

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, 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-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



Submit to appropriate District Office

☐ AMENDED REPORT

OCD-ARTESIA

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address RKI EXPLORATION & PRODUCTION, LLC. 3817 NW EXPRESSWAY SUITE 950 OKLAHOMA CITY, OKLAHOMA 73112		OGRID Number 246289
Property Code 303271	Property Name PINNACLE STATE	Well No. 22
Proposed Pool 1 HERRADURA BEND-DELAWARE EAST (30670)		Proposed Pool 2

Surface Location

UL or lot no. D	Section 36	Township 22S	Range 28E	Lot Idn	Feet from the 995'	North/South line NORTH	Feet from the 1086'	East/West line WEST	County EDDY
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Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Additional Well Information

Work Type Code N	Well Type Code O	Cable/Rotary ROTARY	Lease Type Code S	Ground Level Elevation 3125'
Multiple NO	Proposed Depth 6625'	Formation BONE SPRING	Contractor TEACO	Spud Date WHEN APPROVED
Depth to Groundwater Less than 100'		Distance from nearest fresh water well unknown		Distance from nearest surface water Pecos River 2 mi Southwest
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls		Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>		
Closed-Loop System <input checked="" type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size 26"	Casing Size 20"	Casing weight/foot Conductor	Setting Depth 40'	Sacks of Cement Redi-mix	Estimated TOC Surface
12 1/4'	9 5/8"	36#	400'	375 Sx.	Surface
7 7/8"	5 1/2"	17#	6625'	675 Sx.	Surface

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SEE ATTACHED SHEET

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Printed name: Joe T. Janica

Title: Permit Engineer

E-mail Address: joejanica@valornet.com

Date: 03/08/08

Phone: 575-391-8503

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: 3/17/08

Expiration Date: 3/17/10

Conditions of Approval Attached ☐

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-36216	Pool Code 30670	Pool Name HERRADURA BEND-DELAWARE-EAST
Property Code 303271	Property Name PINNACLE STATE	Well Number 22
OGRID No. 246289	Operator Name RKI EXPLORATION & PRODUCTION	Elevation 3125'

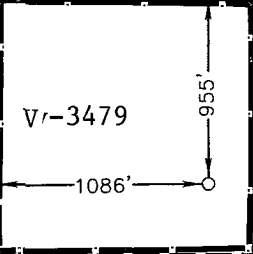
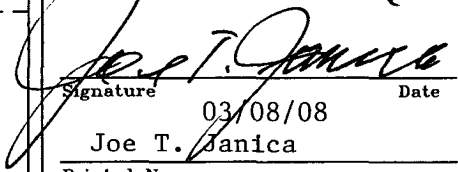
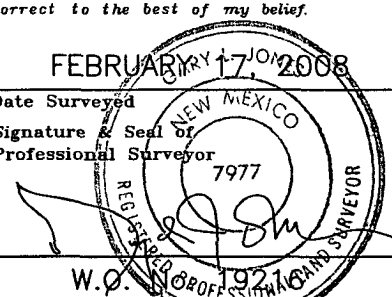
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	36	22 S	28 E		955	NORTH	1086	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>SURFACE LOCATION LAT N.: 32°21'14.18" LONG W.: 104°02'46.75" SPC N.: 492613.594 E.: 629964.768 (NAD-83)</p>				
<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p> Signature _____ Date 03/08/08 Printed Name Joe T. Janica</p>					
<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>FEBRUARY 17, 2008 Date Surveyed _____ Signature & Seal of Professional Surveyor _____  Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>					

