

District I – (575) 393-6161
1625 N French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

WELL API NO. 30-015-36724
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 RDX 16
8. Well Number 7
9. OGRID Number 246289
10. Pool name or Wildcat Brushy Draw – 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 H : 1650 feet from the North line and 990 feet from the East line
Section 16 Township 26S Range 30E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3071 feet GL

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 ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

OTHER: completion activities ☒

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.

Completion activities commenced on 12/21/2011 (MIRU rig). Drill out DV tool @ 5026 feet, CIH to tag PBTD at 7503 feet. Ran CBL/Gamma Ray log from PBTD to surface. Estimated TOC at 4120 feet.

Formation fracturing data:

Stage 1 – 7028 feet -7180 feet (30 holes) - start on 500 gals of 30# linear gel (Water frac G) formation broke at 3497 psig 1500 gals of 15% HCl acid, 14,994 gals of Delta frac 140-R gel, 41,113 gals of 20# Delta Frac 140R carrying 83,383# of Premium White 16/30 sand at .5/1.0/2.0/3.04.0 ppg concentrations tailed with 7914 gals of 20# Delta Frac 140-R gel carrying 36,957# of CRC 16/30 sand at 5.0 ppg. Flushed to bottom perf. ISIP - 419 5/10/15 min SIPs - 350/334/324 psig. Total load to recover this stage - 100,037 gals (2390 bbls) Avg Treat/ Max Treat psi - 2566/4465 psig Avg Treat rate/Max Treat rate - 55/64 BPM Total Prop - 123,624 lbs

Stage 2 – 6610 feet to 6894 feet (53 holes) - start on 500 gals of 30# linear gel (Water frac G) formation broke at 1097 psig 1500 gals of 15% HCl acid, 16,422 gals of Delta frac 140-R gel, 39,254 gals of 20# Delta Frac 140R carrying 80,573# of Premium White 16/30 sand at .5/1.0/2.0/3.04.0 ppg concentrations tailed with 7805 gals of 20# Delta Frac 140-R gel carrying 33,186# of CRC 16/30 sand at 5.0 ppg. Flushed to bottom perf. ISIP - 438 5/10/15 min SIPs - 350/334/324 psig. Total load to recover this stage - 92,562 gals (2275 bbls) Avg Treat/ Max Treat psi - 2281/2836 psig Avg Treat rate/Max Treat rate - 78/82.5 BPM Total Prop - 114,239 lbs.

Stage 3 – 6380 feet to 6530 feet (40 holes) - start on 500 gals of 30# linear gel (Water frac G) formation broke at 3941 psig 1500 gals of 15% HCl acid, 14,998 gals of Delta frac 140-R gel, 39,038 gals of 20# Delta Frac 140R carrying 82,923# of Premium White 16/30 sand at .5/1.0/2.0/3.04.0 ppg concentrations tailed with 7445 gals of 20# Delta Frac 140-R gel carrying 30,830# of CRC 16/30 sand at 5.0 ppg. Flushed to bottom perf. ISIP - 412 5/10/15 min SIPs - 350/334/324 psig. Total load to recover this stage - 76,368 gals (1818 bbls) Avg Treat/ Max Treat psi - 2984/4262 psig Avg Treat rate/Max Treat rate - 76/85 BPM Total Prop - 114,239 lbs.

Stage 4 – 5950 feet to 6122 feet (49 holes) - start on 500 gals of 30# linear gel (Water frac G) formation broke at 3941 psig 1500 gals of 15% HCl acid, 15,073 gals of Delta frac 140-R gel, 36,649 gals of 20# Delta Frac 140R carrying 78,544# of Premium White 16/30 sand at .5/1.0/2.0/3.04.0 ppg concentrations tailed with 8133 gals of 20# Delta Frac 140-R gel carrying 35,500# of CRC 16/30 sand at 5.0 ppg. Flushed to bottom perf. ISIP - 396 5/10/15 min SIPs - 302/277/263 psig. Total load to recover this stage - 75,777 gals (1804 bbls) Avg Treat/ Max Treat psi - 2663/4129 psig Avg Treat rate/Max Treat rate - 71/76 BPM Total Prop - 111,472 lbs.


Stage 5 - 5630 feet to 5820 feet (60 holes) - start on 500 gals of 30# linear gel (Water frac G) formation broke at 3941 psig 1500 gals of 15% HCl acid, 10,040 gals of Delta frac 140-R gel, 48,139 gals of 20# Delta Frac 140R carrying 124,600# of Premium White 16/30 sand at .5/1.0/2.0/3.04.0 ppg concentrations tailed with 12,989 gals of 20# Delta Frac 140-R gel carrying 53,030# of CRC 16/30 sand at 5.0 ppg. Flushed to bottom perf. ISIP - 382 5/10/15 min SIPs - 344/314/304 psig. Total load to recover this stage - 85,955 gals (2047 bbls) Avg Treat/ Max Treat psi - 1788/2152 psig Avg Treat rate/Max Treat rate - 70/83 BPM Total Prop - 177,630 lbs.

Tied into ESP and produced well.

Spud Date: 11/22/2011

Rig Release Date: 12/03/2011

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE EH&S/Regulatory Manager DATE 8/24/2012

Type or print name Charles K. Ahn E-mail address: cahn@rkixp.com PHONE: 405-996-5771

For State Use Only

APPROVED BY:  TITLE David H. Sipevus DATE 8/30/12
Conditions of Approval (if any):