

OCD-ARTESIA

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No 1004-0137
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.5. Lease Serial No.
NM-61349

6. If Indian, Allottee or Tribe Name

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 Well ☐ Other8. Well Name and No.
Longview Deep Federal 6-412. Name of Operator
RKI Exploration & Production, LLC. 2462899. API Well No.
30-015-376063a. Address
3817 NW Expressway, Suite 950
Oklahoma City, Ok. 731123b. Phone No. (include area code)
405-996-575010. Field and Pool or Exploratory Area
Undesignated Morrow

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1140 FSL & 840 FWL, Section 06, T 23 S., R. 29 E. ULM11. Country or Parish, State
Eddy, NM**SECRETARY'S POTASH**

12. CHECK THE 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 checked="" 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 type="checkbox"/> Other
	<input checked="" 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 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 & Production, LLC. proposes to change plans and deepen the Longview Federal 6-41 from a Bong Spring 80 acre dedicated oil well to a 320 acre Morrow gas well (Proposed depth of 13,500 ft.) See attached drilling plan and BOP.

The company also proposes to change the name of the well from the Longview Federal 6-41 to the Longview Deep Federal 6-41.

The company also proposes to change the dedicated acreage from an 80 acre lay down to a 320 acre lay down or south half. (See attached C-102).

There will be no change in pad size or road route.

Approval Subject to General Requirements
& Special Stipulations Attached

SUBJECT TO LIKE
APPROVAL BY STATE

*Longview & Deep Federal
New property code
SEE ATTACHED FOR 38863
CONDITIONS OF APPROVAL Effective Date 08/22/2011

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)

BARRY W. HUNT

Title PERMIT AGENT FOR RKI EXPLORATION & PRODUCTION, LLC.

Signature

Barry W. Hunt

Date

8/22/11

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Ted M. Magner

PETROLEUM ENGINEER

Title

Date

SEP 28 2011

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

BLM-CARLSBAD FIELD 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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

Accept For Records - NMCD

RKI EXPLORATION & PRODUCTION, LLC.

Longview Deep Fed 1
840' FWL & 1,140' FSL
Section 6-23S-29E
EDDY CO., NM

1. The elevation of the unprepared ground is 3,041 feet above sea level.
2. The geologic name of the surface formation is Quaternary - Alluvium.
3. A rotary rig will be utilized to drill the well to 13,500' and run casing. This equipment will then be rigged down and the well will be completed with a workover rig.
4. Proposed total depth is 13,500'
5. Estimated tops of important geologic markers:

Quaternary - Alluvium	Surface
Base of Salt	2,555'
Base of Lime	2,775'
Delaware Top	2,820'
Bone Spring	6,355'
Wolfcamp	9,680'
Strawn	11,405'
Atoka	11,770'
Morrow	12,240'
Lower Morrow	12,725'
Barnett	12,885'
TD	13,500'

6. Estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered:

Bone Spring	6,355'	(125 degrees F, 2,750 psi)
Wolfcamp	9,680'	(145 degrees F, 4,256 psi)
Strawn	11,405'	(160 degrees F, 4,936 psi)
Atoka	11,770'	(176 degrees F, 5,100 psi)
Morrow	12,240'	(183 degrees F, 6,683 psi)

*Trans
26 Sep 2011
Insert per Operator
request.*

7. The proposed casing program is as follows:

Surface: 13-3/8" 54.5# J-55 ST&C casing set from 0' - 235'
Tension SF 2.0, Collapse SF 1.125, Burst SF 1.8.

Intermediate: 9-5/8" 40# J-55 LT&C casing set from 0' - 2,600'
Tension SF 2.0, Collapse SF 1.125, Burst SF 1.8.

Deep Intermediate: 7" 26# HCP-110 LT&C casing set from 0' - 11,700'
Tension SF 2.0, Collapse SF 1.125, Burst SF 1.8.

Liner: 4-1/2" 13.5# P-110 LT&C casing set from ~~11,400'~~ ^{11,200' See COA} - 13,500'
Tension SF 2.0, Collapse SF 1.125, Burst SF 1.8.

