Submit 1 Copy To Appropriate District Office	State of New Mexico		Form C-103	
<u>District I</u> – (575) 393-6161 1625 N. French Dr., Hobbs, NM 88240	Energy, Minerals and Nati	ıral Kesources	WELL API NO.	Revised July 18, 2013
<u>District II</u> - (575) 748-1283 811 S. First St., Artesia, NM 88210	irst St., Artesia, NM 88210 UIL CONSERVATION DIVISION 111-(505) 334-6178 1220 South St. Francis Dr.		30-005-60424	er ann
<u>District III</u> - (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410			5. Indicate Type of Lease STATE FEE	
District IV - (505) 476-3460	Santa Fe, NM 8	7505	6. State Oil & Gas	Lease No.
1220 S. St. Francis Dr., Santa Fe, NM 87505			L 269	
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)			7. Lease Name or Unit Agreement Name	
			R AND S STATE	
1. Type of Well: Oil Well Gas Well Other			8. Well Number 1	
2. Name of Operator RKI Exploration & Production, LLC			9. OGRID Number 246289	
3. Address of Operator 3500 One Williams Center, MD 35, Tulsa, OK 74172			10. Pool name or Wildcat BUFFALO VALLEY (MORROW)	
4. Well Location	990 N	,, , 990)	. W
Unit Letter Section 17	feet from the Township 15 S R	line and ange 28E	feet from	theline County CHAVES
Section 11	11. Elevation (Show whether DR			County CHAVES
	3534 GL `			
12. Check	Appropriate Box to Indicate N	lature of Notice.	Report or Other F)ata
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data				
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☑ REMEDIAL WORK ☐ ALTERING CASING ☐				
TEMPORARILY ABANDON				AND A
PULL OR ALTER CASING		CASING/CEMEN	TJOB 🗍	
DOWNHOLE COMMINGLE CLOSED-LOOP SYSTEM	•			
OTHER:		OTHER:		
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.				
• • •	LC is requesting to Plug and Abandon thi	s well.		
Please see attached procedure	and WBD.		Approved for pluggin Liability under boad 1 Liability hose fou	y of well bore only, receipt y of well bore only, receipt y of well plugging, is recained pool of Well plugging, is receipt of Wel page under ent Report of Wel page under and at OCD Wel page under
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Spud Date: 06/30/197	7 Rig Release D	ate: UNKN	OWN	
		<u> </u>		
I hereby certify that the information above is true and complete to the best of my knowledge and belief.				
SIGNATURE DATE 1/4/2017				
Type or print name Crystal Fulton E-mail address: Crystal.Fulton@WPXEnergy.com PHONE: 539-573-0218				
For State Use Only				
APPROVED BY:	1 Kell TITLE TOO	MPLIANIE	OFFICER DAT	E 1/5/17
Conditions of Approval (if any):	11100	., 0.,,,	DAI	

* SEE ATTACHED COA-S

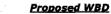
PROCEDURE:

