

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

Carlsbad Field Office
OCD Artesia

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.

5. Well No. NMNM19612		6. Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE - Other instructions on reverse side.		7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. RDX FEDERAL 28 24	
2. Name of Operator RKI EXPLORATION & PROD LLC	Contact: ASHLEE FECHINO E-Mail: ashlee.fechino@wpenergy.com	9. API Well No. 30-015-43038-00-S1
3a. Address 3500 ONE WILLIAMS CENTER MD 35 TULSA, OK 74172	3b. Phone No. (include area code) Ph: 970.404.5031	10. Field and Pool, or Exploratory ROSS DRAW-DELAWARE, WEST
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec.28 T26S R30E SENE 1650FNL 990FEL		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 checked="" 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 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Onshore Order Variance
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input 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 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.)

RKI Exploration and Prod LLC requests permission to install a Vapor Combustor Unit (VCU) at the RDX 28-24 Federal Facility.

The cost of installing and operating equipment necessary to capture gas exceeds the value of gas over the life of the facility and is not economic.

Estimated gas volumes: 6 mcf/day (182 mcf/month)

NM OIL CONSERVATION
ARTESIA DISTRICT
SEP 23 2016
RECEIVED

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #341578 verified by the BLM Well Information System For RKI EXPLORATION & PROD LLC, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 07/11/2016 (16PP1660SE)	
Name (Printed/Typed) ASHLEE FECHINO	Title REGULATORY SPECIALIST STAFF
Signature (Electronic Submission)	Date 06/09/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>DUNCAN WHITLOCK</u>	Title <u>TECHNICAL LPET</u>	Date <u>09/12/2016</u>
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.

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

**CONDITIONS OF APPROVAL TO INSTALL
VAPOR COMBUSTOR UNIT (VCU)**

**RKI Exploration & Production LLC
RDX Federal 28 24
3001543038, NMNM19612**

1. These conditions of approval are for installation of a VCU on low-pressure oil storage tank facilities. This approval is due to the fact that the cost of installing and operating equipment necessary to capture the gas exceeds the value of the gas over the life of the facility. The operator may be required to provide economic justification to the Authorized Officer upon request. The operator may be required to provide volume verification to the Authorized Officer upon request.
2. Comply with NTL-4A requirements.
3. If volume being combusted is less than 50 MCF of gas per day, it is considered "unavoidably lost"; therefore, no royalty obligation shall be accrued and will not be required to be reported.
 - a. "Unavoidably Lost" production shall mean (1) those gas vapors which are released (in this case combusted) from low-pressure storage tanks.
4. Essentially all measured combusted volumes over 50 MCF will require payment of royalties and volumes need to be reported on OGOR "B" reports as disposition code "08".
5. Per 43 CFR 3162.7-5(d)/Onshore Order No.3.III.I.1, site facility diagram must be submitted within 60 days of equipment installation.
6. This approval does not authorize any additional surface disturbance.
7. Subject to like approval from NMOCD.