Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

5. Lease Serial No.

SUNDRY NO	OTICES AND	REPORTS	ON WELLS
Do not use this t			
abandoned well.	Use form 316	0-3 (APD) for	such proposals

Do not use this form for proposals to drill or to re-enter an abandoned well. Use from 310-3 (APD) for such proposals. SUBMIT IN TRIPLICATE - Other instructions on reverse side. 9. (1 Type of Well Submitted of the Submitted o	abandoned well. Use form 3160-3 (APD) for such proposals. SUBMIT IN TRIPLICATE - Other instructions on reverse side. Type of Well ☑ Oil Well ☐ Gas Well ☐ Other Name of Operator RKI EXPLORATION & PROD LLC E-Mail: jnoerdlinger@rkixp.com 3b. Phone No. (include area code)	7. If Unit or CA/Agreement, 1 891013810X	Name	
Type of Well Service	Type of Well S Oil Well Gas Well Other Name of Operator RKI EXPLORATION & PROD LLC Address Address Type of Well Contact: JODY NOERDLINGER E-Mail: jnoerdlinger@rkixp.com 3b. Phone No. (include area code)	891013810X		
ROSS DRAW UNIT 53.	Name of Operator RKI EXPLORATION & PROD LLC Address Other Contact: JODY NOERDLINGER E-Mail: jnoerdlinger@rkixp.com	9 Well Name and No	Name and/or No.	
2. Name of Operation well United Constact: JODY NOERDLINGER S. AF! Well No. 30-015-41974-00-X1 2. Name of Operation S. AF! Well No. 30-015-41974-00-X1 3. Address S. AF! Well No. 30-015-41974-00-X1 3. Address S. AF! Well No. 30-015-41974-00-X1 4. Location of Well Protege, See, T. R. M. or Survey Description) 4. Location of Well Protege, See, T. R. M. or Survey Description) 5. AF Notice of Intent C. Acidize Deepen Production (Start/Ressure) 6. Water Shut-Off Protege of Intent Acidize Deepen Production (Start/Ressure) Water Shut-Off 7. Subsequent Report Acidize Deepen Production (Start/Ressure) Water Shut-Off 8. Notice of Intent Acidize Deepen Production (Start/Ressure) Water Shut-Off 9. Subsequent Report Casing Repair Procure Treat Reclamation Pull Integrity 9. Subsequent Report Casing Repair Procure Treat Reclamation Pull Integrity 9. Subsequent Report Casing Repair Procure Treat Reclamation Pull Integrity 9. Describe Proposal is in deeper directionally or recomplete borizontally, give subsurface (scations and measured and rine vertical deposits of all premient functions Pull Integrity 9. Describe Proposal is in deeper directionally or recomplete borizontally, give subsurface (scations and measured and rine vertical deposits of all premient functions Pull Integrity 9. Describe Proposal is in deeper directionally or recomplete borizontally, give subsurface (scations and measured and rine vertical deposits of all premient functions Pull Integrity Pull I	Name of Operator RKI EXPLORATION & PROD LLC Address Contact: JODY NOERDLINGER E-Mail: jnoerdlinger@rkixp.com 3b. Phone No. (include area code)			
RKIEXPLORATION & PROOD LLC E-Mail: [neerdinger@disp.com 30-015-41974-00-X1 32-210 PARK AVE SUITE 900 OKLAHOMA CITY, OK 73102 Location of Well [Foreign. Sec. T. R. M. or Survey Description) Sec 27 T26S R30E NENE 330FNL 990FEL 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION 13. December Report 14. Alter Casing 15. December Report 15. Subsequent Report 15. Convert to Injection 16. Change Plans 17. December Report 17. Bank Abandonment Notice 18. December Report 19. December Report 10. Change Plans 10. Change Plans 10. Change Plans 10. Plug and Abandon 10. Report Report 10. Change Plans 10. Plug and Abandon 10. Plug Back 10. Well Integrity 20. Other 21. December Report of Compilated Operations and permeter details, including estimated details, date of any proposed work and approximate autrinos thereof. 16. It is proposed out completed in 18. Banded Report Repor	RKI EXPLORATION & PROD LLC E-Mail: jnoerdlinger@rkixp.com Address 3b. Phone No. (include area code)			
210 PARK AVE SUITE 900 OKLAHOMA CITY, OK 73102 4. Location of Well (Foologie, Sec. T. R. M., or Survey Description) Sec 27 T26S R30E NENE 330FNL 990FEL 32.011126 N Lat, 103.514924 W Lon 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Acidize	Address 3b. Phone No. (include area code)			
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12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent		11. County or Parish, and Stat	e `	
TYPE OF SUBMISSION Activation Activatio	Sec 27 T26S R30E NENE 330FNL 990FEL 32.011126 N Lat, 103.514924 W Lon	EDDY COUNTY, NM		
Notice of Intent	12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NO	OTICE, REPORT, OR OTHER DAT	TA .	
Subsequent Report	TYPE OF SUBMISSION TYPE OF A	ACTION		
Subsequent Report	Notice of Intent	☐ Production (Start/Resume) ☐ W	ater Shut-Off	
Final Abandonment Notice	☐ Alter Casing ☐ Fracture Treat	☐ Reclamation ☐ W	ell Integrity	
Charge Hains Charge Hains Plug Back Water Disposal Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) RKI Exploration and Production seeks approval to change the production hole size from 8 3/4 inches to 77/8 inches. See the attached revised drilling plan. The subject well is scheduled to spud on March 17, 2014. Accepted for record ARTESIA DISTRICT NUMOCD 1/3 JUN 0 2 2014 RECEIVED ACCEPTED	☐ Subsequent Report ☐ Casing Repair ☐ New Construction	☐ Recomplete	ther	
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tle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	Signature (Electronic Submission) THIS SPACE FOR FEDERAL OR STATE &	AFICEUSEVED	Date	
	Signature (Electronic Submission) THIS SPACE FOR FEDERAL OR STATE A Deproved By ditions of approval, if any, are attached. Approval of this notice does not warrant or fy that the applicant holds legal or equitable title to those rights in the subject lease of would entitle the applicant to conduct operations thereon.	MAY 29 2014 / Chris Walls		

