Form 3160-5 (March 2012)

UNITED STATES DEPARTMENT OF THE INTERIOR

OCD Artesia

FORM APPROVED OMB No. 1004-0137

Expires: October 31, 2014 BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NM-20965 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well 8. Well Name and No. 7 Oil Well Gas Well Other RDX FEDERAL 17-21 2. Name of Operator RKI EXPLORATION & PRODUCTION, LLC. 9. API Well No. 30-015-41088 10. Field and Pool or Exploratory Area 3a. Address 3b. Phone No. (include area code) 210 PARK AVENUE, SUITE 900 OKLAHOMA CITY, OKLAHOMA 73102 BRUSHY DRAW DELAWARE EAST (575) 361-4078 (BARRY HUNT) 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 2080 FSL & 330 FEL, SECTION 17, T. 26 S., R. 30 E. 11. County or Parish, State EDDY, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Deepen Production (Start/Resume) . Water Shut-Off Acidize ✓ Notice of Intent Reclamation Well Integrity Alter Casing Fracture Treat Other SWD PIPELINE Casing Repair New Construction Recomplete Subsequent Report MINI B-1 SWD Change Plans Plug and Abandon Temporarily Abandon LATERAL Plug Back Water Disposal Final Abandonment Notice Convert to Injection 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.) RKI EXPLORATION & PRODUCTION REQUESTS APPROVAL FOR A 704.3 FT. OF A 6", BURIED POLY (110 PSI), SALT WATER DISPOSAL (SWD) PIPELINE FROM THE HEADER AT THE RDX FEDERAL 17-21, SOUTHEAST, TO THE RDX 16-3 (STATE) WELL. NE/4SE/4 SECTION 17, T. 26 S., R. 30 E. (FEDERAL) W/2SW/4 SECTION 16, T. 26 S., R. 30 E. (STATE) THE PROJECT NAME WILL BE THE MINI B-1 SWD LATERAL. THE LENGTH OF LINE WILL BE 1,852.6 FT. THIS APPLICATION IS FOR 704.3 FT , OR 0.49 ACRES, ON FEDERAL LANDS WITHIN SECTION 17, T 26S., R. 30 E. ALL WITHIN LEASE NUMBER NM-20965. THE REMAINING FOOTAGE IN SECTION 16 HAS BEEN APPLIED FOR WITH THE NEW MEXICO STATE LAND OFFICE. THE PIPELINE ROUTE WILL FOLLOW THE EXISTING EAST/WEST AND NORTH/SOUTH LEASE ROADS FOR THE ENTIRE LENGTH. RKI EXPLORATION & PRODUCTION, LLC. IS A PERMIAN BASIN MOA PARTICIPANT AND NO PAYMENT IS REQUIRED DUE TO PROJECT FOLLOWING AREAS PREVIOUSLY ARCHAEOLOGICALLY CLEARED. Accepted for record NM OIL CONSERVATION ARTESIA DISTRICT NMOCD / IUN 3 0 2014 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Title PERMIT AGENT FOR RKI EXP BARRY W. HUNT Signature

entitle the applicant to conduct operations thereon. 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.

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Title

Office

FIELD MANAGER

CARLSBAD FIELD OFFICE

JUN 1 8 2014

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

Approved by



