Form 3160-5

OCD-ARTES A FORM APPROVED UNITED STATES (August 2007) OMB NO. 1004-0135 DEPARTMENT OF THE INTERIOR Expires: July 31, 2010 BUREAU OF LAND MANAGEMENT Lease Serial No SUNDRY NOTICES AND REPORTS ON WELLS? NMNM100558 Do not use this form for proposals to drill or to re-enter an 6. If Indian, Allottee or Tribe Name abandoned well. Use form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side. 1. Type of Well 8. Well Name and No. **RDX FEDERAL 10 15** Oil Well Gas Well . Other Name of Operator Contact: JODY NOERDLINGER API Well No. RKI EXPLORATION & PRODUCTION E-Mail: jnoerdlinger@rkixp.com 30-015-41383 10. Field and Pool, or Exploratory
DELAWARE, BRUSHY CANYON Address 3b. Phone No. (include area code) 210 PARK AVE. SUITE 900 Ph: 405-996-5774 OKLAHOMA CITY, OK 73102 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, and State Sec 10 T26S R30E Mer NMP SESW 990FSL 1890FWL EDDY COUNTY, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION ☐ Acidize Deepen ☐ Production (Start/Resume) ■ Water Shut-Off ■ Notice of Intent ☐ Alter Casing ☐ Fracture Treat □ Reclamation ■ Well Integrity Subsequent Report □ Casing Repair ■ New Construction ☐ Recomplete □ Other ☐ Final Abandonment Notice Change Plans ☐ Plug and Abandon ☐ Temporarily Abandon Convert to Injection ☐ Plug Back 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 and Production reports water disposal for the subject well, according to Onshore Water is produced from the Brushy Canyon formation. An average of 858 barrels of water have been produced per day, during the life of the well, which NM OIL CONSERVATION began regular production on 9/18/2013. Water is stored in tanks on site. ARTESIA DISTRICT Water is transferred to a disposal facility via transfer lines. Disposal facilities are located in Section 5-BLK 56-T1, Loving County, TX. JUN 1 6 2014 Accepted for record RECEIVED 14. I hereby certify that the foregoing is true and correct. Electronic Submission #245370 verified by the BLM Well Information System For RKI EXPLORATION & PRODUCTION, sent to the Carlsbad
Committed to AFMSS for processing by LINDA DENNISTON on 06/02/2014 () Name(Printed/Typed) JODY NOERDLINGER Title REGULATORY ANALYST APPROVED

Signature (Electronic Submission) 05/12/2014 ... THIS SPACE FOR FEDERAL OR STATE OFFICE USE 11114 201/ Approved By Title JAMES A. AMOS Conditions of approval, if any, are attached. Approval of this notice does not warrant or SUPERVISOR-EPS certify that the applicant holds legal or equitable title to those rights in the subject lease

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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

which would entitle the applicant to conduct operations thereon.

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.

6/2/14