

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Operator Copy

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 type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC061638
2. Name of Operator RKI EXPLORATION & PRODUCTION Contact: CHARLES K AHN E-Mail: cahn@rkixp.com		6. If Indian, Allottee or Tribe Name
3a. Address 210 PARK AVENUE, SUITE 900 OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405-996-5771 Fx: 405-996-5772	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T16S R29E Mer NMP NENE 660FNL 660FEL		8. Well Name and No. GRIZZLY ADAMS 13 FEDERAL COM 1
		9. API Well No. 30-015-32290
		10. Field and Pool, or Exploratory WOLFCAMP
		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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input checked="" 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.)

RKI Exploration & Production is proposing to plug & abandon the subject well as detailed in the attached Plugging & Abandonment Procedures. Also attached for reference is the current wellbore schematic.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

RECLAMATION PROCEDURE
ATTACHED

(See Changes)

Ground Level Dry Hole Marker Reg

14. I hereby certify that the foregoing is true and correct. Electronic Submission #207861 verified by the BLM Well Information System For RKI EXPLORATION & PRODUCTION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 05/21/2013 ()	
Name (Printed/Typed) CHARLES K AHN	Title EH&S/REGULATORY MANAGER
Signature (Electronic Submission)	Date 05/17/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>James R. Buss</u>	Title <u>SEPS</u>	Date <u>7-14-13</u>
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 <u>CFO</u>

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.

RKI Exploration & Production, LLC

Grizzly Adams 13-1

Plugging & Abandonment Procedure

Section 13 T16S R29E
Eddy County, New Mexico
API # 30-015-32290

Prepared By: Jaime McAlpine, P.E.
Email: jmc Alpine@rkixp.com

Spud Date: 7/7/02
Comp Date: 9/14/02
KB Elev: 3,765'
GL Elev: 3,748'
TD: 10,762' PBTD: 10,150'

Producing Formation: Wolfcamp 8,750'-8,924' OA

TUBULAR SUMMARY:

Surface: 13 3/8" 48# H-40 STC: 0-443' - TOC @ surface
Intermediate: 8 5/8" 32# J-55: 0' - 2,815' - TOC at surface
Production: 5 1/2" 17# S-95 LTC: 0' - 10,762' - TOC @ 8,750' per CBL
Tubing: 2 3/8" 4.7# L-80: 0'-9,001' (average joint length 31.36')

OBJECTIVE: Plug and abandon per Federal BLM requirements.

RKI REQUIRES THAT HARD HATS, STEEL TOE BOOTS, FIRE RETARDANT CLOTHING, AND SAFETY GLASSES BE WORN ON LOCATION

HOLD SAFETY MEETING PRIOR TO COMMENCING DAILY OPERATIONS

NO IGNITION SOURCES WITHIN 100 FT OF THE WELLHEAD, TANKS OR MANIFOLD.

PROCEDURE:

- 1) Test safety anchors.
- 2) MI RU Service Unit.
- 3) HO PU.
- 4) Unseat pump. TOH, LD rods, pump.
- 5) ND B-1 flange. NU BOP.
- 6) Release TAC. TOH w/ tubing. ** RIH and Tag PBTD, spot 25 sx cmt. WOC Tag.*
- 7) MI RU wireline. RIH w/ JB/GR to 8,750'. RIH and set CIBP @ 8,690'. *CR SQZ perfs. Cap CR w/ 25 sx cmt. WOC Tag. At TOC Perf / SQZ 150' cmt. WOC Tag.*
- 8) MI RU cementers. TIH w/ tubing to 8,690' and gently tag plug; PU 15'. Pump 25 sx cmt. Flush w/ 30 bbls. mud. POH LD 6 jts. tubing. Circulate hole w/ 120 bbls. mud. *Perf @ 7474, SQZ from 7474 - 7304. WOC Tag.*
- 9) TOH w/ tubing. LD 20 jts.
- 10) Pull free point on 5-1/2" casing. RIH and cut-off 5-1/2". TOH and LD 5-1/2" casing.
- 11) TIH w/ tubing to 7,000'. *Stub Plug 50' in to extend 120' above stub WOC Tag.*
- 12) Pump 40 sx Class C, 16.4 ppg/4.3 gps and flush w/ 24 bbls. mud.
- 13) POH w/ 10 jts. tubing. SI well. WOCT, RIH and tag cmt. plug. *6216 (T/Abo)*
- 14) POH w/ tubing to 6,080'. LD tubing.

