *Mike Brannon* TITLE

DATE JAN 29 2013

Conditions of Approval (if any):

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**John Bemis**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey**  
Division Director  
Oil Conservation Division



### Conditions of Approval For Fresh Water Containment Pit

RKI E&P, LLC \* Pinnacle 35H \* 30-015-40836 \* B-36-22s-28e \* Eddy County, NM

- Lined pit permitted for fresh water only. Any deviation must be approved by NMOCD
- Operator is responsible for surface owner notification/approval for additional land usage.

Pit approval date: 1/29/13

Per C-103 – pit will be located in unit letter D-36-22s-28e

# HALLIBURTON

## PERMAIN BASIN OPERATIONS LABORATORY WATER ANALYSIS REPORT HOBBS, NEW MEXICO

COMPANY: RKI  
LEASE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

REPORT DATE W13-001  
January 13, 2013  
DISTRICT Hobbs

SUBMITTED BY \_\_\_\_\_

### TANK SAMPLE

|              |                    |               |               |               |               |
|--------------|--------------------|---------------|---------------|---------------|---------------|
| Sample Temp. | <u>70</u> °F       | _____ °F      | _____ °F      | _____ °F      | _____ °F      |
| RESISTIVITY  | _____              | _____         | _____         | _____         | _____         |
| SPECIFIC GR. | <u>1.005</u>       | _____         | _____         | _____         | _____         |
| pH           | <u>7.96</u>        | _____         | _____         | _____         | _____         |
| CALCIUM      | <u>250</u> mpl     | _____ mpl     | _____ mpl     | _____ mpl     | _____ mpl     |
| MAGNESIUM    | <u>150</u> mpl     | _____ mpl     | _____ mpl     | _____ mpl     | _____ mpl     |
| CHLORIDE     | <u>2312</u> mpl    | _____ mpl     | _____ mpl     | _____ mpl     | _____ mpl     |
| SULFATES     | <u>&lt;400</u> mpl | _____ mpl     | _____ mpl     | _____ mpl     | _____ mpl     |
| BICARBONATES | <u>189</u> mpl     | _____ mpl     | _____ mpl     | _____ mpl     | _____ mpl     |
| SOLUBLE IRON | <u>0</u> mpl       | _____ mpl     | _____ mpl     | _____ mpl     | _____ mpl     |
| KCL          | <u>none</u>        | _____         | _____         | _____         | _____         |
| Sodium       | _____ mpl          | _____ mpl     | _____ mpl     | _____ mpl     | _____ mpl     |
| TDS          | _____ mpl          | _____ mpl     | _____ mpl     | _____ mpl     | _____ mpl     |
| OIL GRAVITY  | _____ @ 60 °F      | _____ @ 60 °F | _____ @ 60 °F | _____ @ 60 °F | _____ @ 60 °F |

### REMARKS

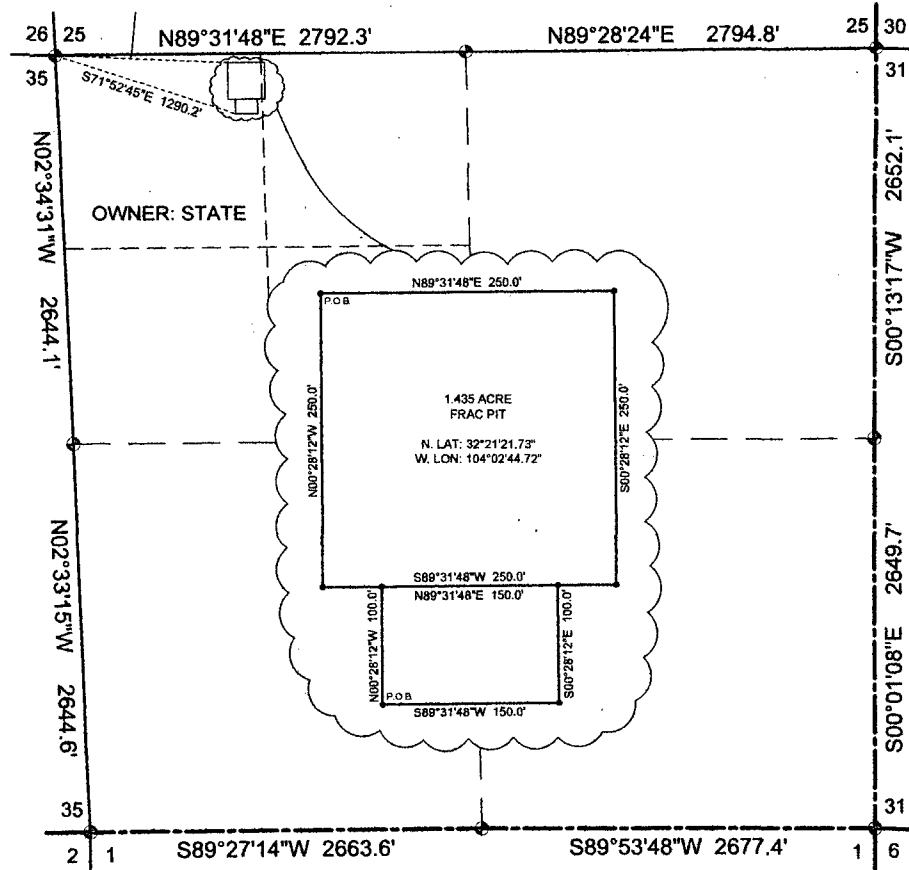
Gel Stability WG-18 R(21) 0mins-R(21) 60mins R(21)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MPL = Milligrams per liter  
Resitivity measured in: Ohm/m2/m

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management: it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Co.

