

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 checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMNM20965 |
| 2. Name of Operator RKI EXPLORATION & PROD LLC | | 6. If Indian, Allottee or Tribe Name |
| Contact: CHARLES K AHN E-Mail: cahn@rkixp.com | | 7. If Unit or CA/Agreement, Name and/or No |
| 3a. Address 3817 NW EXPRESSWAY SUITE 950 OKLAHOMA CITY, OK 73112 | 3b. Phone No (include area code) Ph: 405-996-5771 Fx: 405-949-2223 | 8. Well Name and No. RDX 17 3 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T26S R30E SESE Lot P 510FSL 380FEL 32.036654 N Lat, 103.896163 W Lon | | 9. API Well No. 30-015-36870-00-X1 |
| | | 10. Field and Pool, or Exploratory ROSS DRAW |
| | | 11. County or Parish, and State EDDY COUNTY, NM |

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

| TYPE OF SUBMISSION | ACTION |
|---|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Production (Start/Resume) |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Reclamation |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Recomplete |
| | <input type="checkbox"/> Temporarily Abandon |
| | <input type="checkbox"/> Water Disposal |
| | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Well Integrity |
| | <input checked="" type="checkbox"/> Other Drilling Operations |

Review NMOCD Rule 19.15.7.14 for compliance with Regulatory filing deadlines.

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 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.)

On 1-15-2012, drilled 7 7/8" hole to 7402'. Ran 166 joints of 5 1/2" 17# N-80 LT&C Casing with shoe set @ 7397 feet. Float Collar set @ 7350'. DV tool set @ 5002'

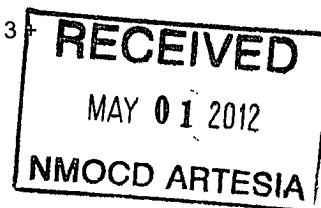
Cemented with:

1st Stage: 528 sks, 13.0 ppg, 1.42 yield with 1.3.% PF-044 +5.0.% PF144 + 0.5.% PF606 + 0.2.% PF013 + 0.1.% PF153

Open tool and circulate 34 sks cement to surface
2nd Stage

Lead: 328 sks, 12.8 ppg, 2.04 yield with 5% PF-044 + 6.0.% PF020 + 0.2.% PF013 +

Accepted for record
NMOCD



Report pressure test on casing

| | |
|--|-------------------------------|
| 14. I hereby certify that the foregoing is true and correct. | |
| Electronic Submission #136113 verified by the BLM Well Information System For RKI EXPLORATION & PROD LLC, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 04/25/2012 (12DLM1008SE) | |
| Name (Printed/Typed) CHARLES K AHN | Title EH&S/REGULATORY MANAGER |
| Signature (Electronic Submission) | Date 04/23/2012 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------------------------------|-----------------|
| Approved By ACCEPTED | JAMES A AMOS Title SUPERVISOR EPS | Date 04/29/2012 |
| 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 Carlsbad |

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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional data for EC transaction #136113 that would not fit on the form

32. Additional remarks, continued

0.25 lb/sk PF029

Tail: 100 sks, 14.8 ppg, 1.33 yield with 0.30% PF013
Rig Down and release rig.