

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	<div style="font-size: 2em; float: left; margin-right: 10px;">S</div> State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505
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INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico			Northwestern New Mexico	
T. Anhy	T. Canyon		T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn		T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka		T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss		T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian		T. Menefee	T. Madison
T. Queen	T. Silurian		T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya		T. Mancos	T. McCracken
T. San Andres	T. Simpson		T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee		Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger		T. Dakota	T
T. Blinebry	T. Gr. Wash		T. Morrison	T.
T. Tubb	T. Delaware Sand	3495	T. Todilto	T
T. Drinkard	T. Bone Springs	7314	T. Entrada	T.
T. Abo	T.		T. Wingate	T.
T. Wolfcamp	T.		T. Chinle	T.
T. Penn	T.		T. Permian	T.
T. Cisco (Bough C)	T.		T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
No. 2, from.....to.....
No. 3, from.....to.....
No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

From	To	Thickness In Feet	Lithology

TEACO DRILLING INC.

P.O. BOX 1500 (505) 3910699 FAX (505) 391- 3824 HOBBS, NEW MEXICO 88241

INCLINATION REPORT

DATE: 2/12/08

WELL NAME AND NUMBER RDX 16 # 1
LOCATION EDDY COUNTY
OPERATOR: RKI EXPLORATION AND PRODUCTION
DRILLING CONTRACTOR: TEACO DRILLING INC

THE UNDERSIGNED HEREBY CERTIFIES THAT HE IS AN AUTHORIZED REPRESENTATIVE OF THE DRILLING CONTRACTOR WHO DRILLED THE ABOVE DESCRIBED WELL AND THAT HE HAS CONDUCTED DEVIATION TEST AND OBTAINED THE FOLLOWING RESULTS:

DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH
<u>0.5</u>	<u>250</u>	<u>1</u>	<u>4323</u>	<u> </u>	<u> </u>
<u>1.5</u>	<u>484</u>	<u>0.75</u>	<u>4801</u>	<u> </u>	<u> </u>
<u>2.25</u>	<u>734</u>	<u>0.75</u>	<u>5277</u>	<u> </u>	<u> </u>
<u>1.5</u>	<u>1336</u>	<u>0.5</u>	<u>5753</u>	<u> </u>	<u> </u>
<u>0.75</u>	<u>1801</u>	<u>0.25</u>	<u>6069</u>	<u> </u>	<u> </u>
<u>1.25</u>	<u>2282</u>	<u>0.75</u>	<u>6543</u>	<u> </u>	<u> </u>
<u>1</u>	<u>2755</u>	<u>0.75</u>	<u>7018</u>	<u> </u>	<u> </u>
<u>1</u>	<u>3229</u>	<u>0.75</u>	<u>7398</u>	<u> </u>	<u> </u>
<u>0.75</u>	<u>3486</u>	<u>0.75</u>	<u>7600</u>	<u> </u>	<u> </u>
<u>25</u>	<u>3824</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

DRILLING CONTRACTOR:
TEACO DRILLING INCORPORATED

BY: Bob Wegner
BOB WEGNER
DRILLING SUPERINTENDENT

SUBSCRIBED AND SWORN TO BEFORE ME ON THE 12th DAY OF Feb., 2008

MY COMMISSION EXPIRES

3/10/11

[Signature]