8. Casing setting depth and cementing program:

a. 13-3/8" surface casing set at 235' in 17-1/2" hole. Circulate cement to surface with 230 sx "C" with 3% D20, 1% S1, .125 pps D130, .2% D46, 3 pps D42 mixed at 13.5 ppg (1.74 cf/sk).

b. 9-5/8" intermediate casing set at 2,600' in 12-1/4" hole. Circulate cement to surface with 780 sx "C" with 5% D44, 27.5 pps D132, 6% D20, .2% D46, .124 pps D130, 2 pps D42, .1% D201 mixed at 12.6 ppg (2.06 cf/sk) followed by 200 sx "C" with .2% D201 mixed at 14.8 ppg (1.33 cf/sk).

c. 7" deep intermediate casing set at 11,700' in 8-3/4" hole. Hole will be callipered to determine cement volume to bring TOC to surface. The well will be cemented in two stages as follows: **Stage 1:** 875 sx "C" with 1.3% D44, 2% D174, .2% D46, .3% D167, .4% D13 mixed at 13.0 ppg (1.44 cf/sk). **Stage 2:** 405 sx "C" with 5% D44, 27.5 pps D132, 6% D20, .2% D46, 2 pps D42, .124 pps D130 mixed at 12.6 ppg (2.05 cf/sk) followed by 100 sx "C" with .3% D201 mixed at 14.8 ppg (1.33 cf/sk). DV tool at approximately 5000' *See COA*

d. 4-1/2" liner casing set at 13,500' in 6 1/8" hole. Hole will be callipered to determine cement volume to bring TOC to ~~11,300'~~ ^{11,200' See COA} with 235 sx "H" with 5% D44, 39.5 pps D132, 2% D20, .4% D800, .2% D46, .125 pps D130, .1% D65 mixed at 14.4 ppg (1.32 cf/sk)

See COA re: liner lap test

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request.*

9. Pressure Control Equipment

After setting the 13 3/8" casing a 3,000 psi casing head will be installed along with 5,000 psi BOP equipment. The 13 3/8" casing will be tested to 1,500 psi before drilling out. After setting the 9 5/8" casing a 5,000 psi casing head will be installed along with 5,000 psi BOP equipment. The 9 5/8" casing will be tested to 1,500 psi before drilling out. After setting the 7" casing a 5,000 psi tubing head will be installed along with 5,000 psi BOP equipment. The 7" casing will be pressure tested to .22 psi/ft of setting depth. After drilling approximately 10' of new formation the shoe will be tested to an 11.5 ppg EMW. BOP equipment will be tested to 250 psi low and 3,000/5,000 psi high (based on casing head). The annular preventer will be tested to 1,500 psi. BOP equipment will consist of the following:

1500/2500
See COA

- 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.

10. Mud Program:

0' - 235'	Bentonite/Lime mud. Paper for losses and seepage. 8.5 to 9.0 ppg, 32 to 34 vis, PV 3 to 5, YP 5 to 7, WL NC.
235' - 2,600'	Brine. As needed LCM for losses and seepage. 10.0 to 10.2 ppg, 28 to 29 vis, PV 1, YP 1, WL NC.
2,600' - 11,700'	Drill out with fresh water. 8.4 to 8.6 ppg, 28 to 29 vis, PV 1, YP 1, WL NC.

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Mud Program Continued:

11,700 – 13,000' Brine. 10.0 to 11.0 ppg, 36 to 50 vis, PV 9 to 15, YP 12 to 20,
WL < 8.

11. Testing, Logging and Coring Program:

Testing program: No drillstem tests are anticipated.