Well

Ross Draw Unit 53

Location

Surface:

Bottom Hole:

330 FNL 330 FNL 990 FEL 990 FEL Sec. 27-26S-30E Sec. 27-26S-30E

County Eddy

State New Mexico

1) The elevation of the unprepared ground is

3,021 feet above sea level.

2) The geologic name of the surface formation is Quaternary - Alluvium.

3) A rotary rig will be utilized to drill the well to 7,500 feet and run casing. This equipment will then be rigged down and the well will be completed with a workover rig.

4) Proposed depth is

7,500 feet

5) Estimated tops:

	TVD	•	
Rustler	798		
Salado	1,140		
Castile	1,589		
Lamar Lime	3,361		
Delaware Top	3,572		BHP = .44 psi/ft x depth
Bell Canyon Sand	3,572	Oil	1,572 psi
Cherry Canyon Sand	4,592	Oil	2,020 psi
. Brushy Canyon Sand	· 5,889	. Oil	2,591 psi ·
Bone Spring	7,349	Oil	3,234 psi
TD	7,500		3,300 psi

6). Casing program:						Collapse	Burst	Tension
Hole Size	. Тор	Bottom	OD Csg	Wt/Grade	Connection	Design Factor	Design Factor	Design Factor
17 1/2"	0	950	13 3/8" .	54.5#/J-55	ST&C	2.70	13.06	9.93
12 1/4"	0	3,439	9 5/8"	40#/J-55	LT&C	1.33	5.22	3.78
7-7/8"	0	7,500	5 1/2"	17#/N-80	LT&C	1.90	1.55	2.73
0.11	4 405	_	•					

Collapse	1.125
Burst	1.0
Tension	2.0

7) Cement program:

Excess

Surface 17 1/2" hole

Pipe OD 13 3/8"

Setting Depth 950 ft
Annular Volume 0.69462 cf/ft

Excess 1

100 %

 Lead
 602 sx
 1.75 cf/sk
 9.13 gal/sk
 13.5 ppg

 Tail
 200 sx
 1.33 cf/sk
 6.32 gal/sk
 14.8 ppg

Lead: "C" + 4% PF20 + 2% PF1 + .125 pps PF29 + .2% PF46

Tail: "C" + 1% PF1

Top of cement: Surface

Intermediate 12 1/4" hole Pipe OD 9 5/8"

