District I 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy Minerals and Natural Resources

Form C-101 May 27, 2004

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

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

Submit to appropriate District Office

☐ AMENDED REPORT

APPL	ICATI	ON FO				<u>,, RE-I</u>	ENTE	CR, DI	EEPE	N, PLUGBA			DD A ZONE
Operator Name and Address RKI EXPLORATION & PRODUCTION, I							.C.	C. 246289			टा		
3817 NW_EXPRESSWAY SUITE 950 OKLAHOMA CITY, OKLAHOMA 73112										30-015	A	Pl Number	
Prope	rty Code	7/		•		Property 1						°Wa 25	ell No.
PINNACLE STAT									10 Pro	posed P			
Culebra Bluff BONE SPRING S 1501							2//						
⁷⁷ Surface Location								_					
UL or lot no. Section Township Range Lot Idn 36 22 S 28E		Idn	Feet fro	O' SOUT		outh line 'H	800'		t/West line	County EDDY			
⁸ Proposed Bottom Hole Local							ion If I	Differer	nt From	Surface			-
UL or lot no.	UL or lot no. Section Township Range		Lot	Lot Idn Feet fro		m the	North/South line		Feet from the East/Wess		t/West line	County	
<u> </u>		I		A	ditior	nal We	ll Info	rmati	on	l	!		
1 _	Гуре Code		12 Well Type Co			13 Cable				Lease Type Code	15 Ground Level Elevation		
16 M	ultiple		17 Proposed De	ROTAROTARY			mation		S 19 Contractor		3066 * 20 Spud Date		
i i	NO NO		7070	pui	BONE	E SPRI			PERMIAN DRILLING WHEN APPROVE			1	
Depth to Grou	ndwater	50 ' ±	r	Distanc		carest fres KNOWN							
Pit: Liner:	Synthetic		mils thick Clay						illing Me			<u> </u>	TIES THOOK K
Close	d-Loop Sys	tem 🛣								Brine X D	iesel/Oi	l-based 🗌	Gas/Air 🗌
			2	Propo:	sed Ca	asing a	nd Ce	ment .	Progra	m			
Hole S	ze	Ca	sing Size		g weight	- 1	Setting Depth		Sacks of Cement			Estimated TOC	
17½"			14"	Condu	ctor		80' Redi		Redi-mix	ledi-mix Súr		face	
11"			8 5/8"	32#				450 '		181 Sx.		Surface	
7 7/8'	· · · · · · · · · · · · · · · · · · ·		5½11	17	<u>'#</u>		7070'		541 Sx		Sur	Surface	
													
22 Describe th	e proposed	l program.	If this application	is to DEE	PEN or F	PLUG BA	CK, giv	e the data	a on the p	resent productive	zone an	d proposed	new productive zone.
Describe the	blowout pro	evention pr	ogram, if any. Us	e additiona	al sheets	if necessa	гу.		•	,			•
			•		S	EE AT	TACHI	ED SH	EET				
	SEE ATTACHED SHEET												
<u>NO1</u>	<u>E</u> : N	ew Pit l	Rule										
NMAC 19-15-17													
23 I hereby certify that the information given above is true and complete to the OH CONSERVATION DIVISION													
best of my knowledge and belief. I further certify that the drilling pit will be						OIL, CONSERVATION DIVISION							
constructed according to NMOCD guidelines XX, a general permit , or Appr an (attached) alternative OCD-approved plan D.						Approv	ed by	en.	IW. L	Ze	M		
						Title:	A A	wind.	TES	TV	eve	· ••••	
Title: Permit Engineer						100		al Date;	1.1	100	Expiration	on Date:	-12/10
E-mail Address: joejanica@valornet.com							mu	4 21	<i>V V</i>			ind the	
Date: 05/16/08 Phone: 575-391-8503							Conditions of Approval Attached						

- 1. Drill $17\frac{1}{2}$ " hole to 80'. Set 80' of 14" conductor pipe and cement to surface with Redi-mix.
- 2. Drill 11" hole to 450'. Run and set 450' of 8 5/8" 32# J-55 ST&C casing. Cement with 181 Sx. of Class "C" cement + 2% CaCl + .125# Flocele/Sx. Yield 1.34, circulate cement to surface.
- 3. Drill 7 7/8" hole to 7070'. Run and set 7070' of 5½" 17# J-55 LT&C casing. Cement with 341 Sx of 40/60 (GemPlus blend/LITEFIL(24#/CF) + 1% ANTISETTLING AGENT + .3% TIC DISPERSANT + 22% ANTIFOAMER + .125#/Sx. of polyflake/Sx. Yield 2.61, tail in with 40/60/ (CemPlus blend/LITEFIL(24#/CF) + .2% MIDTEMP RETARDER + 1% ANTISETTLING AGENT + .3% TIC DISPERSANT + .2% ANTIFOAMER + .125#/Sx of polyflake/Sx. Yield 2.27, circulate cement to surface.
- 4. Cement volumes may be altered after open hole logs have been run to check the caliper log it see if changes to volumes will be required.
- 5. Fresh water will be used to drill the surface hole, and brine will be used to drill the 7 7/8" hole to reduce wash out of the salt section.
- 6. The Bureau of Land Management does not have any records that indicate the presence of H_2S in this area. RKI Exploration & Production, LLC. has not tencountered and H_2S during the drilling of other wells on this lease.

