

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.
NMNM35607

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
UCBHWV FEDERAL 29. API Well No.
30-015-24248-00-S110. Field and Pool, or Exploratory
BRUSHY DRAW11. County or Parish, and State
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
RKI EXPLORATION & PROD LLCContact: JODY NOERDLINGER
E-Mail: jnoerdlinger@rkixp.com3a. Address
210 PARK AVE SUITE 900
OKLAHOMA CITY, OK 731023b. Phone No. (include area code)
Ph: 405-996-5774

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

Sec 25 T26S R29E NWSW

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 checked="" 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 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 recompleate 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 recompleation 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 seeks approval of this proposed recompleation procedure.

Clean out well bore to PBTD. Run CBL from 20 feet above PBTD to estimated TOC at 1,900 feet. Perf Delaware Sand from 6,178 feet to 6,190 feet. RIH and set composite frac plug at 6,075 feet. Set at 5,600 feet. Stimulate with 36,760 gals fluid and 57,500 lbs proppant.

Perf Delaware Sand from 5,762 feet to 5,852 feet. Stimulate with 40,500 gal fluid and 62,500 lbs proppant.

Perf Delaware Sand from 5,220 feet to 5,282 feet. Stimulate with 42,700 gal fluid and 77,500 lbs proppant.

NM OIL CONSERVATION
ARTESIA DISTRICT
JUL 14 2014SEE ATTACHED FOR
CONDITIONS OF APPROVALAccepted for record
NMOCD 105

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

Electronic Submission #248565 verified by the BLM Well Information System
For RKI EXPLORATION & PROD LLC, sent to the Carlsbad
Committed to AFMSS for processing by CATHY QUEEN on 06/06/2014 (14CQ0134SE)

Name (Printed/Typed) JODY NOERDLINGER

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 06/05/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

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

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD

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 ****

Provide C102 to OCD

Additional data for EC transaction #248565 that would not fit on the form

32. Additional remarks, continued

Drill out composite plugs.

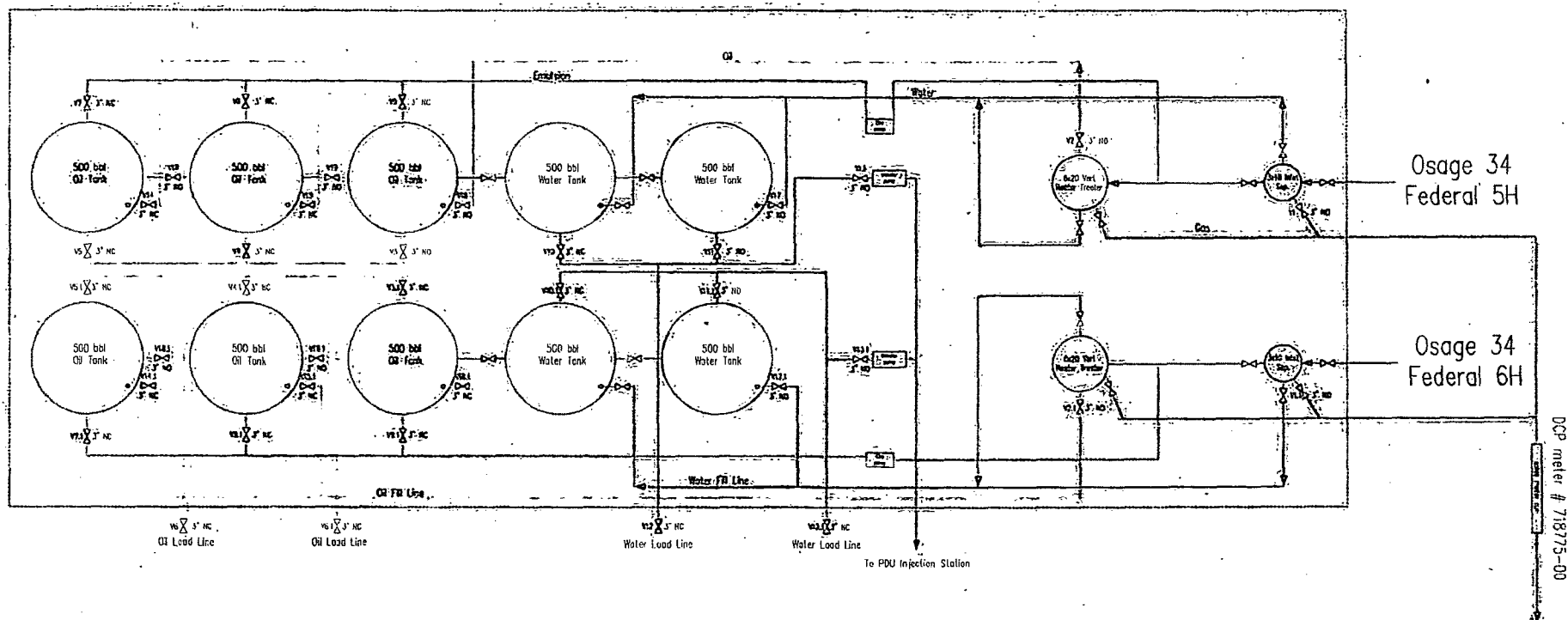
UCBHW Federal 2
30-015-24248
RKI Exploration & Production LLC
July 09, 2014
Conditions of Approval