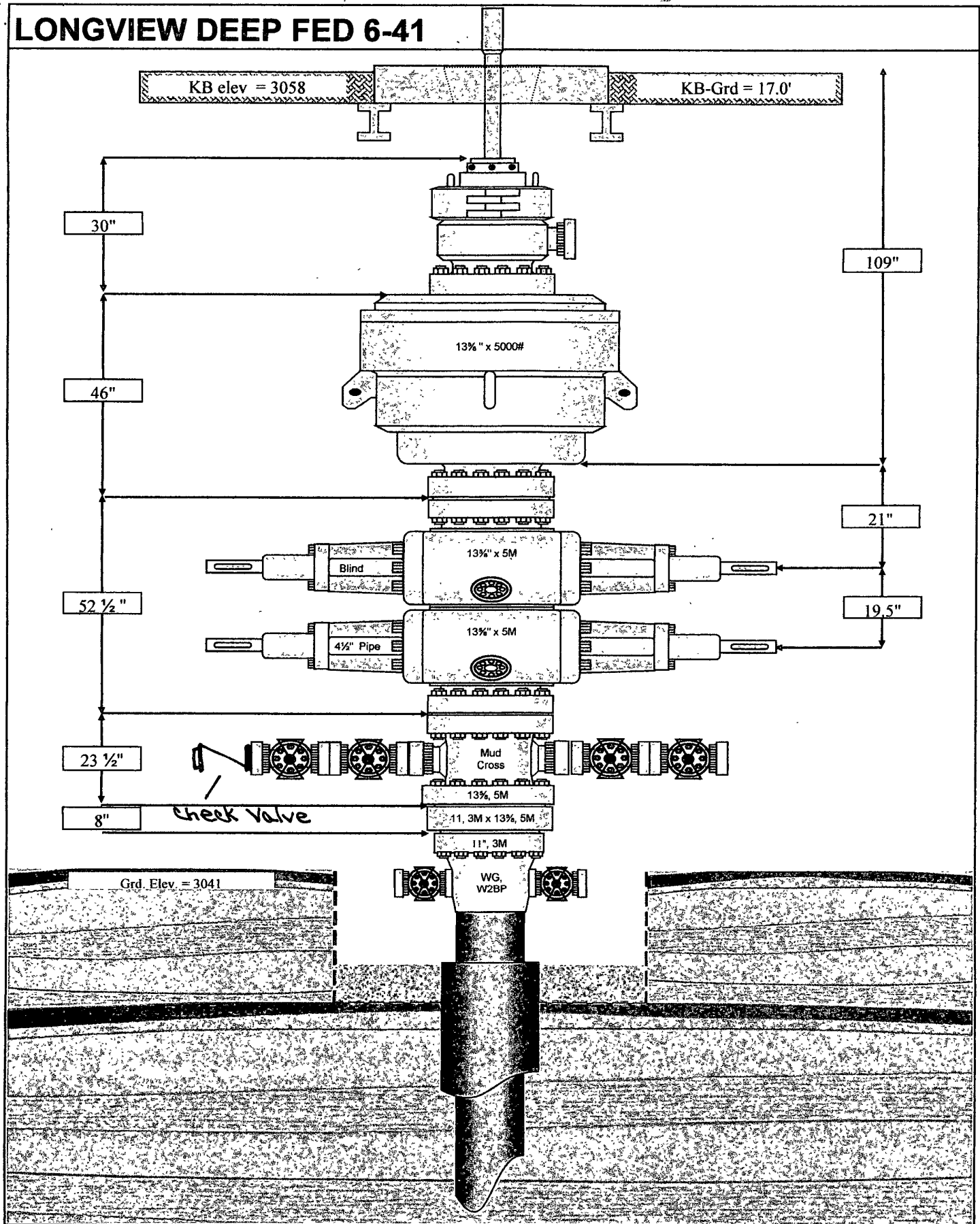
Electric logging program: CNL/CAL/GR, DLL/CAL/GR (7-5/8" and 6-1/2" hole Sections). Coring program: None.

12. Potential Hazards:

No abnormal pressures or temperatures are expected. There is no known presence of H₂S in this area. If H₂S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 6683 psi and estimated BHT 183 degrees.