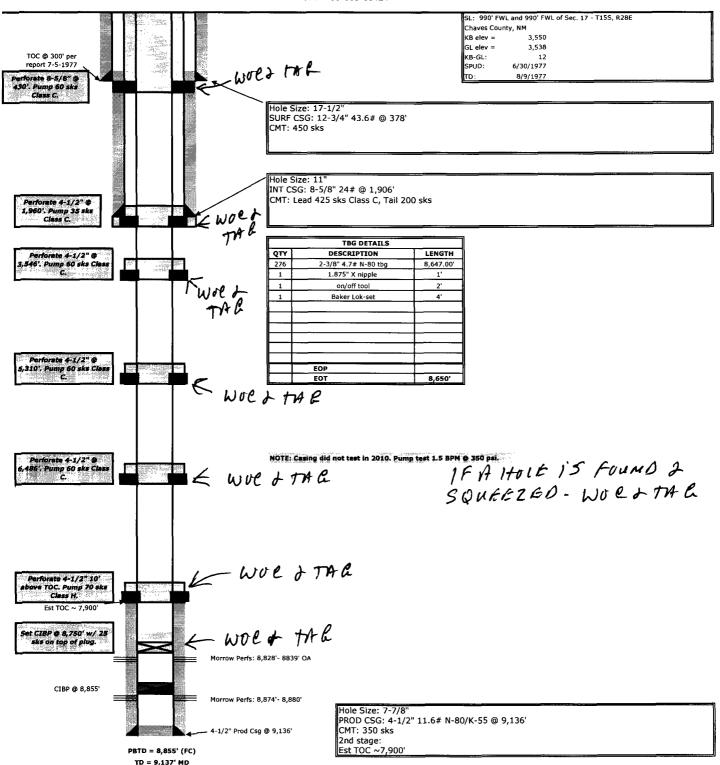
- 1) Test safety anchors.
- 2) MI RU Service Unit. Lay flowline and set clean frac tank. Fill with 480 BFW.
- 3) ND wellhead. MI NU 5K# BOP.
- 4) MI RU Hydrotester. Release Lok-set packer. TOH w/ tubing/pkr testing tubing to 7,000 psi.
- 5) RIH w/4½" CIBP and set plug @ 8,750' (Top of Morrow). POH w/2 jts tubing. Attempt to circulate 100 bbls. Heavy mud. Pump 25 sx Class H cmt (16.4 ppg, 4.3 gps, 1.08 cf/sx yield). Flush with 33 bbls heavy mud. POH w/10 stds tubing. Pressure test casing to 500 psi for 10 minutes.
- 6) TOH w/ tubing.
- 7) IF casing does not test, TIH w/ 4½" AS-1X packer and isolate hole in casing. Adjust procedure based on location of hole in casing per Heather Stephens, Scott Armstrong or Les Peeler.
- 8) MI RU wireline. RIH w/ JB/GR to 8,200'. RIH and run CBL/GR from 8,200' to 200' above TOC. Perforate 4½" casing 10' above TOC (estimated TOC @ 7,900'), 1' interval with 4 holes.
- 9) TIH w/ 4½" AS-1X packer, 2-3/8" tubing to 300' above squeeze perforations. Set pkr with 15K# compression. Pump 20 bbls heavy mud, 70 sx Class H cmt (16.4 ppg, 4.3 gps, 1.08 cfs yield). Flush with 31 bbls heavy mud (NOTE: adjust flush based on actual squeeze hole location to leave cement 200' above squeeze holes). TOH w/ packer. WOCT 4 hours.
- 10) RIH w/ sinker bar and tag TOC (Maximum tag depth 50' above squeeze holes). RIH and perforate 4 squeeze holes @ 6,486' (Top of Wolfcamp).
- 11) TIH w/ 4½" AS-1X packer, 2-3/8" tubing to 6,150'. Set pkr with 15K# compression. Pump 20 bbls heavy mud, 60 sx Class C cmt (14.8 ppg, 6.3 gps, 1.32 cfs yield). Flush with 25 bbls heavy mud. TOH w/ packer. WOCT 4 hours.
- 12) RIH w/ sinker bar & tag TOC (Maximum tag depth 6,386'). RIH and perforate 4 squeeze holes @ 5,310' (Top of Abo).
- 13) TIH w/ 4½" AS-1X packer, 2-3/8" tubing to 5,000'. Set pkr with 15K# compression. Pump 20 bbls heavy mud, 60 sx Class C cmt (14.8 ppg, 6.3 gps, 1.32 cfs yield). Flush with 21 bbls heavy mud. TOH w/ packer, LD 1,500' tubing. WOCT 4 hours.
- 14) RIH w/ sinker bar and tag TOC (Maximum tag depth @ 5,210'). RIH and perforate 4 squeeze holes @ 3,546' (Top of Glorieta).
- 15) TIH w/ 4½" AS-1X packer, 2-3/8" tubing to 3,150'. Set pkr with 15K# tension. Pump 20 bbls heavy mud, 60 sx Class C cmt (14.8 ppg, 6.3 gps, 1.32 cfs yield). Flush with 14 bbls heavy mud. TOH w/ packer, LD 1,200' tubing. WOCT 4 hours.
- 16) RIH w/ sinker bar and tag TOC (Maximum tag depth @ 3,446'). RIH and perforate 4 squeeze holes @ 1,960'.?
- 17) TIH w/ 4½" AS-1X packer, 2-3/8" tubing to 1,660'. Set pkr with 15K# tension. Pump 20 bbls heavy mud, 35 sx Class C cmt (14.8 ppg, 6.3 gps, 1.32 cfs yield). Flush with 8 bbls heavy mud. TOH w/ packer, LD tubing. WOCT 4 hours.
- 18) RIH w/ sinker bar and tag TOC (Maximum tag depth @ 1,806'). RIH and perforate 4 squeeze holes @ 430'.
- 19) ND BOP. MI RU weldor. WO 41/2" nipple, install valve.
- 20) Pump 20 bbls heavy mud, 60 sx Class C cmt (14.8 ppg, 6.3 gps, 1.32 cfs yield) to cement from 430' to surface.
- 21) RD MO cementers. RD MO service unit.
- Cut-off casinghead. WO cap with well name/number, operator name, date. Set from top of casing to minimum 4' above ground level, install a minimum 4" in diameter marker with WO cap with operator, well name/number and date.
 R and S State 1 Plug and Abandonment Procedure 201507

