

Office

Revised August 1, 2011

District I - (575) 393-6161

1625 N. French Dr., Hobbs, NM 88240

District II - (575) 748-1283

811 S. First St., Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Rd., Santa Fe, NM 87505

District IV - (505) 476-3460

1220 S. St. Francis Dr., Santa Fe, NM

87505

RECEIVED

AUG 14 2012

IMMOBILIZED ARTESIA

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-015-40188

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

RDX 16

8. Well Number

11

9. OGRID Number

246289

10. Pool name or Wildcat

Brushy Draw-Delaware East

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, Suite 950, Oklahoma City, OK 73112

4. Well Location

Unit Letter E : 1650 feet from the North line and 330 feet from the West line
Section 16 Township 26S Range 30E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3084 feet GR

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: ☐

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Spudded the well on 7/04/2012. On 7/05/2012, drilled 17-1/2 inch hole to 855 feet. Ran 28 joints of 13-3/8 inch 54.5# J-55 STC casing with FS @ 852.7 feet. FC @ 839.48 feet.

Cementing:

Lead: 740 sks of c+ 4%PF20+2%PF1+0.125#/skpf29+0.25#/SKPF46, Class C. Yield = 1.74, Density = 13.5 ppg.

Tail: 200 sks of C+2%PF1, Class C. Density = 14.8 ppg, yield = 1.34

Circulated 167 bbls/536 sks to surface. On 7/07/2012, tested surface casing to 1500 psi = OK

Drilled out cement 28 hours after cementing

Spud Date:

7/04/2012

Rig Release Date:

7/15/2012

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

SIGNATURE

TITLE EH&S/Regulatory Manager

DATE 8/09/2012

Type or print name Charles K. Ahn

E-mail address: cahn@rkixp.com

PHONE: 405-996-5771

For State Use Only

APPROVED BY:

TITLE

DATE

8/16/12

Conditions of Approval (if any):