Setting Depth 3,439 ft
Annular Volume 0.31318 cf/ft

318 cf/ft 0.3627 cf/ft 0.5 50 %

 Lead
 670 sx
 1.92 cf/sk
 9:95 gal/sk
 12.6 ppg

 Tail
 200 sx
 1.33 cf/sk
 6.32 gal/sk
 14.8 ppg

Lead: 35/65 Poz "C" + 5% PF44 + 6% PF20 + 3 pps PF42 + .125 pps PF29 + .2% PF46 +1% PF1

Tail: "C" + .2% PF13

Top of cement: Surface

7-7/8" Production Pipe OD 5 1/2"

Setting Depth 7.500 ft

Annular Volume 0.1732699 cf/ft 0.26074 cf/ft 500 ft Excess 0.32 0.5 · 32 %

DV Tool Depth 5500 ft

Stage 1

13.0 ppg 425 sx 1.48 cf/sk 7.58 gal/sk Lead:

PVL + 1.3% PF44 + 5% PF174 + 0.5% PF606 + 0.1% PF153 + 0.4 pps PF46 + 0.4% PF13

Stage 2

250 sx 10.03 gal/sk Lead: 1.89 cf/sk 12.9 ppg Tail: 175 sx 1.48: cf/sk 7.58 gal/sk 14.8 ppg

> Lead: 35/65 Poz "C" + 5% PF44 (salt) + 6% PF20 (gel) + .125 pps PF29 (cellophane)

+ .25 pps PF46 (antifoam) + .2% PF13 (retarder

Tail: PVL + 1.3% PF44 + 5% PF174 + 0.5% PF606 + 0.1% PF153 + 0.4 pps PF46 + 0.4% PF13

Top of cement: 2.939 ft

8) Pressure control equipment:

The blowout preventer equipment (BOP) shown in Exhibit #1 will consist of a double ram type (3,000 psi WP) preventer, a bag-type annular preventer (3,000 psi WP), and rotating head. Both units will be hydraulically operated and the ram type preventer will be equipped with blind rams on top and pipe rams (sized to accommodate the drill pipe size being utilized) on bottom. A 13 3/8" SOW x 13 5/8" 3M casing head will be installed on the 13 3/8" casing and utilized until total depth is reached. All BOP and associated equipment will be tested to 3,000 psi and the annular will be tested to 1,500 psi after setting the 13 3/8" string. The 13 3/8" and 9 5/8" casing will be tested to .22 psi per ft of casing string length or 1,500 psi whichever is greater, but not to exceed 70% of the minimum yield.

The 9 5/8" casing will be hung in the casing head and the stack will not be nippled down at this point. The stack will not be isolated and tested after running the 9 5/8" casing, but will be tested along with the 9 5/8" casing. Pipe rams will be operated and checked each 24 hour period and each time the drill string is out of the hole. These function test will be documented on the daily driller's log.

A drilling spool or blowout preventer with 2 side outlets (choke side shall be 3" minimum diameter, kill side shall be at least 2" diameter).

2 kill line valves, one of which will be a check valve.

2 chokes on the manifold along with a pressure gauge.

Upper kelly cock valve with handle available.

Safety valve and subs to fit all drill string connections in use.

All BOP equipment connections subjected to pressure will be flanged, welded, or clamped.

Fill up line above the upper most preventer.

9) Mud program:

Top	Во	ttom	Mud Wt.	Vis	Fluid Loss	Type System
	0	950	8.5 to 8.9	32 to 36	NC	Fresh Water
	950	3,439	9.8 to 10.0	28 to 30	NC	Brine
	3,439	7,500	8.9 to 9.1	28 to 36	. NC	Fresh Water

10) Logging, coring, and testing program:

No drillstem test are planned

Total depth to intermediate: CNL, Caliper, GR, DLL,

Intermediate to surface: CNL, GR

No coring is planned

11) Potential hazards:

No abnormal pressures or temperatures are expected. There is no known presences of H2S in this area, although some form a of H2S detection equipment will be utilized. Gas and pit-level monitoring equipment will be utilized below the 9 5/8" casing as deemed necessary. Lost circulation and weighting material will be available.

12) Anticipated start date ASAP Duration 25 days