RKI Exploration & Production

R and S State 1 Wellbore Diagram

Buffalo Valley Penn Chaves County, NM API # 30-005-60424



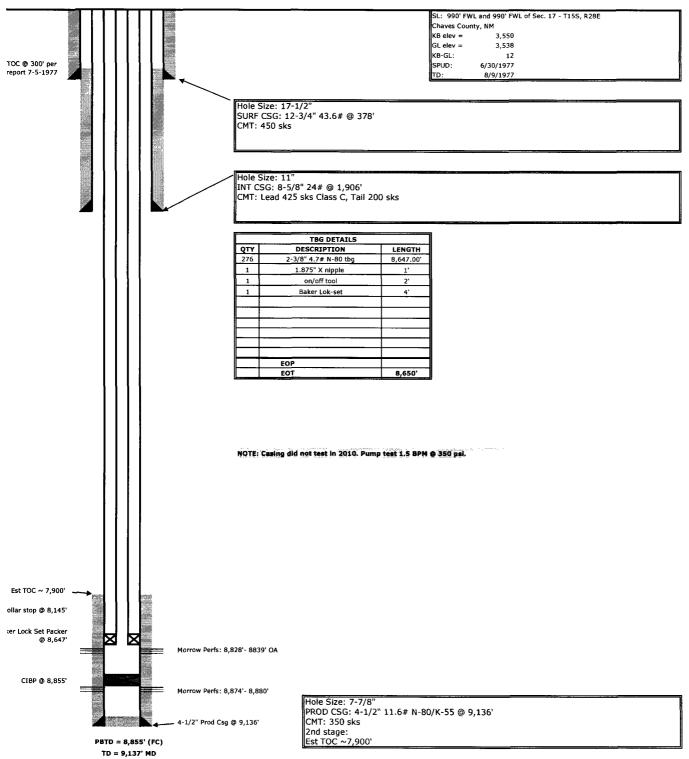


RKI Exploration & Production

R and S State 1 Wellbore Diagram

Buffalo Valley Penn Chaves County, NM API # 30-005-60424

Current WBD



CONDITIONS FOR PLUGGING AND ABANDONMENT

District II / Artesia N.M.

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, Notify NMOCD District Office II at (575)-748-1283 at least 24 hours before beginning work.

- 1. A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs.
- 2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
- 3. Trucking companies being used to haul oilfield waste fluids to a disposal commercial or private shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.
- 4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
- 5. A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can be released.
- 6. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
- 7. Produced water will not be used during any part of the plugging operation.
- 8. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
- 9. All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
- 10. Class 'C' cement will be used above 7500 feet.
- 11. Class 'H' cement will be used below 7500 feet.
- 12. A cement plug is required to be set 50' above and 50' below, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged
 13. All Casing Shoes Will Be Perforated and Attempted to be Squeezed, cement needs
- 13. All Casing Shoes Will Be Perforated and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing
- 14. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
- 15. A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.
- 16. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).

- 17. No more than 3000' is allowed between cement plugs in cased hole and 2000' in open
- 18. Formations to be isolated with cement plugs: SOME ARE! THESE PLUGS TO BESET TO I SULATE FURMATION TOPS
 - A) Fusselman
 - B) Devonian
 - C) Morrow
 - D) Wolfcamp
 - E) Bone Springs
 - F) Delaware
 - G) Any salt sections
 - H) Abo
 - I) Glorieta
 - J) Yates.
 - K) Potash--- (In the R-111-P Area (Potash Mine Area), a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, WOC 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.
- 19. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, WOC and tagged. These plugs will be set 50' below formation bottom to 50' above formation top inside the casing

DRY HOLE MARKER REQUIRMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least 14" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

1. Operator name 2. Lease and Well Number 3.API Number 4. Unit Letter 5. Quarter Section (feet from the North, South, East or West) 6. Section, Township and Range 7. Plugging Date 8. County

(SPECIAL CASES)

AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)