- 15) Pump 40 sx Class C, 16.4 ppg/4.3 gps and flush w/ 20 bbls. mud.
- 16) POH w/ 10 jts. tubing. SI well. WOCT. RIH and tag cmt. plug.
- 17) POH w/ tubing to ⁴¹⁸⁰~~4,080~~' LD tubing (T/Glorieta)
- 18) Pump 40 sx Class C, 16.4 ppg/4.3 gps and flush w/ 13 bbls. mud.
- 19) POH w/ 10 jts. tubing. SI well. WOCT. RIH and tag cmt. plug. 140' plug
- 20) POH w/ tubing to 2,865'. LD tubing
- 21) Pump 40 sx Class C, 16.4 ppg/4.3 gps and flush w/ 11 bbls. mud.
- 22) POH w/ 10 jts. tubing. SI well. WOCT. RIH and tag cmt. plug. 130' plug
- 23) POH w/ tubing to 1,000'. LD tubing (B/salt)
- 24) Pump 40 sx Class C, 16.4 ppg/4.3 gps and flush w/ 2 bbls. mud.
- 25) POH w/ 10 jts. tubing. SI well. WOCT. RIH and tag cmt. plug. Tag 840.
- 26) POH w/ tubing to ⁵³⁵~~400~~' LD tubing. (T/salt) & (Surf shoe) Spot from 535-393
WOCT Tag
- 27) Pump 40 sx Class C, 16.4 ppg/4.3 gps. LD tubing. RD MO cementers. RD MO service unit.
Surf Plug from 60'-Surf.
- 28) Cut off casing 3' below ground level. WO cap with operator, well name/number and date. Remove all equipment, pull safety anchors and clean up surface location.

RKI Contact List:

RKI	Title	Office	Cell
Brent Umberham	Manager-Drig & Prod Ops	405-996-5748	405-623-5080
Ken Fairchild	Production Manager	405-996-5764	469-693-6051
Jaime McAlpine	Engineering Consultant	405-996-5741	405-850-6685

Emergency Contacts – New Mexico:

Hospital: Carlsbad Medical Center (575) 887-4100
2430 W. Pierce St., Carlsbad, NM 88220

Sheriff's Office: Lea County Sheriff Dept (575) 396-3611
Eddy County Sheriff Dept (575) 887-7551

Emergency Contacts – Texas:

Hospital: Reeves County Hospital (432) 447-3551
2323 Texas St, Pecos TX 79772

Sheriff's Office: Reeves County Sheriff Dept (432) 445-4901
Loving County Sheriff Dept (432) 377-2411

RKI Exploration and Production, LLC

LEASE: Grizzly Adams
WELL: #13 Fed Com 1
LOCATION: 13-16S-29E
COUNTY/STATE: Eddy County, New Mexico

TOTAL DEPTH: 10762' **PBTD:** 10717' **KB:** ?' above GL

CASING RECORD:

13 3/8" 48# H-40 casing set at 443'. Circulated to surface.

8 5/8" 32# J-55 casing set at 2815'. Circulated to surface.

5 1/2" 17# S-95 casing set at 10762'. TOC at 8750'

TUBING:

2 3/8" 4.7# N-80 tubing
Arrow AS1X packer at 10151 with on/off tool

EXISTING PERFS:

Atoka 10236 – 10246'

PROCEDURE:

1. MIRU workover rig, NU BOP (match BOP pressure rating with wellhead, 5M or 10M). Release packer and TOH. TIH and set CIBP at approximately 10150', Pressure plug and casing to 7000 psi if well head and BOP allow, if not test to 4500 psi.

2. Perforate the Wolfcamp Lime as follows:

8772 – 8842'	70'	1 shot per 3 ft	23 holes
8860 – 8879'	19'	1 shot per 1 ft	19 holes
8912 – 8924'	12'	2 shot per 1 ft	24 holes

3. Frac Wolfcamp Lime as follows:

500 gal slick water
2500 gal 15% HCl
800 gal brine with .5 ppg rock salt
2500 gal 15% HCl
800 gal brine with .5 ppg rock salt
2500 gal 15% HCl
800 gal brine with .5 ppg rock salt
4200 gal slick water
Flush

4. Flow back load. TIH with tubing and place well on production.

2950' - 7/8" Norris 97 Rods
5500' - 3/4" Norris 97 Rods
500' - 7/8" Norris 97 Rods
1.25" insert pump

Wolfcamp Lime:

