

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, 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-101
May 27, 2004



Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

OCT 15 2007

☐ AMENDED REPORT

OCD-ARTESIA

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address RKI EXPLORATION & PRODUCTION, LLC 3817 NW EXPRESSWAY, SUITE 950, OKLAHOMA CITY, OK 73112		² OGRID Number 246289
³ Property Code 36750 303271	⁴ Property Name PINNACLE STATE	⁵ API Number 30 - 015 - 35864
⁹ Proposed Pool 1 HERRADURA BEND; DELAWARE, EAST		⁶ Well No. 17
¹⁰ Proposed Pool 2		

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	36	22 S	28 E		990	NORTH	2310	WEST	EDDY

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary ROTARY	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3,148'
¹⁶ Multiple N	¹⁷ Proposed Depth 7,140'	¹⁸ Formation BONE SPRING	¹⁹ Contractor	²⁰ Spud Date UPON APPROVAL
Depth to Groundwater >100'		Distance from nearest fresh water well >1,000'		Distance from nearest surface water >200'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/> Pit Volume: <input type="checkbox"/> 25,000 bbls Drilling Method: <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				
Closed-Loop System <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	54.5#	40'	100	SURFACE
12-1/4"	9-5/8"	36#	280'	156	SURFACE
7-7/8"	5-1/2"	17#	7,140'	945	SURFACE

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone Describe the blowout prevention program, if any. Use additional sheets if necessary

- Drill 17-1/2" hole to 40'. Set 40' of 13-3/8" conductor casing. Cement to surface with Redi-Mix cement.
- Drill 12-1/4" hole to 280'. Set 280' of 9-5/8", 36#, J-55, ST&C surface casing.
Cement with 156 sacks of tail slurry with 2% calcium chloride (yield = 1.35). Volume includes 100% excess to bring cement to surface.
- Drill 7-7/8" hole to 7,140'. Set 7,140' of 5-1/2" production casing. Cement to surface in two stages (DV tool @ ~4,000').
Stage 1: cement with 175 sacks of Interfill C lead (yield = 2.47) and 300 sacks of 50/50 Poz premium with 0.5% LAP-1 + 0.4% CFR-3 + 3 #/sk salt + 0.1% HR-7 + 1/4 #/sk D-Air 3000 tail (yield = 1.30).
Stage 2: cement with 370 sacks Interfill C lead (yield = 2.47) and 100 sacks Premium Plus tail (yield = 1.33). Note: Actual cement volumes to be determined by open hole caliper log.
- Will use fresh water mud to drill surface hole and saturated salt to drill production hole.
- RKI has 15 Delaware wells in Section 36. No H2S has been detected to date.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Printed name: BRIAN WOOD
Title: CONSULTANT
E-mail Address: brian@permitswest.com
Date: 10-13-07 Phone: (505) 466-8120

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARRANT
DISTRICT II GEOLOGIST

Title:

Approval Date: OCT 16 2007 Expiration Date: OCT 16 2008

Conditions of Approval Attached ☐

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-	Pool Code 30670	Pool Name HERRADURA BEND; DELAWARE, EAST
Property Code 36750 303271	Property Name PINNACLE STATE	Well Number 17
OGRID No. 246289	Operator Name RKI EXPLORATION & PRODUCTION	Elevation 3148'

