

(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO 1004-0135
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.

OCD Artesia

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8 Well Name and No EAST PECOS FEDERAL 22 1H
2 Name of Operator RKI EXPLORATION & PROD LLC		9 API Well No 30-015-40568-00-X1
3a Address 3817 NW EXPRESSWAY SUITE 950 OKLAHOMA CITY, OK 73112		10 Field and Pool, or Exploratory UNDESIGNATED
3b Phone No (include area code) Ph. 405-996-5771 Fx 405-949-2223		11 County or Parish, and State EDDY COUNTY, NM
4 Location of Well (Footage, Sec, T, R, M, or Survey Description) Sec 22 T26S R29E SESW 250FSL 1690FWL		

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

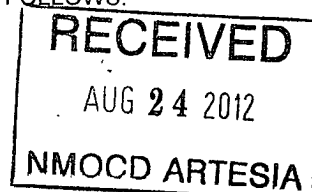
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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	Drilling Operations
	<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 shall 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 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 PRODUCTION, LLC NEEDS TO UTILIZE A WHIPSTOCK CEMENT PLUG AS FOLLOWS:

Procedure for whipstock plug:

1. Drill to approximately 9,300 feet, log well
2. TIH open ended to 9,250 feet and spot 135 sks (200 feet plug in 8 3/4 inch hole plus 10% excess for each 1,000 feet). WOC and tag (top of plug should be at approximately 9,050 feet)
3. Spot 300 sks (500 feet) kick off plug at 7,700 feet WOC, TIH with bit and start dressing off plug



Accepted for record
NMOCD 10/8/2012

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14 I hereby certify that the foregoing is true and correct	
Electronic Submission #146999 verified by the BLM Well Information System For RKI EXPLORATION & PROD LLC, sent to the Carlsbad Committed to AFMSS for processing by CHRISTOPHER WALLS on 08/23/2012 (12CRW0050SE)	
Name (Printed/Typed) CHARLES K AHN	Title EH&S/REGULATORY MANAGER
Signature (Electronic Submission)	Date 08/22/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By CHRISTOPHER WALLS	Title PETROLEUM ENGINEER	Date 08/23/2012
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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #146999 that would not fit on the form

32. Additional remarks, continued

Slurry for Step 2: ?H? + .4% PF65(dispersant) + .4% PF13(retarder) mixed at 15.6 ppg (1.18 cf/sk)

Slurry for Step 3: ?H? + .2% PF65(dispersant) + .2% PF13(retarder) mixed at 17.5 ppg (94 cf/sk)

Conditions of Approval

Pilot hole is required to have a plug at the bottom of the hole. If two plugs are set, the BLM is to be contacted (575-361-2822) prior to tag of bottom plug, which must be a minimum of 200' in length. Operator can set one plug from bottom of pilot hole to kick-off point and save the WOC time for tagging the first plug.