

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-38526	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Pinnacle State	
8. Well Number 29	
9. OGRID Number 246289	
10. Pool name or Wildcat South Culebra Bluff Bone Spring	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3128' GR	

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
RKI-Exploration & Production, LLC

3. Address of Operator
3817 NW Expressway, Ste 950, Okla. City, Ok. 73112

4. Well Location
Unit Letter P : 560 feet from the South line and 560 feet from the East line
Section 36 Township 22S Range 28E NMPM County Eddy

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☒
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

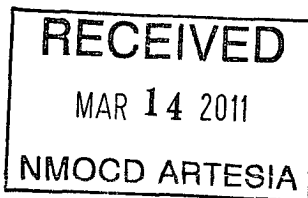
REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: BOP Modification ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Please See attachment.



Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bill Aubrey TITLE Operations Tech DATE 3-11-11

Type or print name Bill Aubrey E-mail address: baubrey@rkixp.com PHONE:

For State Use Only

APPROVED BY: David May TITLE Field Supervisor DATE 3-15-11

Conditions of Approval (if any):

**BOP TEST MUST BE PERFORMED
BY 3RD PARTY, PER DISTRICT 2
SUPERVISOR**

After setting the 13 3/8" casing a 3000 psi casing head will be installed and 3000 psi BOP equipment will be installed consisting of the following:

- Annular preventers*
- Double ram with blind rams and pipe rams*
- Drilling spool, or blowout preventer with 2 side outlets (choke side shall be a 3-inch minimum diameter, kill side shall be at least 2-inch diameter)*
- Kill line (2 inch minimum)
- A minimum of 2 choke line valves (3 inch minimum)*
- 3 inch diameter choke line
- 2 kill line valves, one of which shall be a check valve (2 inch minimum)*
- 2 chokes
- Pressure gauge on choke manifold
- Upper kelly cock valve with handle available
- Safety valve and subs to fit all drill string connections in use
- All BOPE connections subjected to well pressure shall be flanged, welded, or clamped*
- Fill-up line above the uppermost preventer.

BOP equipment will be tested to 250 psi low and 3000 psi high. The annular preventer will be tested to 1500 psi. The 13 3/8" casing will be tested to 1500 psi before drilling out.

After setting the 9 5/8" casing the a 3000 psi casing head will be installed. BOP equipment will be tested to 250 psi low and 3000 psi high. Annular preventer will be tested to 1500 psi. The 9 5/8" casing will be tested to 1500 psi before drilling out.

Maximum anticipated surface pressure assuming a .478 psi/ft pressured reservoir, wellbore completely evacuated of fluid, with only a column of gas would be 1287 psi. Pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These functional tests will be documented on the daily drillers log.

**NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
1301 W. GRAND AVENUE
ARTESIA, NM 88210
(575)748-1283**

CONDITIONS OF APPROVAL

**RKI Exploration & Production , LLC
Pinnacle State #29
30-015-38526**

1. Notify OCD Dist. 2 office with at least 24 hr. notice of spud and 4 hr. notice of intent to set & cement all conductor & casing strings. (575)748-1283 ext. 200, or Field Supervisor (575)626-0843.
2. BOP Test to be performed by 3rd party, using calibrated equipment, per District 2 Supervisor.
3. Trucking companies being used to haul oilfield waste – produced water, drilling fluids, or cuttings to disposal facilities- private or commercial- shall have an approved NMOCD Form C-133 (authorization to move produced water). A copy of this form shall be available in each truck being used to transport waste products.
It is the responsibility of the operator, as well as the hauling company to verify that this permit is in place.
4. Current NMOCD rules & regulations must be met at time of drilling.

**DG
3/15/2011**