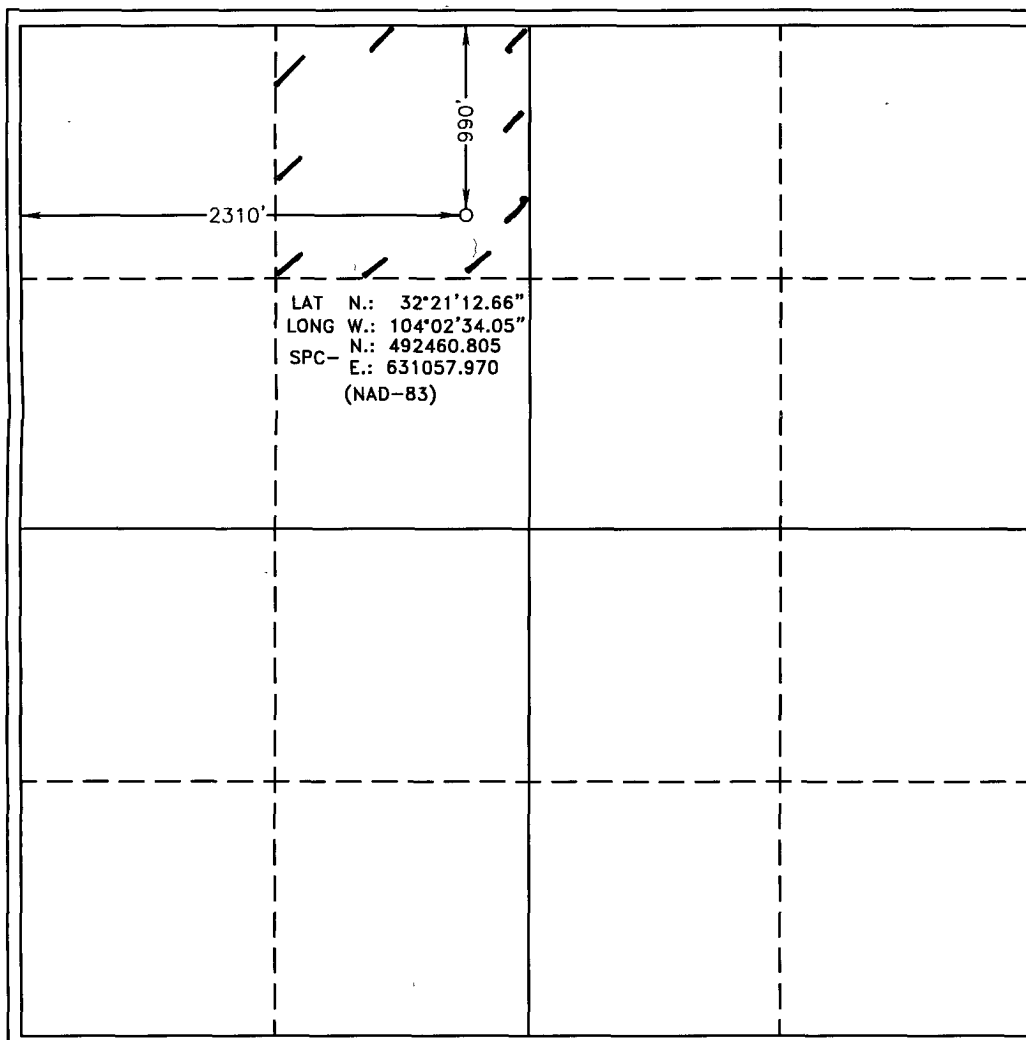

Surface Location

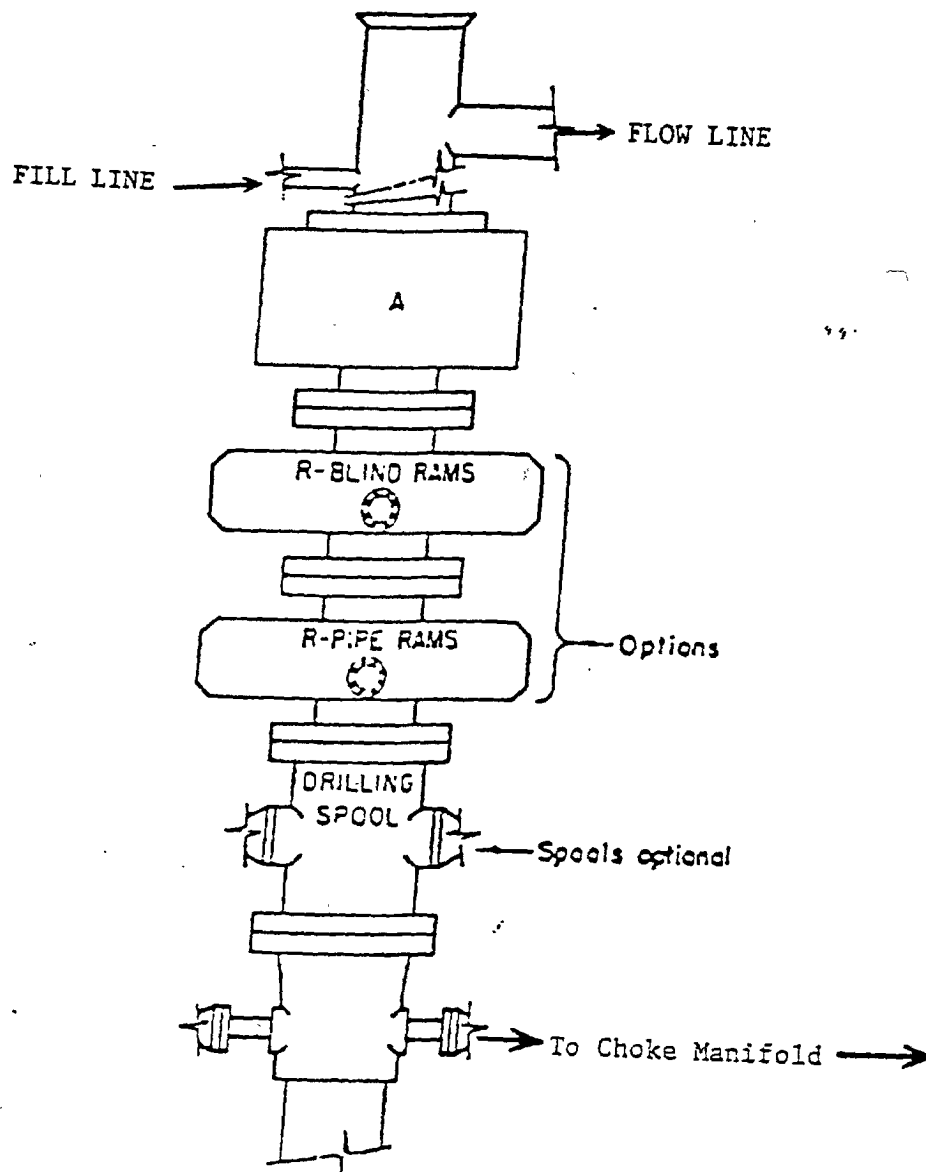
UL or lot No. C	Section 36	Township 22 S	Range 28 E	Lot Idn	Feet from the 990	North/South line NORTH	Feet from the 2310	East/West line WEST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill I	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p> 13-07</p> <p>Signature _____ Date _____</p> <p>BRIAN WOOD</p> <p>Printed Name _____</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>AUGUST 14, 2007</p> <p>Date Surveyed _____</p> <p>Signature & Seal of Gary L. Jones, Professional Surveyor</p> <p>W. L. Jones 7977</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>
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ARRANGEMENT SRRA

900 Series
3000 PSI WP