Work to be completed by October 09, 2014.

Notify BLM at 575-393-3612 a minimum of 24 hours prior to commencing work.

1. **Submit results of the CBL to the BLM (CBL is to be run from TD to surface). If TOC is below 4500 feet the operator may not continue without consulting with the BLM.**
2. **Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails.**
3. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
4. Surface disturbance beyond the originally approved pad must have prior approval.
5. Closed loop system required.
6. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
7. Operator to have H2S monitoring equipment on location.
8. A minimum of a **2000 (2M) BOP** to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
9. **Subsequent sundry required detailing work done and completion report for the additional pay. Operator to include well bore schematic of current well condition when work is complete.**

JAM 070914



General sealing of valves, sales by tank gauging.

Production Phase: All drain valves, V7 thru V13 & V7.1 thru V13.1, and all sales valves, V1 thru V6 & V1.1 thru V6.1, sealed closed.

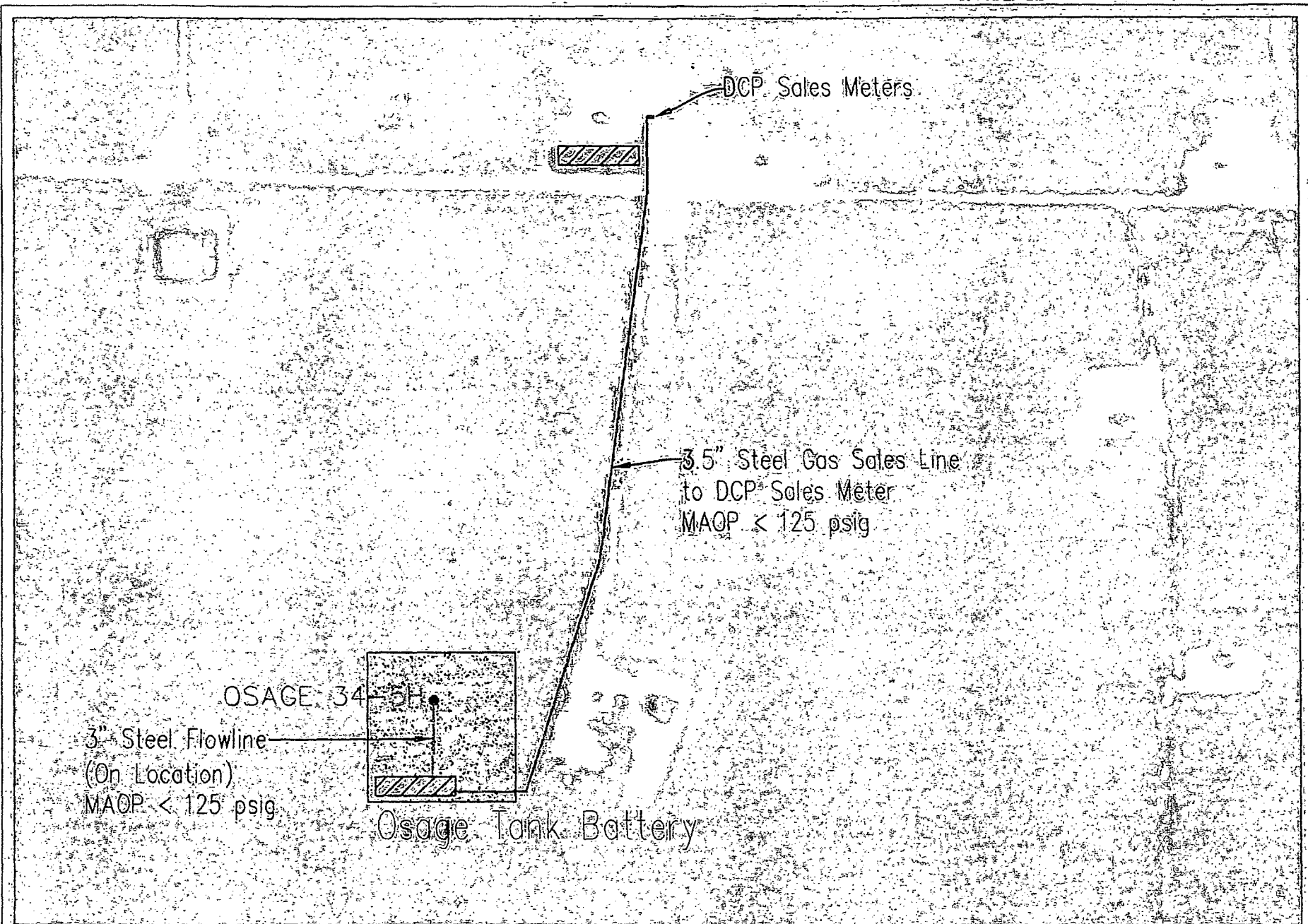
Sales Phase: The tank from which sales are being made will be isolated by sealing closed the drain valve, and the equalizer valves during sales.

