

District I - (575) 393-6161

1625 N French Dr., Hobbs, NM 88240

District II - (575) 718-1283

811 S First St., Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Rd., Artesia, NM 88210

District IV - (505) 476-3400

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

87505

RECEIVED

SEP 25 2012

NM OGD ARTESIA

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-015-40422

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

RDX 16

8. Well Number

12

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

210 Park Avenue, Suite 900, Oklahoma City, OK 73102

4. Well Location

Unit Letter N : 940 feet from the South line and 1750 feet from the West lineSection 16 Township 26S Range 30E NMPM Eddy County

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

3037 feet GR

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: ☐

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.

On 7/30/2012, drilled 8 3/4 inch hole to 7422 feet. Ran 185 joints of 5-1/2 inch 17# N-80 LTC casing with FS @ 7408 feet. FC @ 7364 feet, DV Tool @ 5520 feet.

Cementing:

Stage 1 Lead: 500 sks of pvl+1.3%pf44(bwow)+5%pf174+5%pf606+.1%pf153+2%pf130.25#/skpf46+5#skpf974, Class C, yield = 1.47, Density = 13. opened tool, circulated 45 bbls /175 sks back to surface with rig pump,

Stage 2 Lead: 375 sks of 36/65poz/c5%pf44(bwow)+6%pf20+0.2%pf13+0.125#/skpf29+.25#/skpf46, Class C, yield = 3.03, Density = 12.6

Stage 2 Tail: 175 sks of pvl+1.3%pf44(bwow)+5%pf174+.5%pf606+1%pf153+.2%pf130.25#/skpf46, Class C, Yield = 1.47, Density = 13. Released the rig on 8/01/2012. On 8/08/2012, tested the production casing to 2500 psi for 30 minutes = OK

Spud Date:

7/20/2012

Rig Release Date:

8/01/2012

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

SIGNATURE

*Charles K. Ahn*TITLE EH&S/Regulatory ManagerDATE 9/24/2012Type or print name Charles K. AhnE-mail address: cahn@rkixp.comPHONE: 405-996-5771

For State Use Only

APPROVED BY:

*R. Wade*TITLE DIST # SupervisorDATE 9/26/12

Conditions of Approval (if any):