

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.***Carlsbad Field Office**
OCD Artesia

Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

RDX FEDERAL 28 11

2. Name of Operator

RKI EXPLORATION & PROD LLC

Contact: ASHLEE FECHINO

E-Mail: ashlee.fechino@wpenergy.com

9. API Well No.

30-015-42109-00-S1

3a. Address

3500 ONE WILLIAMS CENTER MD 35
TULSA, OK 74172

3b. Phone No. (include area code)

Ph: 970.404.5031

10. Field and Pool, or Exploratory

ROSS DRAW
UNKNOWN

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

Sec 28 T26S R30E NWNW 330FNL 690FWL
32.011109 N Lat, 103.533335 W Lon

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

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other
Onshore Order Variance

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 recompleat 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 recompleat 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 Prod LLC requests permission to install a Vapor Combustor Unit (VCU) at the RDX 28-11 Federal Facility.

The cost of installing and operating equipment necessary to capture gas exceeds the value of gas over the life of the facility and is not economic.

Estimated gas volumes: 10 mcf/day (304 mcf/month)

NM OIL CONSERVATION
ARTESIA DISTRICT

SEP 23 2016

RECEIVED

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

Electronic Submission #341586 verified by the BLM Well Information System

For RKI EXPLORATION & PROD LLC, sent to the Carlsbad

Committed to AFMSS for processing by PRISCILLA PEREZ on 07/11/2016 (16PP1663SE)

Name (Printed/Typed) ASHLEE FECHINO

Title REGULATORY SPECIALIST STAFF

Signature (Electronic Submission)

Date 06/09/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By DUNCAN WHITLOCK

Title TECHNICAL LPET

Date 09/12/2016

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 Carlsbad

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 ****

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

**CONDITIONS OF APPROVAL TO INSTALL
VAPOR COMBUSTOR UNIT (VCU)**

RKI Exploration & Production LLC
RDX Federal 28 11
3001542109, NMNM19612

1. These conditions of approval are for installation of a VCU on low-pressure oil storage tank facilities. This approval is due to the fact that the cost of installing and operating equipment necessary to capture the gas exceeds the value of the gas over the life of the facility. The operator may be required to provide economic justification to the Authorized Officer upon request. The operator may be required to provide volume verification to the Authorized Officer upon request.
2. Comply with NTL-4A requirements.
3. If volume being combusted is less than 50 MCF of gas per day, it is considered "unavoidably lost"; therefore, no royalty obligation shall be accrued and will not be required to be reported.
 - a. "Unavoidably Lost" production shall mean (1) those gas vapors which are released (in this case combusted) from low-pressure storage tanks.
4. Essentially all measured combusted volumes over 50 MCF will require payment of royalties and volumes need to be reported on OGOR "B" reports as disposition code "08".
5. Per 43 CFR 3162.7-5(d)/Onshore Order No.3.III.I.1, site facility diagram must be submitted within 60 days of equipment installation.
6. This approval does not authorize any additional surface disturbance.
7. Subject to like approval from NMOCD.