| UNITED STATES |
|----------------------------|
| DEPARTMENT OF THE INTERIOR |
| BUREAU OF LAND MANAGEMENT |

Expires: July 31, 2010

FORM APPROVED

OMB NO. 1004-0135

| 5. | Lease Serial No. |
|----|------------------|
| | NMNM54290 |

| 20NDK I N | OTICES AND REPORTS ON WELLS | |
|-----------------|--|----|
| Do not use this | form for proposals to drill or to re-enter | an |
| | 11 f 0400 0 (400) f | |

| Do not use this form for proposa abandoned well. Use form 3160-3 | 6. If Indian, Allottee or Tribe Name | |
|---|---|---|
| SUBMIT IN TRIPLICATE - Other in | 7. If Unit or CA/Agreement, Name and/or No. | |
| Type of Well | | 8. Well Name and No. NORTH BRUSHY DRAW FEDERAL 35 9 |
| Name of Operator Cont RKI EXPLORATION & PRODUCTIONE-Mail: hbref | act: HEATHER BREHM nm@rkixp.com | 9. API Well No. 30-015-42220 |
| 3a. Address 210 PARK AVENUE, SUITE 900 OKLAHOMA CITY, OK 73102 | 3b. Phone No. (include area code) Ph: 405-996-5769 Fx: 405-996-5772 | 10. Field and Pool, or Exploratory CORRAL CANYON;BONE SPR,S |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Described Sec 35 T25S R30E Mer NMP NENE 300FNL 260I 32.053384 N Lat, 103.565029 W Lon | | 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 | OF SUBMISSION TYPE OF ACTION | | | |
|----------------------------|------------------------------|--------------------|-----------------------------|---------------------|
| Notice of Intent | ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| Notice of Intent | ☐ Alter Casing | ☐ Fracture Treat | ☐ Reclamation | ■ Well Integrity |
| Subsequent Report | □ Casing Repair | □ New Construction | ☐ Recomplete | Other |
| ☐ Final Abandonment Notice | Change Plans | Plug and Abandon | □ Temporarily Abandon | Drilling Operations |
| | Convert to Injection | □ Plug Back | □ 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.)

(P) MM3009-2-14

INTERMEDIATE SUNDRY

on 4/14/2014 drilled 12-1/4" hole to 3150'/ran 9 5/8 40# J-55 Casing 64 Jnt's Float Collar @ 3140+/- Shoe @ 3186-/+.

Circulate casing with full returns test lines to 4000 psi

Lead-660 sks 36/65C+mix 12.9# 1.92 yield

Tail-200 sks C+mix 14.8# 1.32 yield Tail-200 sks C+mix 14.8# 1.32 yield tested at rate of 5 bpm @ 200 psi. Displaced with 228 bbl F/W at 6 bpm @ 175 psi slowing rate to 3 bpm @ 830 psi. Landed plug & bumped with 1,310 psi 500 psi over. Floats hold. Circulated 2 bbls back to surface

NM OIL CONSERVATION ARTESIA DISTRICT AUG 27 2014

| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #243875 verified by the BLM Well Information System For RKI EXPLORATION & PRODUCTION, sent to the Carlsbad | | | | |
|---|-------------------------|-----------------------------|------|--|
| Name (Printed/Typed) HEATHER BREHM Title REGULATORY ANALYST | | | | |
| Signature | (Electronic Submission) | Date 04/30/2014 | | |
| | THIS SPACE FOR | FEDERAL OR STATE OFFICE USE | | |
| Approved By | | Title | Date | |
| 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. | | | | |

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.