1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 12½" hole to 400'. Run and set 400' of 9 5/8" 36# J-55 ST&C casing. Cement with 375 Sx of Class "C" cement + 2% CaCl, + ¼# Flocele/Sx. Yield 1.32, circulate cement to surface.
3. Drill 7 7/8" hole to 6625'. Run and set 6625' of 5½" 17# J-55 ST&C casing. Cement in two stages, with DV Tool at 4000'±. Cement 1st stage with 210 Sx. of Class "C" cement + additives, Yield 2.47, tail in with 140 Sx. of Class "C" cement + additives, Yield 1.3. Cement 2nd stage with 200 Sx of Class "C" cement + additives yield 2.47, tail in with 125 Sx. of Class "C" cement + additives Yield 1.32, circulate cement to surface.
4. Cement volumes on both strings of pipe may have to be re-calculated after the open hole logs have been run. The results of the caliper log calculations may result in having to alter the prior estimated volumes of cement needed.
5. Fresh water mud will be used to drill the surface hole and saturated brine will be used to drill the 7 7/8" production hole in order to keep from washing out the salt section.
6. The Bureau of Land Management does not have any records of the presence of H₂S in this area. RKI Exploration & Production, LLC. has drilled wells in this area and have not encountered any H₂S while drilling their wells.

GEOLOGICAL PROGNOSIS

Well Name: Pinnacle State #22
API #: 0
Field: Herradura Bend

Location (NSL): 955 FNL 1086 FWL
Sec. 36-22S-28E
Eddy Co., NM

Lat/Long: 32.3537586 / -104.0456109
KB(ft): 3,137

Elevation: GL(ft): 3,125

<u>FORMATION</u>	<u>DEPTH (TVD)(ft)</u>	<u>SUBSEA(ft)</u>
Base of Salt	2,555	582
Base of Lime	2,781	356
Delaware Top	2,824	313
Bell Canyon Sand	2,824	313
Cherry Canyon Sand	3,801	-664
Brushy Canyon Sand	4,823	-1,686
Pipeline Shale	6,327	-3,190
Bone Spring Lime	6,351	-3,214
Bone Spring Avalon Sand	6,455	-3,318
TD (includes 150 ft. rat hole)	6,625	-3,488

Primary Objective(s): Brushy Canyon, Bone Spring Avalon
Secondary Objective(s): Bell Canyon, Cherry Canyon

Mud Logger: Company Name: Morco Starting Depth: 2,355
Catch 10' Samples from Start to Total Depth (unless told 200' above Delaware
otherwise)

Electric Logging Program: (Schlumberger or Halliburton)

Laterolog from 200' above Delaware top to T.D.

Gamma Ray/Density/Neutron/Caliper Log from 200' above Delaware top to T.D.

Magnetic Resonance Tool from Delaware top to T.D.

Correlation Logs:

Pinnacle 7	Pinnacle 8	Pinnacle 2	Pinnacle 4
NW NW	NE NW	SW NW	SE NW
36-22S-28E	36-22S-28E	36-22S-28E	36-22S-28E

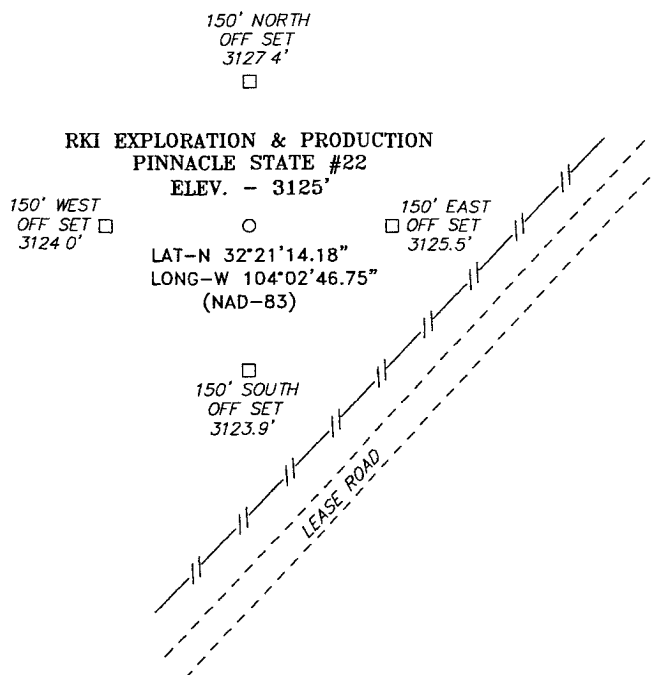
Remarks: Tops are

Date: 2/22/2008

Geologist: Matt Huhnke
Office: (405) 996-5755
Cell: (405) 476-2355
E-mail: mhuhnke@rkixp.com
FAX: (405) 949-2223

