

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. NMNM102036
2. Name of Operator RKI EXPLORATION AND PRODUCTION		6. If Indian, Allottee or Tribe Name
3a. Address 210 PARK AVE. SUITE 900 OKLAHOMA CITY, OK 73102		7. If Unit or CA/Agreement, Name and/or No. NMNM132614
3b. Phone No. (include area code) Ph: 405-996-0577		8. Well Name and No. RDX FED COM 10 5H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T26S R30E Mer NMP NWSE 2310FSL 2310FEL		9. API Well No. 30-015-41087
		10. Field and Pool, or Exploratory CORRAL CANYON; BONE SPRIN
		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	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> 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 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.)

RKI Exploration and Production reports water disposal, according to Onshore Order #7, for the subject well:

Producing an average of 740 BBLS per day from the Bone Spring formation since production began on approximately 5/23/2013.

Water is stored in three 500 BBL tanks on site and transported by line to be distributed among these disposal wells, owned by RKI:

Red Bluff Deep SWD-1, 1320 feet from the North line and 1320 feet from the East line of Section 7-Block 56-Township 1, Loving County, Texas; Permit #719860.

**NM OIL CONSERVATION**  
ARTESIA DISTRICT

OCT 27 2014

SEE ATTACHED FOR  
RECEIVED  
CONDITIONS OF APPROVAL

Accepted for record

ORD RECD 10/28/14

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #253559 verified by the BLM Well Information System For RKI EXPLORATION AND PRODUCTION, sent to the Carlsbad Committed to AFMSS for processing by LINDA DENNISTON on 09/18/2014 ( )	
Name (Printed/Typed) JODY NOERDLINGER	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 07/17/2014

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date SEP 18 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 entitle the applicant to conduct operations thereon.		Office _____

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 any statement or representation to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**Additional data for EC transaction #253559 that would not fit on the form**

**32. Additional remarks, continued**

Red Bluff SWD 8-1, 1120 feet from the North line and 1320 feet from the West line of Section 8-Block 56-Township 1, Loving County, Texas; Permit #688296.

Red Bluff SWD 8-2, 1320 feet from the South line and 1320 feet from the East line of Section 8-Block 56-Township 1, Loving County, Texas; Permit #750155.

Damsite Unit SWD 1, 1320 feet from the North line and 1320 feet from the East line of Section 9-Block 56-Township 1, Loving County, Texas; Permit #719771.

This sundry is intended to replace EC Transaction# 252296.

**BUREAU OF LAND MANAGEMENT**

Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972

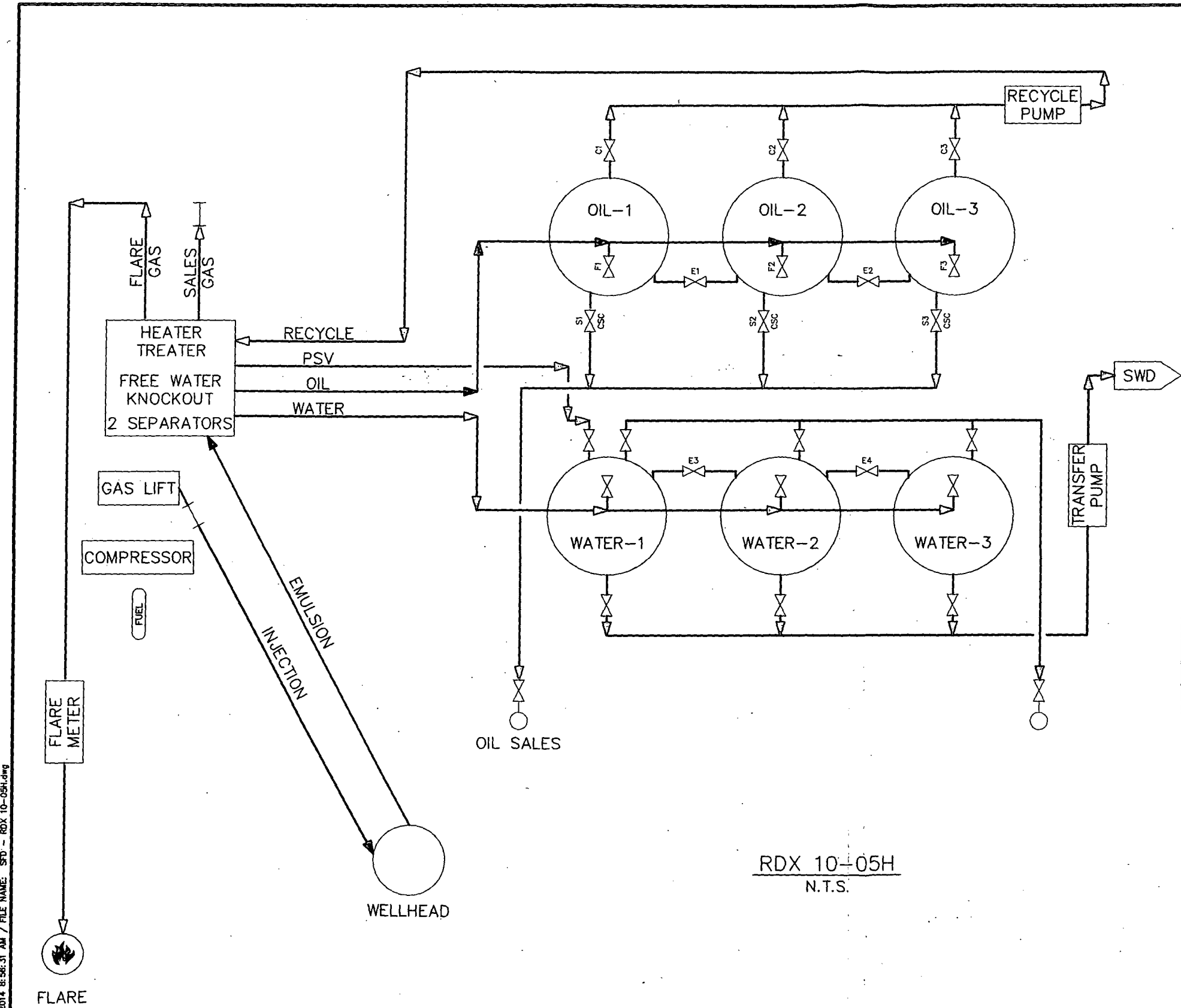
**Disposal of Produced Water From Federal Wells  
Conditions of Approval**

