Form 3160-5 (February 2005)

(Instructions on page 2) ...

OCD-ARTESIA **UNITED STATES**

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| FORM A | PPROVED |
|------------|--------------|
| OMB No | 1004-0137 |
| Expires Ma | arch 31, 200 |

5 Lease Serial No LC-064490

6 If Indian, Allottee or Tribe Name

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 Page 2 | | | 7 If Unit of CA/Agreement, Name and/or No | | | |
| 1 Type of Well Oil Well Gas W | | APR - 5 2010 | | 8 Well Name and No WHITE WING 22 FED COM 23 | | |
| 2 Name of Operator RKI EXPLORATION & PRODUCTION | | NMOCD ARTESIA | | 9 API Well No 30-015-29833 | | |
| 3a Address 3817 NW EXPRESSWAY, STE 950 | | Phone-No-(include area code) | | 10 Field and Pool or Exploratory Area HAPPY VALLEY (BONE SPRINGS) DE laware | | |
| 4 Location of Well (Footage, Sec., T.R., M., or Survey Description) 1980 FSL, 2635 FWL, SEC 22, T-22S, R-26E | | | 11 Country or Parish, State EDDY COUNTY, NEW MEXICO | | | |
| 12 CHECI | K THE APPROPRIATE BOX(E | S) TO INDICATE NATURE C | F NOTIC | E, REPORT OR OTHER D |)ATA | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | | |
| Notice of Intent | Acidize Alter Casing | Deepen Fracture Treat | | nction (Start/Resume) | Water Shut-Off Well Integrity | |
| Subsequent Report | Casing Repair Change Plans | New Construction Plug and Abandon | Temp | mplete orarily Abandon | Other | |
| Final Abandonment Notice | Convert to Injection | Plug Back | √ Wate | ater Disposal | | |
| the proposal is to deepen directiona Attach the Bond under which the w following completion of the involve testing has been completed. Final Adetermined that the site is ready for 1 FORMATION PRODUCING WATE AMOUNT OF WATER PRODUCE 3 WATER IS STORED ON LOCATE WATER IS HAULED TO DISPOSE 5 OPERATOR'S NAME OF DISPOSE BARBADOS STATE SWD PERMIT #SWD-629 SEC 32, T-22S, R-26 EDDY COUNTY, NEW MEXICO | SEE ATTAC CONDITIO | e the Bond No on file with BLM sults in a multiple completion of ed only after all requirements, as PRINGS ROXIMATELY 650 BBLS PESS TANK RIVICES ACCEPTED FOR THE NMOCD F | M/BIA R or recomplincluding ER MONT | equired subsequent reports etion in a new interval, a Foreclamation, have been com ACCEPTE MAR /s/ JD BUREAU OF | must be filed within 30 days orm 3160-4 must be filed once | |
| 14 I hereby certify that the foregoing is to Name (Printed/Typed) GENE SIMER | ue and correct | Title PRODUCT | Title PRODUCTION SUPERINTENDENT | | | |
| Signature Sens | | | | | | |
| | THIS SPACE FO | R FEDERAL OR STA | TE OFF | ICE USE | | |
| Approved by | ************************************** | Title | | Date | | |
| Conditions of approval, if any, are attached that the applicant holds legal or equitable to entitle the applicant to conduct operations the state of the applicant to conduct operations the state of th | tle to those rights in the subject lea | | | | | |
| Title 18 U S C Section 1001 and Title 43 U fictitious or fraudulent statements or repres | | | willfully to | make to any department or a | gency of the United States any false | |

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. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
- Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
- 7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
- 8. 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
- 9 Subject to like approval by NMOCD.

3/25/2010