

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. NMNM35607
2. Name of Operator RKI EXPLORATION & PROD LLC		6. If Indian, Allottee or Tribe Name
3a. Address 210 PARK AVE SUITE 900 OKLAHOMA CITY, OK 73102		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 405-996-5774		8. Well Name and No. UCBHWV FEDERAL 7
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T26S R29E NENW		9. API Well No. 30-015-25313-00-S1
		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 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 and Production requests permission to recompleate the subject well, according to these proposed procedures:

Clean out well bore, test casing, and run CBL from PBDT to TOC.

Perf Delaware from 5,844 feet to 6,112 feet. Acidize with 3,000 gallons 15% NEFE acid. Fracture/stimulate with 57,000 gals fluid and 100,000 lbs proppant.

Perf Delaware from 5,556 feet to 5604 feet. Acidize with 2,000 gallons 15% NEFE acid. Fracture/stimulate with 51,550 gals fluid and 85,000 lbs proppant.

Accepted for record
NMOCB
JES
7-15-14

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

NM OIL CONSERVATION
ARTESIA DISTRICT

JUL 14 2014

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

Electronic Submission #250453 verified by the BLM Well Information System
For RKI EXPLORATION & PROD LLC, sent to the Carlsbad
Committed to AFMSS for processing by JENNIFER MASON on 07/09/2014 (14JAM035555)

Name (Printed/Typed) JODY NOERDLINGER

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 06/23/2014

RECEIVED
APPROVED

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 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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional data for EC transaction #250453 that would not fit on the form

32. Additional remarks, continued

Install pump and revamped surface electric equipment.

RKI proposes to complete the work by July 23, 2014.

UCBHW Federal 7
30-015-25313
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.**

Note: If operator is fracturing down tubing. The casing shall be tested per Onshore Order 2.III.B.1.h

- 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