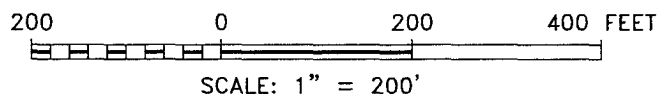
Engineer: Pat McCollom
Office: (405) 996-5748
Cell: (405) 833-0332
E-mail: pmccollom@rkixp.com
FAX: (405) 949-2223

SECTION 36, TOWNSHIP 22 SOUTH, RANGE 28 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF CO. RD. 605 AND STATE HWY. 31, GO NORTHWEST ON CO. RD. 605 FOR APPROX. 1.9 MILES TO LEASE ROAD, ON LEASE ROAD GO NORTHEAST FOR APPROX. 1.0 MILES TO PROPOSED LOCATION.



BASIN SURVEYS P.O. BOX 1786—HOBBS, NEW MEXICO

W.O. Number: 19216 Drawn By: J. M. SMALL

Date: 02-19-2008 Disk: JMS 19216W

RKI EXPLORATION & PRODUCTION

REF: PINNACLE STATE #22/ Well Pad Topo

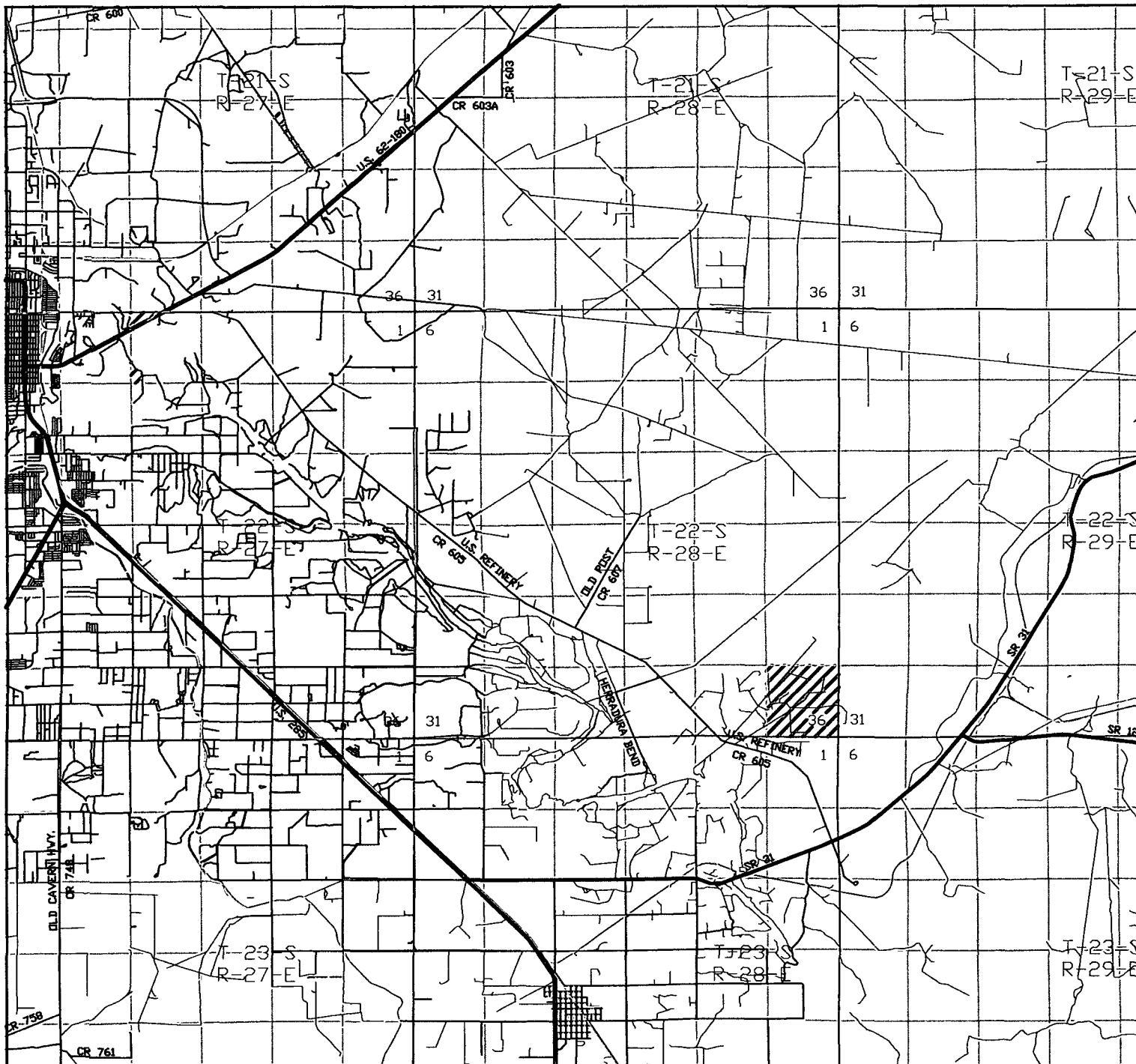
THE PINNACLE STATE #22 LOCATED 955' FROM

