

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. 30-015-35828
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name
8. Well Number Pinnacle State 16
9. OGRID Number 246289
10. Pool name or Wildcat Bone Spring

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator RKI Exploration and Production, LLC.	
3. Address of Operator 3817 NW Expressway, Suite 950, Oklahoma City, OK. 73112	
4. Well Location Unit Letter <u>N</u> : <u>1152</u> feet from the <u>South</u> line and <u>2528</u> feet from the <u>West</u> line Section <u>36</u> Township <u>22S</u> Range <u>28E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,085' GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ 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 _____	

JAN 8 2008

OCD-ARTESIA

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: Complete and Production Test ☒

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.

Commenced completion rig operations on 12-17-07. Picked up 4-3/4" bit. Tagged DV tool @ 4,543'. Drilled out DV tool. Tagged float collar @ 6900'. Pressure tested casing to 2,000 psi. for 25 minutes - good.

Rigged up wireline unit and ran cement bond log. Bond log indicated top of cement @ 1,100'. Perforated Bone Spring 6,461-6,484' (2 SPF total 46 holes). Picked up packer and set at 6,306'. Acidized with 2,000 gals 7 1/2% HCL acid using 75 ball sealers.

Fracture stimulated the Bone Spring 6,461'-6,484' via 5-1/2" casing with 26,500 gals. Medallion 3000 + 6,267 gals 30# gel and 42,000 # 16/30 white sand + 9,800 # 16/30 resin-coated sand.

Cleaned out to 6,900'. Installed rod pump equipment and flow tested well.

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 Gene Simer TITLE Production Superintendent DATE 1-8-08

Type or print name Gene Simer

E-mail address: gsimer@rkixp.com

Telephone No. 575-885-1313

For State Use Only

FOR RECORDS ONLY

APPROVED BY: _____ TITLE _____ DATE JAN 23 2008

Conditions of Approval (if any):