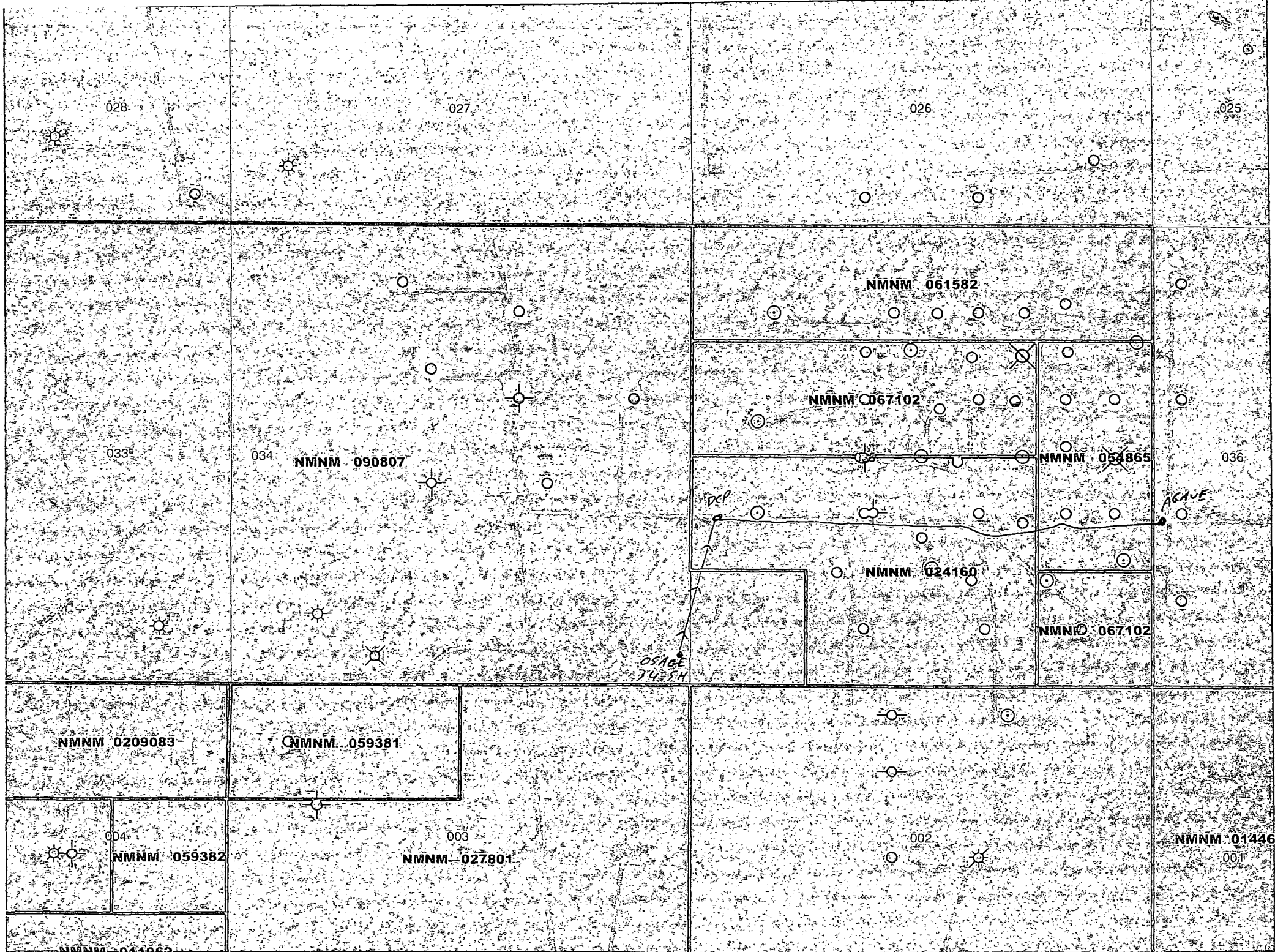
Draining Phase: The tank being drained will be isolated by sealing close the sales valve, fill valve, equalizer valves, and the drain valves on the other tanks.

VALVE SERVICE

SALES:V1 thru V6 & V1.1 thru V6.1
 CIRC&DRAIN:V7 thru V13 & V7.1 thru V13.1
 FILL:V14 thru V17 & V14.1 thru V17.1
 EQUAL:V18 thru V19 & V18.1 thru V19.1

SM ENERGY SM Energy 3300 N. A Street Bldg. 7, Suite 200 Midland, TX 79705	
SITE SECURITY DIAGRAM	
SEC 34 T195 R296 OSAGE 34 FED 5H & OSAGE 34 FED 6H EDDY COUNTY, NEW MEXICO API 3001541750 & 3001541597 Lease Serial No. NMNM90807	
DATE: 1/14/2014	Design Engineer: Kevin Hinshaw





**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

Off-Lease Measurement

**Conditions of Approval: SM Energy Company
Osage 34 Federal 5H
NM90807 3001541250**

Approval of off-lease measurement is subject to the following conditions of approval:

1. This agency shall be notified of any change in sales method or location of the Sales point.
2. This agency shall be notified of any spill or discharge as required by NTL-3A. No gas may be vented without proper measurement and prior approval. Any gas vented must be flared.
3. 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.
4. This approval is subject to like approval by the New Mexico Oil Conservation Division.
5. Additional wells and/or leases require additional approvals.
6. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
7. Approval for off-lease measurement from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
8. Notify this office with 24 Hrs. of meter calibration as per Onshore Order #5.III.C.18. Supply a copy of meter calibration report to this office within 30 days.
9. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "standard Environmental Colors" – Shale Green.