

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004



OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-27763
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-3479-0001
7. Lease Name or Unit Agreement Name PINNACLE STATE
8. Well Number 13
9. OGRID Number 246289
10. Pool name or Wildcat HERRADURA BEND, DELAWARE EAST

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.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
RKI EXPLORATION & PRODUCTION, LLC

3. Address of Operator
3817 NW EXPRESSWAY, SUITE 950, OKLAHOMA CITY, OK 73112

4. Well Location

Unit Letter: O 330' FSL & 2310' FEL
Section 36 Township 22 South Range 28 East NMPM EDDY County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,095' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type: DRILLING Depth to Groundwater: ' Distance from nearest fresh water well: ' Distance from nearest surface water: '

Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☒

OTHER: DRILLING PIT ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Well is currently producing in Brushy Canyon from 6,184' to 6,194'.

Will set cast iron frac plug @ 6,120.

Will then perforate 2 additional intervals in Brushy Canyon from 5,964' to 5,984' and 6,008' to 6,020'.

See attachment for further work details.

No pit is planned. Temporary above ground steel mud tank will be used.

No H2S is expected.

cc: McCollom

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Brian Wood TITLE: CONSULTANT

DATE: MAR. 3, 2007

Type or print name: BRIAN WOOD

E-mail address: brian@permitswest.com

Telephone No.: (505) 466-8120

For State Use Only

APPROVED BY: Accepted for record - NMOCD TITLE

DATE 3/12/07

Conditions of Approval (if any):

RKI Exploration and Production, LLC
3817 NW Expressway, Suite 950
Oklahoma City, Oklahoma 73112

Pinnacle State #13
SE/4 Sec. 36 T22S R28E
Eddy County, New Mexico
API NO. 30-015-27763

2/23/07; PEM

Wellbore Data:

Spud Date: 9/18/96
Completion Date: 10/14/96
Surface Casing: 8 5/8" 24# @ 503' w/ 320 sx
Production Casing: 5 " 15.5# J-55 @ 6,372' w/ 1,600 sx, circ 83 sx cmt to surface
DV tool @ 3628'
Tubing: 2 7/8" 6.5# J-55 EUE, SN @ 6,300'
Packer: Tubing Anchor @ 6,100'
PBSD: 6,333' (FC)
Perforations: Brushy Canyon 6,184'-6,194'
Elevations: KB 3,110', GL 3,098'

RECOMPLETION PROCEDURE:

1. Test all wellhead valves and safety anchors to full rating.
2. MI RU Service Unit.
3. HO pump unit. Unseat pump. MIRU Hot Oiler. Hot oil tubing w/ 40 bbls oil.
RDMO Hot Oiler. TOH w/ rods, pump.
4. ND flange. NU 3,000# BOP.
5. Release tubing anchor. Tag PBSD and be sure perforations clear. MIRU Tuboscope.
TOH and inspect tubing. RDMO Tuboscope.
6. Deliver, unload, and tally replacement 2-7/8" 6.5# J-55 EUE tubing.
7. IF NECESSARY, RIH w/ scraper/hydrostatic bailer and cleanout to below
6,120'.

8. RIH w/ JB/GR from PBTD to 6,100'. RIH and set cast iron frac plug @ 6,120' (NOTE: Do not set plug in casing collar). Load hole and pressure test 5-1/2" casing to 2,000 psi. for 10 minutes.
9. RIH w/ 4" HSC gun and perforate (60 degree phasing, BH charges) Brushy Canyon as follows:

Top	Btm	SPF	# Feet	# Holes
5,964'	5,984'	1	20	21
6,008'	6,020'	2	12	25
Totals:			32	46

Correlate perforations to attached density log.

10. MIRU Pump truck and breakdown perforations with 2% KCL.
11. If perforations did not breakdown in Step 10, TIH w/ 5" Arrow X-1 packer, 2 7/8" tubing. Set packer @ 5,900' w/ 12K# comp. (NOTE: Do set packer in casing collar). MIRU pump truck. Load tubing w/ 2% KCL water and breakdown perforations. RDMO Pump truck. Release packer and TOH w/ packer.
12. MI RU BJ Services. Fracture stimulate Brushy Canyon via 5" casing @ 30 BPM @ ~1,525 psi w/ 71,379 gals produced water / brine + 14,000# 14/30 Liteprop 125 + 4,000# 14/30 Liteprop 125C + 1,000# 20/40 sand in the following stages:
- 10,000 gals produced water / brine pad
 - 4,000 gals produced water / brine + 0.25 ppg 20/40 White sand
 - 10,000 gals produced water / brine + 0.10 ppg 14/30 LiteProp 125
 - 15,000 gals produced water / brine + 0.20 ppg 14/30 LiteProp 125
 - 20,000 gals produced water / brine + 0.30 ppg 14/30 LiteProp 125
 - 2,000 gals produced water / brine + 0.50 ppg 14/30 LiteProp 125
 - 1,500 gals produced water / brine + 1 ppg 14/30 LiteProp 125
 - 1,000 gals produced water / brine + 1.5 ppg 14/30 LiteProp 125
 - 2,000 gals produced water / brine + 2 ppg 14/30 LitePropC 125
 - 5,879 gals produced water / brine flush

Record ISIP, 5 min SIP, 10 min SIP, 15 min SIP.

13. SI 4 hours. Flow back as necessary.
14. TIH w/ retrieving head, 1 jt tubing, SN, 2 7/8" tubing. MIRU pump, tank, swivel. cleanout wellbore and retrieve BP. TOH and LD BP.
15. TIH w/ MA, 4' PS, 2.25" SN, 14 jts. tubing, TA, 2 7/8" 6.5# J-55 tubing. EOT @ 6,008'. Set TA @ 5,470' w/ 10K# tension.

16. ND BOP, NU flange.
17. TIH w/ downhole ring pump, on/off tool, 76 rod string, polished rod. Space and seat pump. MIRU pump truck. Load tubing and test tubing to 400 psi. RDMO pump truck. HO PU.
18. RDMO Service Unit.
19. Start PU.