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 June 16, 2008

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

bmit to appropriate District Office

☐ AMENDED REPORT

44	O S. St. Flancis Dr., Sama Pe, Nivi	Dama 1 C, 14.	WI 67505	Social I	esia	
	APPLICATION I	OR PERMIT TO DRILL, RE-ENT	TER, DEEPE	N, PLUGBA	CK, OR ADD	A ZONE
		Operator Name and Address			OGRID Number	
		PLORATION, & PRODUCTION, LLC.		2462		
		W EXPRESSWAY SUITE 950 MA CITY, OKLAHOMA 73112	•	30.015.36		482
	Property Code	² Property Name			Well No.	
<	303271	PINNACLE STATE			2	6
		Proposed Pool 1		10 Propos	sed Pool 2	
	CULEBRA BLUFI	F SOUTH-BONE SPRING (15011)				
		⁷ Surface Loc	ation			
						1

UL or lot no. North/South line Feet from the East/West line County Township Range Lot Ida Feet from the 28E 1650' SOUTH 3301 EAST 36 ⁸ Proposed Bottom Hole Location If Different From Surface Lot Idn Feet from the North/South line Feet from the East/West hoe UL or lot no. Range County Additional Well Information is Ground Level Elevation 13 Cable/Rotary Lease Type Code 12 Well Type Code 11 Work Type Code ROTARY 3142! Ν 0 19 Contractor 16 Muitiple 17 Proposed Depth ia Formation Spud Date 7070' BONE SPRING PERMIAN DRILLING WHEN APPROVED NO

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC	
17½11	14"	Conductor	80 '	Redi-mix	Surface	
² 11"	8 5/8"	32#	450 '	181 Sx.	Surface	
7 7/8"	. 5½"	17#	7070 '	541 Sx	Surface	
	-					

²² 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.

Pits must be registered, operated, maintained and closed per 19.15.17 [NMAC]

SEE ATTACHED SHEET FOR DETAILS.

²³ I her	eby certify that the information g	even above is true and complete to the best			
of my	knowledge an d bel jef.		OIL CONSERVATION DIVISION		
Signat	ure:		Approved Den W. Seeme		
	Jost.	Janka	1 F. FIT Seaseaurea	1	
Printed	iname: Joe T. Janic		Title:		
Title:	Permit Eng.		Approval Date. / / / Expiration Date: / / / C	1/10	
E-mail	Address: joejanica@v	alornet.com	(7		
Date.	09/18/08	Phone: 575-391-8503	Conditions of Approval Attached		X
				i	

DISTRICT I 1825 N. French Dr., Hobbs, NM 88240

DISTRICT III

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

DISTRICT II 1301 W. Grand Avenue, Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

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

OIL CONSERVATION DIVISION

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

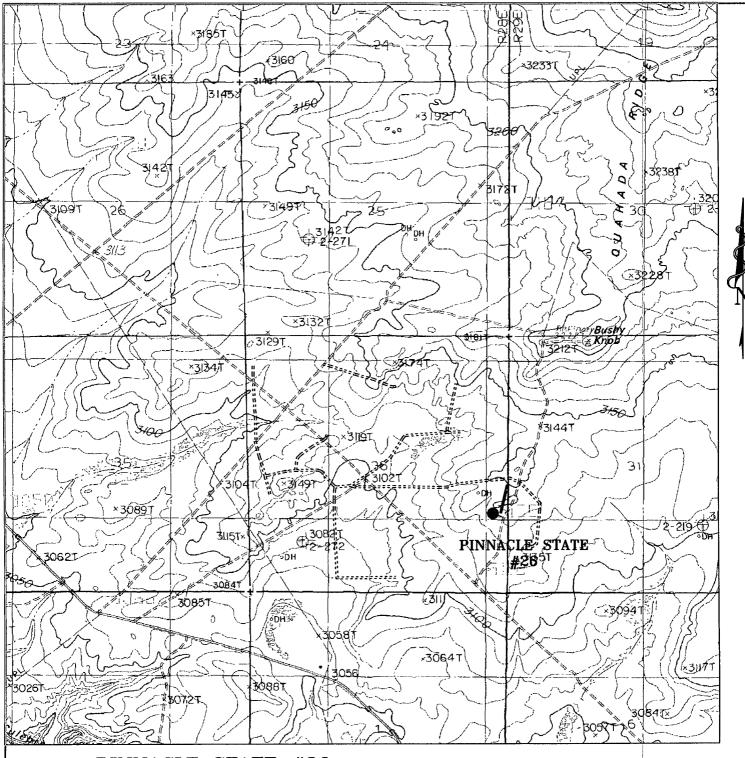
□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