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
8. Disposal at any other site will require prior approval.
9. Subject to like approval by NMOCD.

7/10/14

#2



RKI EXPLORATION & PRODUCTION, LLC  
 RDX FEDERAL COM 10-05H  
 LEASE# NM-100558  
 2310' FSL & 2310' FEL  
 UNIT J SEC. 10-T26S-R30E  
 API# 30-015-41087  
 EDDY COUNTY, NEW MEXICO

General sealing of valves, sales by tank gauge.

**Production Phase:** Sales valves S1 through S3 sealed closed. Fill valve to tank that is in production will be open. Equalizer valve to tank that is in production will be open. Circulating valves will be opened as necessary, then released.

**Sales Phase:** The tank from which sales are being made will be isolated by sealing closed the fill valve, circulating valve and the equalizer valve during sales and opening the sales valve. Upon completion of the sale the sales valve will be released. Sales by truck will be by tank gauge.

Valve	Production Phase	Sales Phase	Circulating
S1	Closed	Open	Closed
S2	Closed	Open	Closed
S3	Closed	Open	Closed
C1	Closed or Open	Closed	Closed
C2	Closed or Open	Closed	Closed
C3	Closed or Open	Closed	Closed
F1	Open or Closed	Closed	Closed or Open
F2	Open or Closed	Closed	Closed or Open
F3	Open or Closed	Closed	Closed or Open
E1	Open	Closed	Closed
E2	Closed	Closed	Closed
E3	Closed	Closed	Closed
E4	Closed	Closed	Closed

The Site Security Plan is kept at RKI's office located at:  
 5305 Buena Vista Dr. Carlsbad, NM.

Accepted for Record Purposes.  
 Approval Subject to Onsite Inspection.  
 Date: 9/18/14  
*[Signature]*

RDX 10-05H  
 N.T.S.



PLOT: Tuesday, July 15, 2014 8:56:31 AM / FILE NAME: SFD - RDX 10-05H.dwg

REFERENCE DRAWING	DWG NO.	NO.	DATE	PROJECT DESCRIPTION	PROJ.	AFE	EPCM CO.	EPCM NO.	APPD.	ISSUE STAGE	DATE	BY	CHKD.	APPD.	PERMIT STAMP	ENGINEER'S STAMP

	NAME: RDX 10-05H Red Lease # 102036	
	FAC. TYPE: WELLSITE	
	SCALE: N.T.S.	
	EPCO NO.:	
OWNER: RKI EXPLORATION & PRODUCTION, LLC		
TITLE: SITE FACILITY DIAGRAM		
AREA: EDDY COUNTY, NEW MEXICO		FILE NO: SFD-01

SSP at RKT Headquarters  
 5315 Buena Vista Drive  
 Carlsbad, NM 88502