

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM13997
2. Name of Operator RKI EXPLORATION & PRODUCTION		6. If Indian, Allottee or Tribe Name
3a. Address 210 PARK AVENUE, SUITE 900 OKLAHOMA CITY, OK 73102		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 405-996-5774 Fx: 405-996-5772		8. Well Name and No. EP USA 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 26 T26S R29E Mer NMP NESE 1650FSL 660FEL		9. API Well No. 30-015-23786
		10. Field and Pool, or Exploratory BRUSHY DRAW
		11. County or Parish, and State EDDY COUNTY COUNTY, NM

12. CHECK 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 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.)

This is notification that RKI Exploration & Production, LLC is taking over operations of the well(s) within the specified lease. The well(s) in this lease consist of the above-referenced EP USA 1, as well as the following:

EP USA 2--GAS WELL (API #: 30-015-23951) 990 FSL/1650 FEL, Section 26, T26S, R29E

EP USA 3--OIL WELL (API #: 30-015-24249) 1980 FSL/460 FEL, Section 26, T26S, R29E

EP USA 4--OIL WELL (API #: 30-015-24550) 660 FSL/1980 FEL, Section 26, T26S, R29E

EP USA 5--OIL WELL (API #: 30-015-25020) 660 FSL/1980 FWL, Section 26, T26S, R29E

**SUBJECT TO LIKE
APPROVAL BY STATE**

Accepted for record
NMOCD 1/12/13

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #184820 verified by the BLM Well Information System For RKI EXPLORATION & PRODUCTION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 01/24/2013 ()	
Name (Printed/Typed) JODY NOERDLINGER	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 01/17/2013
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
APPROVED	
Approved By <i>George Slahly</i>	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 which would entitle the applicant to conduct operations thereon.	Date NOV - 6 2013
	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 or to cause to be made or to be submitted to any agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	
BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE	

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #184820 that would not fit on the form

32. Additional remarks, continued

EP USA 6--OIL WELL (API #: 30-015-25021) 660 FSL/660 FWL, Section 26, T26S, R29E

EP USA 7Y--OIL WELL (API #: 30-015-25180) 1960 FSL/1980 FEL, Section 26, T26S, R29E

EP USA 8--OIL WELL (API #: 30-015-25023) 1980 FSL/1980 FWL, Section 26, T26S, R29E

EP USA 9--OIL WELL (API #: 30-015-25024) 1650 FSL/990 FWL, Section 26, T26S, R29E

RKI Exploration & Production, LLC, as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on this lease, or any portion of the lease described.

Bond Coverage: BLM Bond File Number: NMB000460

Change of Operator effective 12/21/2012

Former Operator: J.C. Williamson (11158)

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

**11/6/2013 Approved subject to Conditions of Approval. JDB
Change of Operator
Conditions of Approval**

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.
8. All Reporting to ONRR (OGOR Reports) must be brought current within 30 days of this approval including any past history.