

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS *OCD Artesia*
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM19612
2. Name of Operator RKI EXPLORATION & PROD LLC		6. If Indian, Allottee or Tribe Name
Contact: JODY NOERDLINGER E-Mail: jnoerdlinger@rkixp.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 210 PARK AVE SUITE 900 OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405-996-5774	8. Well Name and No. RDX FEDERAL 28 13
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 28 T26S R30E NWNE 660FNL 1980FEL 32.010787 N Lat, 103.530257 W Lon		9. API Well No. 30-015-41984-00-X1
		10. Field and Pool, or Exploratory ROSS DRAW
		11. County or Parish, and State EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Change to Original A
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal <input type="checkbox"/> PD

13. 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 recompleate 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. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation 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 for the subject well to change the production casing hole size to 7 7/8 inches.

Please see the attached revised drilling plan.

This well is scheduled to spud on 4/1/2014.

Accepted for record
NMOC D 107
6-3-2014

NM OIL CONSERVATION
ARTESIA DISTRICT
JUN 02 2014
RECEIVED

14. I hereby certify that the foregoing is true and correct. Electronic Submission #240270 verified by the BLM Well Information System For RKI EXPLORATION & PROD LLC, sent to the Carlsbad Committed to AFMSS for processing by ANGEL MAYES on 05/06/2014 (14AXM0092SE)	
Name (Printed/Typed) JODY NOERDLINGER	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 03/27/2014
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By _____	Title _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office _____
<div style="border: 2px solid black; padding: 5px; text-align: center;"> APPROVED MAY 29 2014 <i>/s/ Chris Walls</i> BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE </div>	

Title 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.

RKI Exploration & Production, LLC

Well RDX Federal 28-13
 Location Surface: 660' FNL 1,980' FEL Sec. 28-26S-30E
 Bottom Hole: 660' FNL 1,980' FEL Sec. 28-26S-30E
 County Eddy
 State New Mexico

- 1) The elevation of the unprepared ground is 3,002 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 7,359 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 7,359 feet

5) Estimated tops:

	TVD	
Rustler	841	
Salado	1,140	
Castile	1,589	
Lamar Lime	3,200	
Delaware Top	4,394	
Bell Canyon Sand	4,394	Oil 1,933 psi
Cherry Canyon Sand	4,459	Oil 1,962 psi
Brushy Canyon Sand	6,931	Oil 3,050 psi
Bone Spring	7,209	Oil 3,172 psi
TD	7,359	3,238 psi

BHP = .44 psi/ft x depth

6) Casing program:

Hole Size	Top	Bottom	OD Csg	Wt/Grade	Connection	Collapse Design Factor	Burst Design Factor	Tension Design Factor
17 1/2"	0	925	13 3/8"	54.5#/J-55	ST&C	2.78	13.42	10.20
12 1/4"	0	3,290	9 5/8"	40#/J-55	LT&C	1.40	5.46	3.95
7-7/8"	0	7,359	5 1/2"	17#/N-80	LT&C	1.94	1.55	2.78
Collapse	1.125							
Burst	1.0							
Tension	2.0							

7) Cement program:

Surface 17 1/2" hole
 Pipe OD 13 3/8"
 Setting Depth 925 ft
 Annular Volume 0.69462 cf/ft
 Excess 1. 100 %

Lead 582 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 3,290 ft
 Annular Volume 0.31318 cf/ft
 Excess 0.5 50 %

Lead 633 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

Production	7-7/8"	hole		
Pipe OD	5 1/2"			
Setting Depth	7,359	ft		
Annular Volume	0.1732699	cf/ft	0.26074	cf/ft
Excess	0.32		0.5	32 %
DV Tool Depth	5500	ft		500 ft

Stage 1

Lead:	404	sx	1.48	cf/sk	7.58	gal/sk	13.0	ppg
Lead:	PVL + 1.3% PF44 + 5% PF174 + 0.5% PF606 + 0.1% PF153 + 0.4 pps PF46 + 0.4% PF13							

Stage 2

Lead:	270	sx	1.89	cf/sk	10.03	gal/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:	2,790 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 nipped 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	Bottom	Mud Wt.	Vis	Fluid Loss	Type System
	0	925	8.5 to 8.9	32 to 36	NC
	925	3,290	9.8 to 10.0	28 to 30	NC
	3,290	7,359	8.9 to 9.1	28 to 36	NC
					Fresh Water
					Brine
					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