

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

|  |  |   |
|--|--|---|
| 1. Type of Well<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other |  | 5. Lease Serial No.<br>NMNM18626                          |
| 2. Name of Operator<br>RKI EXPLORATION & PRODUCTION  |  | 6. If Indian, Allottee or Tribe Name                      |
| 3a. Address<br>210 PARK AVENUE, SUITE 900<br>OKLAHOMA CITY, OK 73102   |  | 7. If Unit or CA/Agreement, Name and/or No.               |
| 3b. Phone No. (include area code)<br>Ph: 405-996-5774<br>Fx: 405-996-5772  |  | 8. Well Name and No.<br>GINGER FEDERAL 1                  |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Sec 24 T26S R30E Mer NMP SWSE 460FSL 1880FEL           |  | 9. API Well No.<br>30-015-25744                           |
|  |  | 10. Field and Pool, or Exploratory<br>ROSS DRAW EAST      |
|  |  | 11. County or Parish, and State<br>EDDY COUNTY COUNTY, NM |

**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       |   |
|  | <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 recomplete 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 recompletion 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.)

This is notification that RKI Exploration & Production, LLC is taking over operations of the well(s) within the specified lease. The well(s) in this lease consist of the above-referenced Ginger Federal 1, as well as the following:

Amoco Federal 1 (API: 30-015-25297) 1980FNL/660FWL, 25-26S-30E

Amoco Federal 2 (API: 30-015-25951) 660FNL/1980FEL, 25-26S-30E

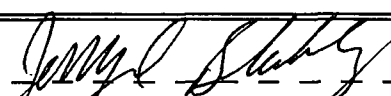
Spitfire 25-1--GAS WELL (API: 30-015-25450) 1980FNL/1980FEL, 25-26S-30E

RKI Exploration & Production, LLC, as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on this lease, or any portion of the

**SUBJECT TO LIKE  
APPROVAL BY STATE**

|  |                          |   |
|--|--------------------------|---|
| 14. I hereby certify that the foregoing is true and correct.<br><b>Electronic Submission #184810 verified by the BLM Well Information System For RKI EXPLORATION &amp; PRODUCTION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 01/24/2013 ()</b> |                          | Accepted for record<br>NMOCD<br>1/12/13 |
| Name (Printed/Typed) JODY NOERDLINGER  | Title REGULATORY ANALYST |   |
| Signature (Electronic Submission)  | Date 01/17/2013          |   |

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

|   |        |                          |      |
|---|--------|--------------------------|------|
| Approved By    | Title  | APPROVED<br>NOV - 6 2013 | Date |
| 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 |                          |      |

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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**Additional data for EC transaction #184810 that would not fit on the form**

**32. Additional remarks, continued**

lease described.

Bond Coverage: BLM Bond File Number: NMB000460

Change of Operator effective 12/21/2012

Former Operator: Ralph E. Williamson (18714)

**BUREAU OF LAND MANAGEMENT  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972**

**11/6/2013 Approved subject to Conditions of Approval. JDB  
Change of Operator  
Conditions of Approval**

1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
2. Submit for approval of water disposal method.
3. Submit updated facility diagrams as per Onshore Order #3
4. This agency shall be notified of any spill or discharge as required by NTL-3A.
5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
6. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
7. Subject to like approval by NMOCD.
8. All Reporting to ONRR ( OGOR Reports) must be brought current within 30 days of this approval including any past history.