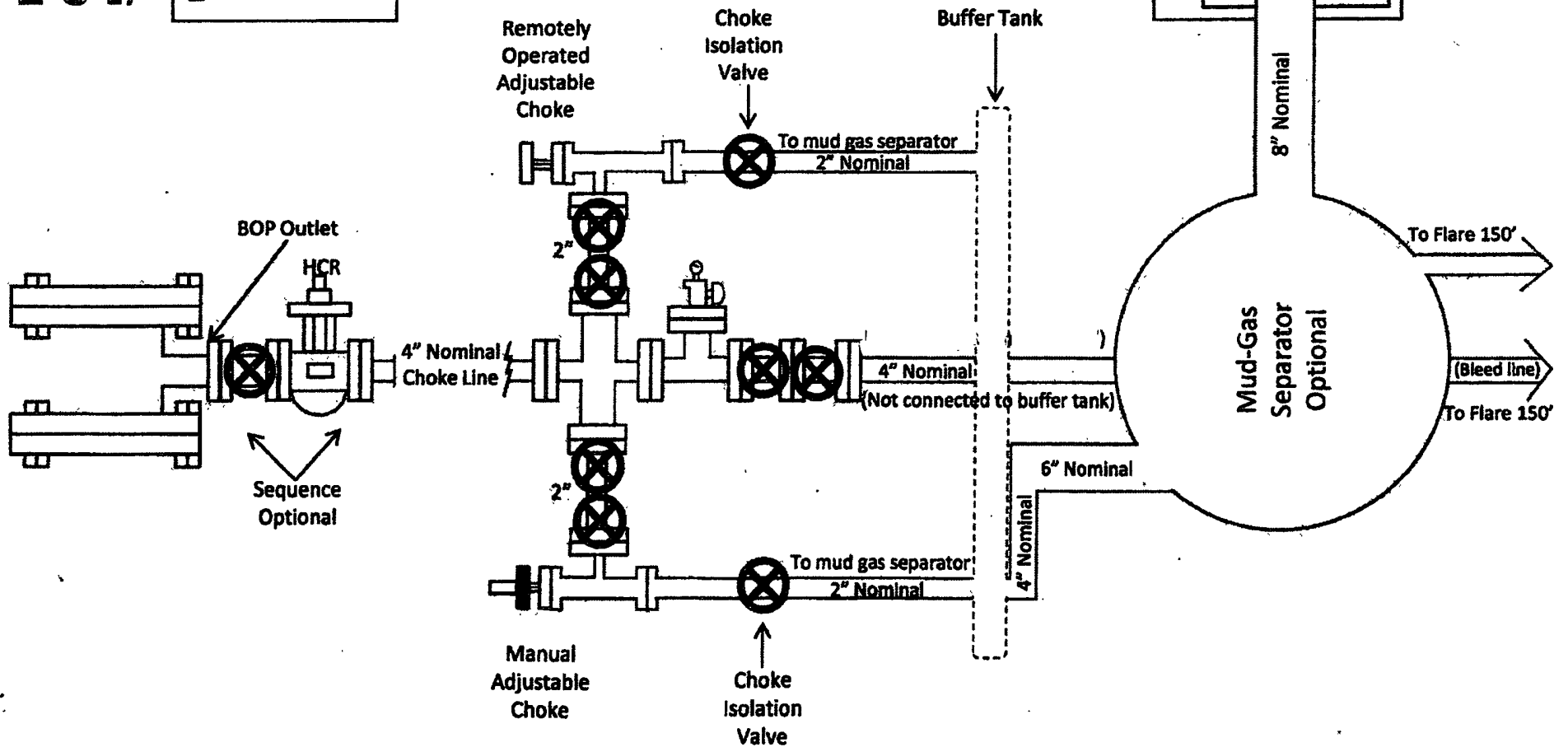
THM
26 Sep 2011
Insert per operator
request.

LONGVIEW DEEP FED 6-41



Drilling Operations Choke Manifold 5M Service

Exhibit E-1 -- Choke Manifold Diagram



Longview Deep Federal 6 Well 41
RKI Exploration & Production, LLC
30-015-37606
Sep 27, 2011
Conditions of Approval

Summary of Current Status:

Original APD Approved Feb 2010 as Bone Springs well.

- Location is Secretary's Potash.
- Original APD was for 3 casing strings and vertical design.

Original 40 acre oil well dedication was increased to 80 acres on 19 April 2010.

Requests:

Operator is requesting to:

1. Deepen the planned well TD, including:
 - Drilling to the Morrow, requiring 13,500' TD.
 - Revising the drilling and pressure control plans accordingly;
2. Complete the well in the Morrow formation and revise the associated acreage from the 80 acres Bone Springs oil well to a 320 acre gas well.
3. Change the name of the well from Longview Federal 6 Well 41 to the name above.

Conditions of Approval:

- A. Completion as a Morrow gas well is subject to like approval by the State.
- B. Name change to Longview Deep Federal 6 Well 41 is subject to like approval by the State.
- C. A revised COA for drilling of the well is attached, and shall be referred to by the Operator for all drilling related planning and operations regarding this well.

TMM 09/27/2011