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 DISTRICT II 1301 W. Grand Avenue, Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

1220 S. St. Francis Dr., Santa Fe, NM 87505

DISTRICT III

DISTRICT IV

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

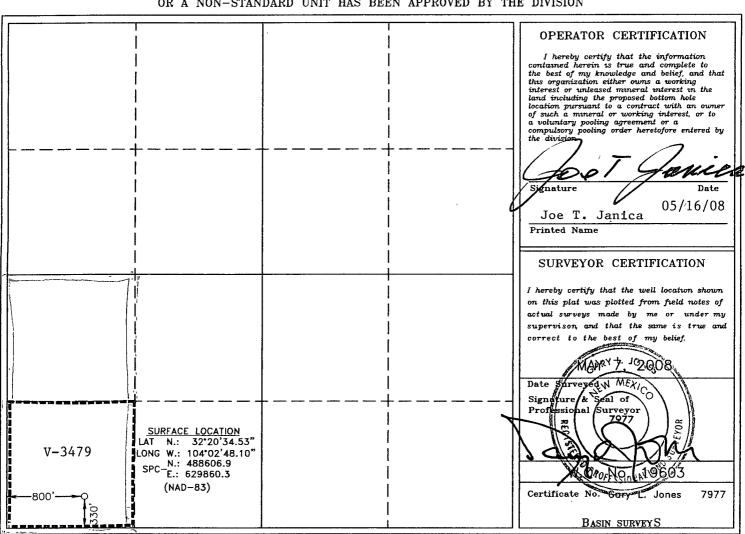
1220 South St. Francis Dr. Santa Fe, New Mexico 87505

☐ AMENDED REPORT

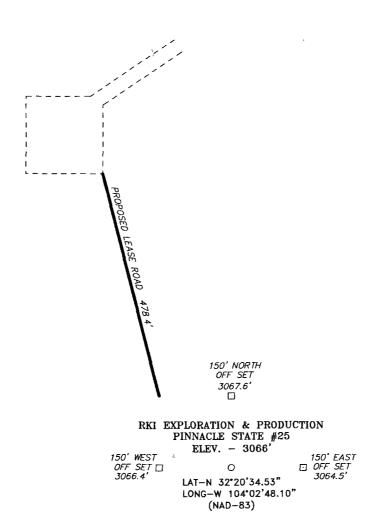
WELL LOCATION AND ACREAGE DEDICATION PLAT

API	Number	1		7)//	Lute	bra BluffB	ONE SPRING	S			
Property	Code				Well Nu	Well Number					
3032	7/			25							
OGRID N	о.		Operator Name								
246289			R	3066'							
Surface Location											
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
М	м 36		28 E		330	SOUTH	800	WEST	EDDY		
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 Joint or Infill Consolidation Code Order No.											
% 0											
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED											

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



SECTION 36, TOWNSHIP 22 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



□ 150' SOUTH OFF SET 3062.4'

DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF HWY 62-180 AND REFINERY ROAD, GO SOUTHERLY ON REFINERY ROAD FOR 10.3 MILES TO LEASE ROAD, ON LEASE ROAD GO NORTHEAST 0.9 MILES, THENCE SOUTHEAST WINDING NORTHEAST 1.2 MILES TO WELL PAD AND PROPOSED LEASE ROAD.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number. 19603 Drawn By: J. M. SMALL
Date: 05-08-2008 Disk: JMS 19603

200 0 200 400 FEET

SCALE: 1" = 200'

