

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMNM100558 |
| 2. Name of Operator RKI EXPLORATION & PROD LLC | | 6. If Indian, Allottee or Tribe Name |
| Contact: CHARLES K AHN E-Mail: cahn@rkixp.com | | 7. If Unit or CA/Agreement, Name and/or No. |
| 3a. Address 210 PARK AVE SUITE 900 OKLAHOMA CITY, OK 73102 | 3b. Phone No. (include area code) Ph: 405-996-5771 Fx: 405-996-5772 | 8. Well Name and No. RDX FEDERAL 10 15 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T26S R30E SESW 990FSL 1890FWL 32.030947 N Lat, 103.521770 W Lon | | 9. API Well No. 30-015-41383-00-X1 |
| | | 10. Field and Pool, or Exploratory BRUSHY DRAW |
| | | 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 | 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 Drilling Operations |
| | <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 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.)

Based on recent CBL results indicating TOC at 5,925 feet, RKI proposes to conduct the following remedial cement "squeeze" project (for the production casing) in order to achieve a proposed TOC at 3,092 feet:

1. Bull head cement down 9-5/8 inch x 5-1/2 inch annulus, to tie production casing cement back to 9-5/8 inch intermediate shoe @ 3592 feet.
2. Establish Injection rate with 30 bbls of produced water. Record injection rate & pressure.
3. Pump 10 bbls Freshwater spacer.
4. Pump 860 sks of ?H? Neat Cement mixed @ 15.8 ppg & 1.18 cubic ft/sk. Calculated volumes with 50%

accepted for record
CRLD NMOC 8/9/13

RECEIVED
AUG 12 2013
NMOC ARTESIA

| | |
|---|-------------------------------|
| 14. I hereby certify that the foregoing is true and correct. | |
| Electronic Submission #215534 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 08/08/2013 (13CRW0135SE) | |
| Name (Printed/Typed) CHARLES K AHN | Title HS&E/REGULATORY MANAGER |
| Signature (Electronic Submission) | Date 08/01/2013 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------------------|-----------------|
| Approved By CHRISTOPHER WALLS | Title PETROLEUM ENGINEER | Date 08/08/2013 |
| 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 #215534 that would not fit on the form

32. Additional remarks, continued

excess over gauge hole in the open hole and 500 feet of cement inside 9-5/8 inch casing shoe.

5. Displace cement with 139 bbls of produced water to 3,000 feet. Note pump rate and pressures & if well on vacuum.

6. Shut down and WOC, will run another bond log and wait on forward plan.