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OCT 01 2018

Submit One Copy To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 811 S. First St., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources
DISTRICT II-ARTESIA OGD
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised November 3, 2011

WELL API NO.	30-015-36217
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	303271
7. Lease Name or Unit Agreement Name	PINNACLE STATE
8. Well Number	023
9. OGRID Number	246289
10. Pool name or Wildcat	HERRADURA BEND; 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 3500 ONE WILLIAMS CENTER MD 35
TULSA, OK 74172

4. Well Location
 Unit Letter O : 965 feet from the S line and 1865 feet from the E line
 Section 36 Township 22S Range 28E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3,120' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	<input checked="" type="checkbox"/> Location is ready for OCD inspection after P&A

☒ All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.
☒ Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.
☒ A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. ALL INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.

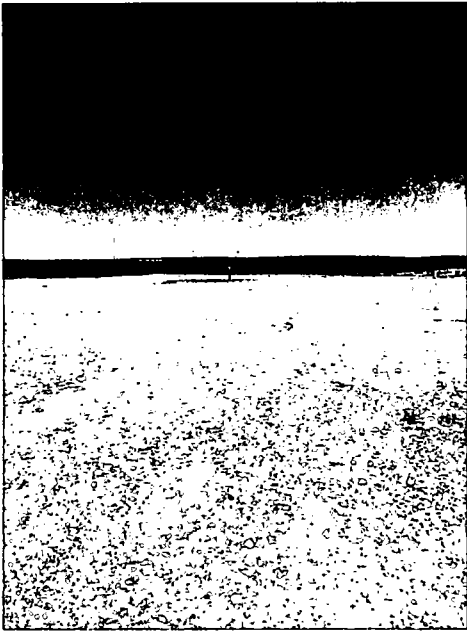
- ☒ The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
☒ Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
☒ If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location. *Need to Remove Flow Line*
☒ All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.) *Tires in Arroyo on N Side of bc*
☒ All other environmental concerns have been addressed as per OCD rules.
☒ Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines. *Concrete on N Side of bc Needs to be removed*
☒ If this is a one-well lease or last remaining well on lease: all electrical service poles and lines have been removed from lease and well location, except for utility's distribution infrastructure.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE Caitlin O'Hair TITLE Permit Technician II DATE 09/24/2018
 TYPE OR PRINT NAME Caitlin O'Hair E-MAIL: caitlin.ohair@wpenergy.com PHONE: 539-573-3527
 For State Use Only

APPROVED BY: **DENIED** TITLE **DENIED** DATE 10-10-18

Pinnacle State #023



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNMOCD
ArtesiaFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMNM0232568A **NM 05903**
6. If Indian, Allottee or Tribe Name**SUBMIT IN TRIPLICATE - Other instructions on page 2**

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
THUNDER BAY CTB 1H9. API Well No.
30-005-6430810. Field and Pool or Exploratory Area
ROUND TANK; SAN ANDRES11. County or Parish, State
CHAVES COUNTY, NM**12. CHECK THE 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"/> Hydraulic Fracturing	<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"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Mack Energy respectfully requests approval to install 823.5' 3 phase 7.2/12.47 Kv Powerline to our Thunder Bay CTB location. This line will be installed adjacent to the access road to this location. This area has been arch cleared under the access road NM-137663.

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OCT 11 2018

DISTRICT II-ARTESIA O.C.D.

GC 10-11-18
Accepted for record - NMOCD

14. I hereby certify that the foregoing is true and correct. Electronic Submission #437574 verified by the BLM Well Information System For MACK ENERGY CORPORATION, sent to the Roswell Committed to AFMSS for processing by JENNIFER SANCHEZ on 10/01/2018 ()	
Name (Printed/Typed) JERRY SHERRELL	Title PRODUCTION CLERK
Signature (Electronic Submission)	Date 09/28/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By 	Assistant Field Manager, Lands And Minerals	Date 10/02/18
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