ANALYST: SB

SECTION 36, TOWNSHIP 22 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY CO., NM.



- = 1/2" REBAR W/RED PLASTIC CAP
- ⊕ = FND. USGS BRASS CAP

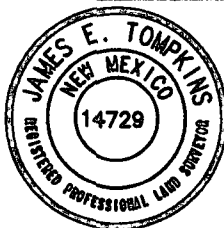
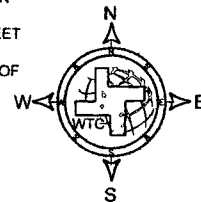
DESCRIPTION OF A PROPOSED FRAC PIT TOTALING 1.435 ACRES, SITUATED IN SECTION 36, TOWNSHIP 22 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A 1/2" REBAR SET WITH A RED PLASTIC CAP MARKED "TX 1985 NM 14729" (RPC) FOR THE NORTHWEST CORNER OF SAID 1.435 ACRES, FROM WHICH A USGS BRASS CAP FOUND FOR THE COMMON CORNER OF SECTIONS 25-26-35-36, T22S, R28E, BEARS N. 87°28'37"W., 1174.5 FEET; THENCE N.89°31'48"E., 250.0 FEET TO AN RPC SET FOR THE NORTHEAST CORNER; THENCE S.00°28'12"E., 250.0 FEET TO AN RPC SET FOR THE SOUTHEAST CORNER; THENCE S.89°31'48"W., 250.0 FEET TO AN RPC SET FOR THE SOUTHWEST CORNER; THENCE N.00°28'12"W., 250.0 FEET TO THE POINT OF BEGINNING; CONTAINING 1.435 ACRES OF LAND AND DIVIDED BY FORTIES AS FOLLOWS.  
NE4/NW4 = 0.127 AC., NW4/NW4 = 1.308 AC.

DESCRIPTION OF A PROPOSED 150.0 FEET BY 150.0 FEET TURNING AREA, SITUATED IN SECTION 36, TOWNSHIP 22 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A 1/2" REBAR SET WITH A RED PLASTIC CAP MARKED "TX 1985 NM 14729" (RPC) FOR THE SOUTHWEST CORNER OF SAID 150.0 BY 150.0 FEET TURNING AREA, FROM WHICH A USGS BRASS CAP FOUND FOR THE COMMON CORNER OF SECTIONS 25-26-35-36, T22S, R28E, BEARS N. 71°52'45"W., 1290.2 FEET; THENCE N.00°28'12"W., 100.0 FEET TO AN RPC SET FOR THE NORTHWEST CORNER; THENCE N.89°31'48"E., 150.0 FEET TO AN RPC SET FOR THE NORTHEAST CORNER; THENCE S.00°28'12"E., 100.0 FEET TO AN RPC SET FOR THE SOUTHEAST CORNER; THENCE S.89°31'48"W., 150.0 FEET TO THE POINT OF BEGINNING; CONTAINING 0.344 ACRES OF LAND AND DIVIDED BY FORTIES AS FOLLOWS.  
NW4/NW4 = 0.344 AC.

NOTE:

1. BASIS OF BEARING IS A TRANSVERSE MERCATOR PROJECTION OF THE NEW MEXICO STATE PLANE COORDINATE SYSTEM, EAST ZONE, NAD 83, BASED ON NGS STATION "LOVING", AND DISTANCES ARE OF GRID VALUE.
2. LATITUDE AND LONGITUDE SHOWN IS THE CENTER OF THE FRAC PIT.

1000 0 1000 2000 FEET



I, JAMES E. TOMPKINS, NEW MEXICO PROFESSIONAL SURVEYOR NO. 14729, DO HEREBY CERTIFY THAT THIS PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*James E. Tompkins*  
JAMES E. TOMPKINS, N.M. P.L.S.