THE NORTH LINE AND 1086' FROM THE WEST LINE OF

SECTION 36, TOWNSHIP 22 SOUTH, RANGE 28 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 02-17-2008 Sheet 1 of 1 Sheets



PINNACLE STATE #22

Located at 955' FNL and 1086' FWL

Section 36, Township 22 South, Range 28 East,
N.M.P.M., Eddy County, New Mexico.



focused on excellence
in the oilfield

P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

W.O. Number: JMS 19216TR

Survey Date: 02-17-2008

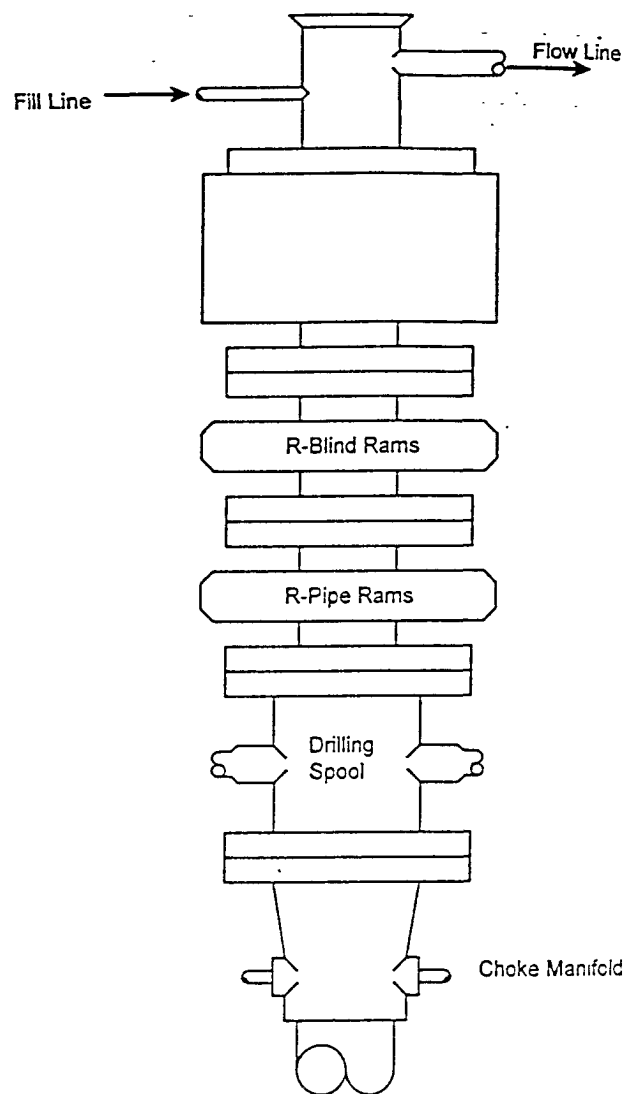
Scale: 1" = 2 MILES

Date: 02-19-2008

RKI
EXPLORATION &
PRODUCTION

BLOWOUT PREVENTER SYSTEM

3000 PSI



Type 900 SERIES
3000 PSI WP

Choke Manifold Assembly for 5M WP System