RKI EXPLORATION & PRODUCTION

F: PINNACLE STATE #25 / Well Pad Topo

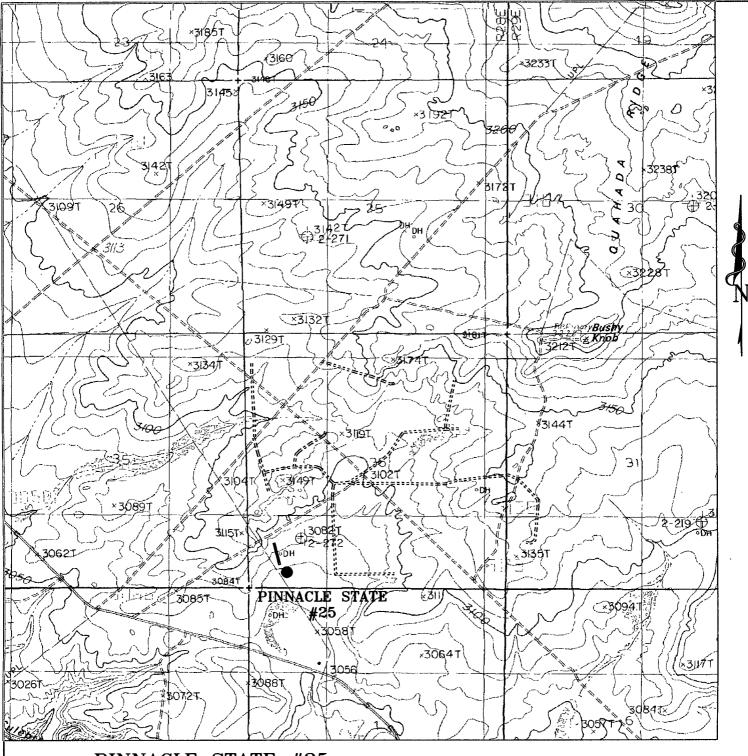
THE PINNACLE STATE #25 LOCATED 330' FROM

THE SOUTH LINE AND 800' FROM THE WEST LINE OF

SECTION 36, TOWNSHIP 22 SOUTH, RANGE 28 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 05-07-2008 Sheet 1 of 1 Sheets



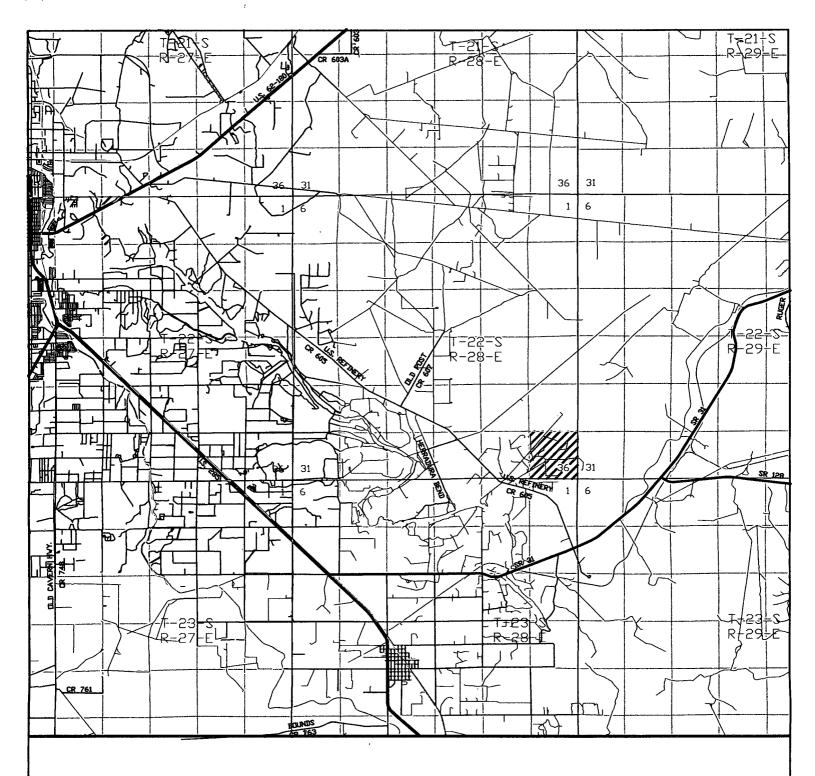
PINNACLE STATE #25 Located at 330' FSL AND 800' FWL Section 36, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 - Office (505) 392-3074 - Fax basinsurveys.com

W.O. Number:	19603
Survey Date:	05-07-2008
Scale: 1" = 20	000,
Date: 05-08-	2008

RKI EXPLORATION & PRODUCTION



PINNACLE STATE #26 Located at 330' FSL and 800' FWL Section 36, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 — Office (505) 392-3074 — Fax basinsurveys.com

W.O. Number:	JMS	19603	
Survey Date:	05-0	7-2008	
Scale: 1" = 2	MILES		
Date: 05-08-	-2008		

RKI EXPLORATION & PRODUCTION

BLOWOUT PREVENTER SYSTEM

