

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM 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.*5. Lease Serial No.  
NMNM34247

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.  
SHEEP DRAW FEDERAL 2

2. Name of Operator

Contact: JODY NOERDLINGER  
RKI EXPLORATION & PRODUCTION E-Mail: jnoerdlinger@rkixp.com9. API Well No.  
30-015-27015

3a. Address

210 PARK AVE. SUITE 900  
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)

Ph: 405-996-5774

10. Field and Pool, or Exploratory  
HAPPY VALLEY; DELAWARE

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

Sec 33 T22S R26E Mer NMP NENW 990FNL 2310FWL

11. County or Parish, and State

EDDY COUNTY, NM

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

## TYPE OF SUBMISSION

- ☐
- Notice of Intent
- 
- ☒
- Subsequent Report
- 
- ☐
- Final Abandonment Notice

## TYPE OF ACTION

- |   |   |  |   |
|---|---|--|---|
| <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input 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 checked="" 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 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.)

RKI Exploration and Production reports water disposal for the subject well, and additional wells on the lease, according to Onshore Order #7:

Sheep Draw Federal 2 API 30-015-27015

Water is produced from the Happy Valley; Delaware field.

An average of 40 barrels of water have been produced per day, during the life of the well, which began regular production on 1/1/2008.

Water is stored in tanks on site.

Water is transferred to a disposal facility via transfer lines.

Disposal facility is the Barbado SWD, located in Section 32-T22S-R26E, Eddy County, NM.

Sheep Draw Federal 3 API 30-015-27341

LD 12/9/14  
Accepted for record  
NMOCD  
SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

SWD-629

**NM OIL CONSERVATION**  
ARTESIA DISTRICT

DEC 09 2014

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #250933 verified by the BLM Well Information System  
For RKI EXPLORATION & PRODUCTION, sent to the Carlsbad  
Committed to AFMSS for processing by LINDA DENNISTON on 08/18/2014 ()

**RECEIVED**

Name (Printed/Typed) JODY NOERDLINGER

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 06/26/2014

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

Approved By

Title

NOV 25 2014  
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

JAMES A. AMOS  
SUPERVISOR, EPS

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.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**Additional data for EC transaction #250933 that would not fit on the form**

**32. Additional remarks, continued**

Water is produced from the Happy Valley; Delaware field.

An average of 14 barrels of water have been produced per day, during the life of the well, which began regular production on 1/1/2008.

Water is stored in tanks on site.

Water is transferred to a disposal facility via transfer lines.

Disposal facility is the Barbado SWD, located in Section 32-T22S-R26E, Eddy County, NM.

Sheep Draw Federal 4     API 30-015-28701

Water is produced from the Happy Valley; Delaware field.

An average of 33 barrels of water have been produced per day, during the life of the well, which began regular production on 1/1/2008.

Water is stored in tanks on site.

Water is transferred to a disposal facility via transfer lines.

Disposal facility is the Barbado SWD, located in Section 32-T22S-R26E, Eddy County, NM.

Sheep Draw Federal 5     API 30-015-27634

Water is produced from the Happy Valley; Delaware field.

An average of 20 barrels of water have been produced per day, during the life of the well, which began regular production on 1/1/2008.

Water is stored in tanks on site.

Water is transferred to a disposal facility via transfer lines.

Disposal facility is the Barbado SWD, located in Section 32-T22S-R26E, Eddy County, NM.

Sheep Draw Federal 6     API 30-015-27687

Water is produced from the Happy Valley; Delaware field.

An average of 40 barrels of water have been produced per day, during the life of the well, which began regular production on 1/1/2008.

Water is stored in tanks on site.

Water is transferred to a disposal facility via transfer lines.

Disposal facility is the Barbado SWD, located in Section 32-T22S-R26E, Eddy County, NM.

Sheep Draw Federal 8     API 30-015-27669

Water is produced from the Happy Valley; Delaware field.

An average of 52 barrels of water have been produced per day, during the life of the well, which began regular production on 1/1/2008.

Water is stored in tanks on site.

Water is transferred to a disposal facility via transfer lines.

Disposal facility is the Barbado SWD, located in Section 32-T22S-R26E, Eddy County, NM.

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972

Disposal of Produced Water From Federal Wells  
Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
8. Disposal at any other site will require prior approval.
9. Subject to like approval by NMOCD.

7/10/14