

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. NMNM21502
2. Name of Operator RKI EXPLORATION & PRODUCTION Contact: JODY NOERDLINGER E-Mail: jnoerdlinger@rkixp.com		6. If Indian, Allottee or Tribe Name
3a. Address 210 PARK AVE. SUITE 900 OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405-996-5774	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 26 T26S R29E Mer NMP SESE 460FSL 660FEL		8. Well Name and No. HOLLY FEDERAL 1
		9. API Well No. 30-015-24195
		10. Field and Pool, or Exploratory BRUSHY DRAW, DELAWARE
		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 type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture-Treat
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input checked="" type="checkbox"/> Water Disposal
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back

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 recomple 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 recomple 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, and additional wells on the lease, according to Onshore Order #7:

Holly Federal 1 API 30-015-24195
Water is produced from the Brushy Draw, Delaware field.
An average of 17 barrels of water have been produced per day, since 11/29/2012.
Water is stored in tanks on site.
Water is transferred to a disposal facility via transfer lines.
Disposal facilities are located in Section 5-BLK 56-T1, Loving County, TX.

Holly Federal 2 API 30-015-24840
Water is produced from the Brushy Draw, Delaware field.

NM OIL CONSERVATION
ARTESIA DISTRICT

NOV 04 2014

RECEIVED

SEE ATTACHED FOR
CONDITIONS OF APPROVALAccepted for record
JES NMDCD 11/5/14

14. I hereby certify that the foregoing is true and correct. Electronic Submission #250980 verified by the BLM Well Information System For RKI EXPLORATION & PRODUCTION, sent to the Carlsbad Committed to AFMSS for processing by LINDA DENNISTON on 08/18/2014 ()	
Name (Printed/Typed) JODY NOERDLINGER	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 06/26/2014
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
OCT 24 2014	
Approved By	Title
JAMES A. AMOS SUPERVISOR-EPS	
Office	

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.

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #250980 that would not fit on the form

32. Additional remarks, continued

An average of 41 barrels of water have been produced per day, since 11/29/2012. Water is stored in tanks on site.

Water is transferred to a disposal facility via transfer lines.

Disposal facilities are located in Section 5-BLK 56-T1, Loving County, TX.

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.
8. Disposal at any other site will require prior approval.
9. Subject to like approval by NMOCD.

7/10/14