12/26/2012

No. 14729

SURVEY DATE: 12/10/2012  
JOB NO.: 48548

DRAFT GMY  
SHEET: 1 OF 1

RKI EXPLORATION & PRODUCTION  
PROPOSED FRAC PIT AND TURN AREA  
SECTION 36, T22S, R28E, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO



WEST TEXAS CONSULTANTS, INC.  
ENGINEERS PLANNERS SURVEYORS  
400 S.W. 1st Street  
Andrews, TX 79714  
(432) 523-2181

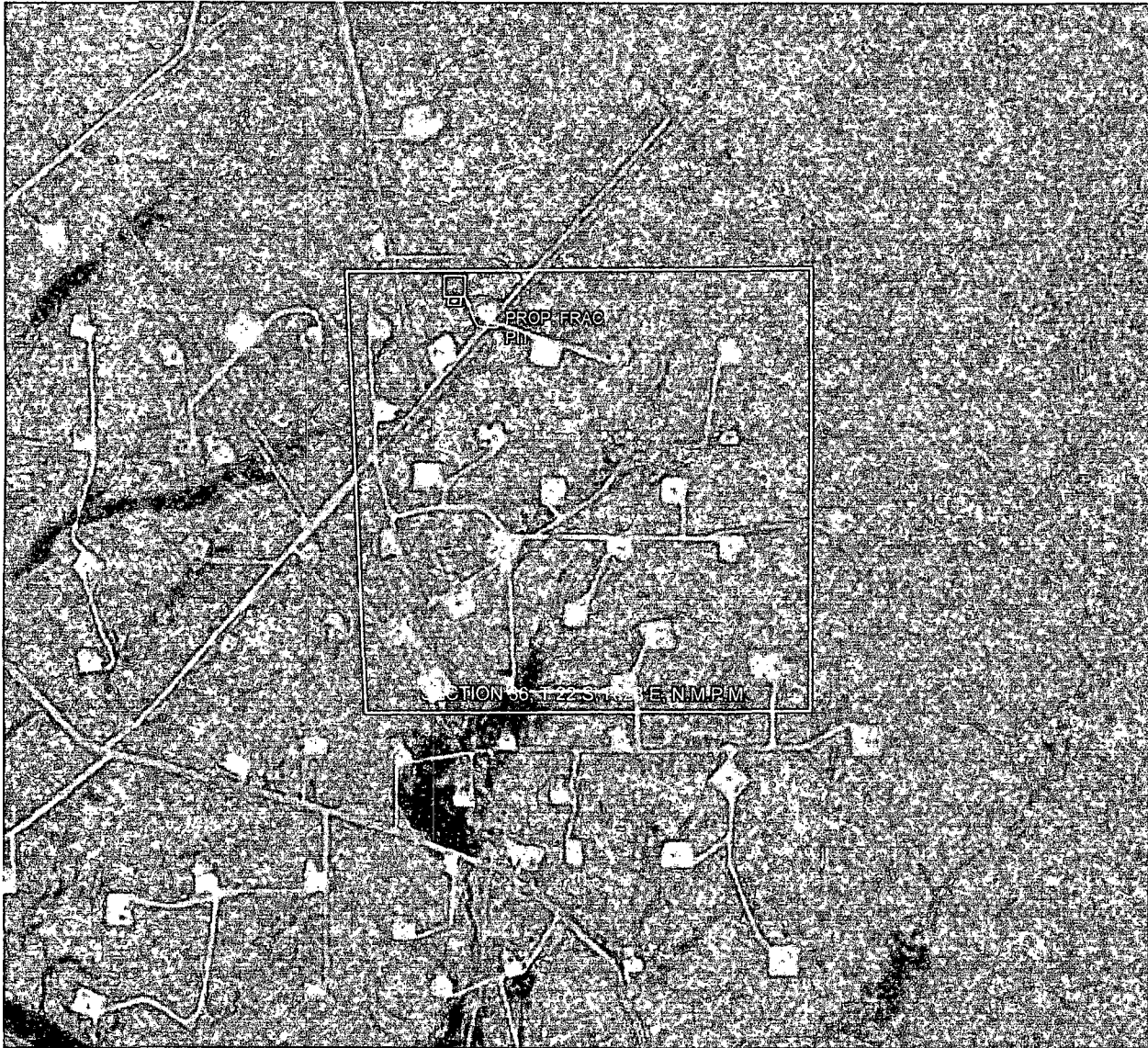
[illegible]

From the intersection of New Mexico State Highway 31 & County Road 605 (US Refinery Road). Go North on County Road 605 for 2.3 miles to lease road right. Go right 1.3 miles and turn left and the pit is on the left ±400 feet.



JOB No.: WTC48820

# AERIAL MAP



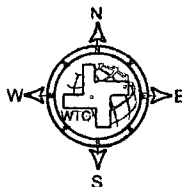
SCALE: 1" = 2000'

SECTION 36, T 22 S, R 28 E, N.M.P.M.

COUNTY: EDDY STATE: NM

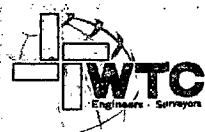
DESCRIPTION: FRAC PIT

OPERATOR: RKI EXPLORATION & PRODUCTION



## DRIVING DIRECTIONS:

From the intersection of New Mexico State Highway 31 & County Road 605 (US Refinery Road). Go North on County Road 605 for 2.3 miles to lease road right. Go right 1.3 miles and turn left and the pit is on the left  $\pm 400$  feet.



**WEST TEXAS CONSULTANTS, INC.**  
ENGINEERS PLANNERS SURVEYORS  
405 S.W. 1st STREET  
ANDREWS, TEXAS 79714  
(432) 523-2181

**RKI EXPLORATION & PRODUCTION**

JOB No.: WTC48820