WELL LOCATION AND ACREAGE DEDICATION LEAT										
30 - 015 · 36	682	150	Pool Code		Cī	ULEBRA BLUFF	Pool Name SOUTH BONE	SPRI	IG, 50	wth
Property Code			Property Name						Well Number	
30321/ OGRID No.			PINNACLE STATE						26 Elevation	
246289		R	KI FXP	Operator 1 I ORATION I					314	
240209	246289 RKI EXPLORATION & PRODUCTION 3142' Surface Location									
UL or lot No. Section	n Township	Range	Lot Idn	Feet from th	ne	North/South line	Feet from the	East/W	est line	County
1 36	5 22 S	28 E		1650		SOUTH	330	E	AST	EDDY
		Bottom	Hole Lo	ocation If Di	iffer	rent From Sur	face			
UL or lot No. Section	n Township	Range	Lot Idn	Feet from th	1e	North/South line	Feet from the	East/W	est line	County
Dedicated Acres Join	nt or Infill	Consolidation (Code 0	rder No.	1.			<u> </u>		
40 —										
NO ALLOWABLI						NTIL ALL INTER APPROVED BY		EEN CO	NSOLID <i>I</i>	ATED
	1		<u> </u>				OPERATO			TON
			LAT N.: LONG W.: SPC-N.:	E LOCATION 32°20°47.70° 104°01′58.81° 489948.8 634085.1 0–83)		VA-3479	I hereby ce contained hereithe best of my this organization interest or until land including location pursuas of such a mine a voluntary pool the division. Signature Joe T Printed Nam SURVEYO I hereby certify on this plat we actual surveys supervison, and correct to the professional Date Surveye Signature & Professional	rtify that in is true knowledge n either o assed mine the propos nt to a co ral or wor ling agree lung order Jan: e OR CER that the as plotted made by d that ti e best of Surveyo JON:	the informand complement complement of the compl	action ete to and that ing in the tole an owner st, or to entered by Date 9/18/08 ION on shown notes of under my true and

- 1. Drill $17\frac{1}{2}$ " hole too80'. Set 80' of 14" conductor pipe and cement to surface with Redi-mix.
- 2. Drill 11" holesto 450'. Run and set 450' of 8 5/8" 32# J-55 ST&C casing . Cement with 181 Sx. of Class "C" cement + 2% CaCl, $+\frac{1}{4}\#$ Flocale/Sx. Yield 1.34. circulate cement to surface.
- 3. Drill 7 7/8" hole to 7070'. Run and set 7070' of 5½" 17# J-55 LT&C casing. Cement with 541 Sx. of cement as follows: 341 Sx. of 40/60 (D961/D124) + 2% retarder + 1% Antisettling Agent + 0.3% Dispersant +3072% Antifoaming Agent, Yield 2.1, tail in with 200 Sx. of 40/60 (D961/D124) 0+20.2% Retarder + 1% Antisettling Agent + 0.3% Dispersant + 0.2% Antifoaming Agent + 0.125#/Sx. Poly Flake. Yield 2.27. Circulate cement to surface.

SECTION 36, TOWNSHIP 22 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO. 150' NORTH OFF SET 3145.5 RKI EXPLORATION & PRODUCTION PINNACLE STATE #26 ELEV. - 3142' 150' WEST OFF SET 3138.4 LAT-N 32'20'47.70" LONG-W 104°01'58.81" (NAD-83) 150' SOUTH OFF SET 31.35.9 200 400 FEET DIRECTIONS TO LOCATION: SCALE: 1" = 200'FROM THE JUNCTION OF HWY 62-180 AND REFINERY ROAD, GO SOUTHERLY ON REFINERY ROAD FOR 10.3 MILES TO LEASE ROAD, ON LEASE ROAD GO NORTHEAST 0.9 MILES, THENCE SOUTHEAST WINDING NORTHEAST 1.2 MILES TO WELL PAD AND PROPOSED RKI EXPLORATION & PRODUCTION PINNACLE STATE #26 / Well Pad Topo LEASE ROAD. THE PINNACLE STATE #26 LOCATED 1650' FROM THE SOUTH LINE AND 330' FROM THE EAST LINE OF BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO SECTION 36, TOWNSHIP 22 SOUTH, RANGE 28 EAST, J. M. SMALL W.O. Number: 19604 N.M.P.M., EDDY COUNTY, NEW MEXICO. Drawn By: Sheet Sheets Date: 05-08-2008 Disk: JMS Survey Date: 05-07-2008



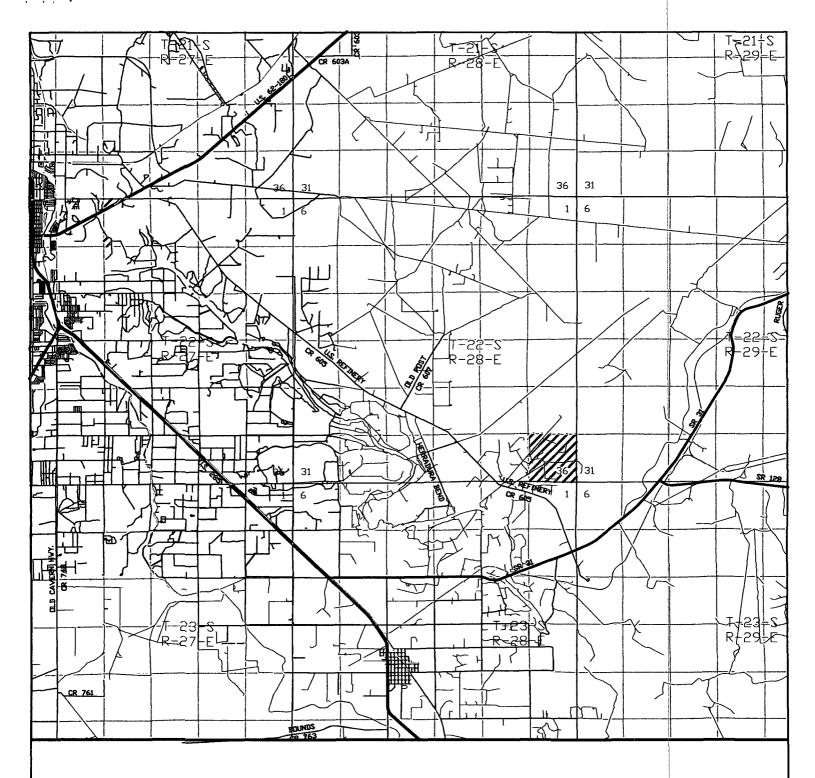
PINNACLE STATE #26 Located at 1650' FSL AND 330' FEL Section 36, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.



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: 19604
Survey Date: 05-07-2008
Scale: 1" = 2000'
Date: 05-08-2008

RKI EXPLORATION & PRODUCTION



PINNACLE STATE #26 Located at 1650' FSL and 330' FEL Section 36, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.



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	19604	
Survey Date:	05-0	7-2008	
Scale: 1" = 2	MILES		
Date: 05-08-	-2008		

RKI EXPLORATION & PRODUCTION

BLOWOUT PREVENTER SYSTEM

Adjustible Choke