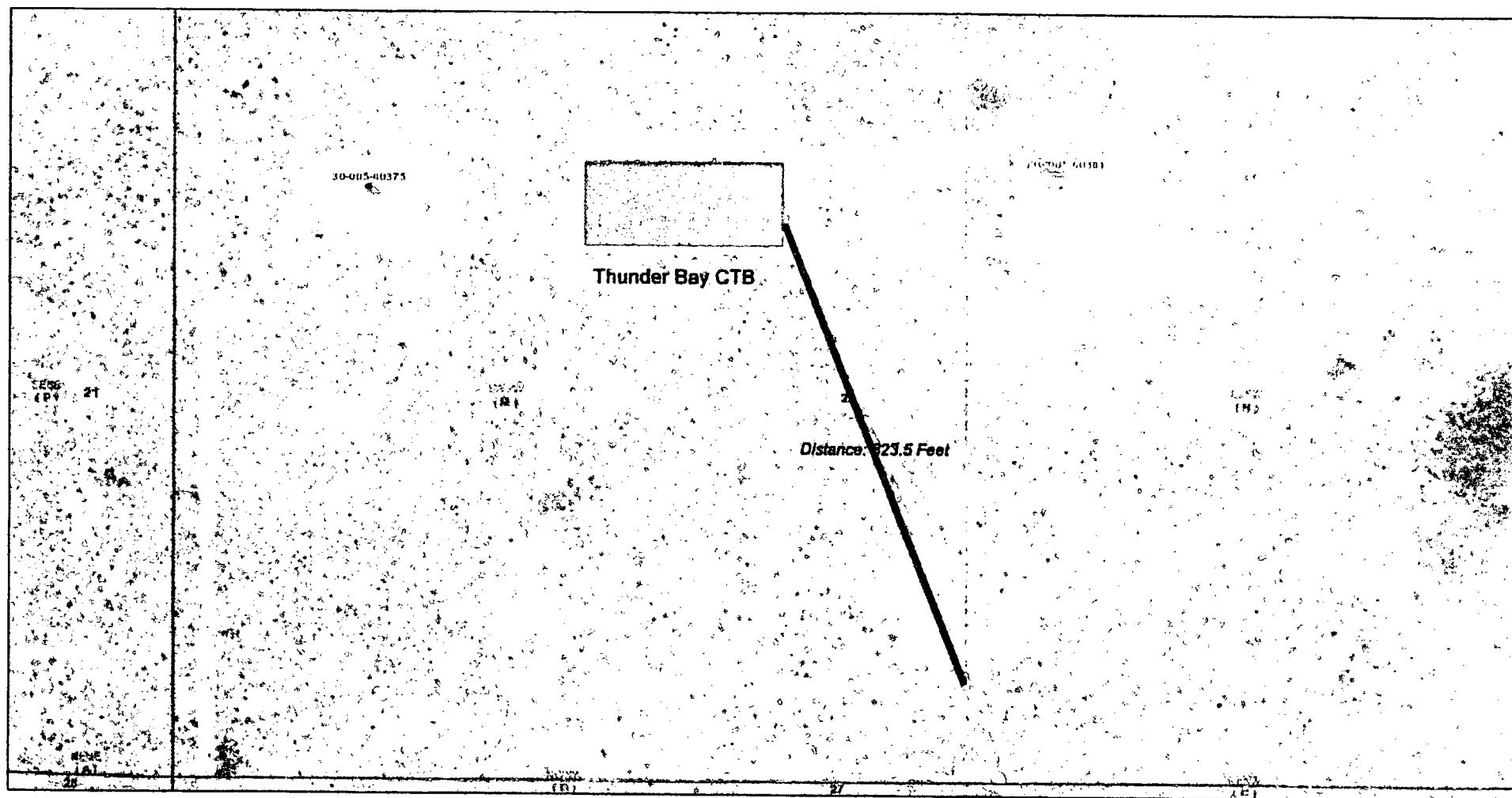
ROSWELL FIELD OFFICE

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.

(Instructions on page 2)

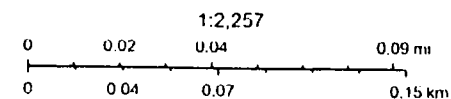
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

OCD Well Locations



9/27/2018 3:11:10 PM

<ul style="list-style-type: none"> Override 1 Well Locations - Large Scale Well Locations - Small Scale Active New Plugged Cancelled 	<ul style="list-style-type: none"> Temporarily Abandoned Macellonious CO2 Active CO2 Cancelled CO2 New CO2 Plugged 	<ul style="list-style-type: none"> CO2 Temporarily Abandoned Gas Active Gas, Cancelled Never Drilled Gas New Gas Plugged Gas, Temporarily Abandoned 	<ul style="list-style-type: none"> Injection Active Injection Cancelled Injection New Injection, Plugged Injection, Temporarily Abandoned Oil, Active 	<ul style="list-style-type: none"> Oil, Cancelled Oil New Oil, Plugged Oil Temporarily Abandoned Salt Water Injection Active Salt Water Injection Cancelled 	<ul style="list-style-type: none"> Salt Water Injection New Salt Water Injection Plugged Salt Water Injection Temporarily Abandoned Water, Active Water Cancelled Water New
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TX Orthomagery Program DigitalGlobe Microsoft OCD Esri, HERE, Garmin, IPC, BLM

Stipulations

October 3, 2018

BLM Lease Number: NMNM 59038

ON LEASE: 7.2/12.47 kV Powerline to the Thunder Bay CTB

Company Reference: Mack Energy Corporation

Overhead Powerline Stipulations

1. The holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer, BLM.
2. In the event that the public land underlying the right-of-way (ROW) encompassed in this grant, or a portion thereof, is conveyed out of Federal ownership and administration of the ROW or the land underlying the ROW is not being reserved to the United States in the patent/deed and/or the ROW is not within a ROW corridor being reserved to the United States in the patent/deed, the United States waives any right it has to administer the right-of-way, or portion thereof, within the conveyed land under Federal laws, statutes, and regulations, including the regulations at 43 CFR Part 2800, including any rights to have the holder apply to BLM for amendments, modifications, or assignments and for BLM to approve or recognize such amendments, modifications, or assignments. At the time of conveyance, the patentee/grantee, and their successors and assigns, shall succeed to the interests of the United States in all matters relating to the right-of-way, or portion thereof, within the conveyed land and shall be subject to applicable State and local government laws, statutes, and ordinances. After conveyance, any disputes concerning compliance with the use and the terms and conditions of the ROW shall be considered a civil matter between the patentee/grantee and the ROW Holder.
3. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this authorization.
4. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the Holder shall comply with the Toxic Substances Control Act of 1976, as amended (15 U.S.C. 2601, et. seq.) with regard to any toxic substances that are used, generated by or stored on the power line route or on facilities authorized. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation and Liability Act, Section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the Authorized Officer concurrent with the filing of the reports to the involved Federal agency or State

government.

5. The Holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et. seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et. seq.) on the right-of-way (unless the release or threatened release is wholly unrelated to the right-of-way Holder's activity on the power line). This agreement applies without regard to whether a release is caused by the Holder, its agent, or unrelated third parties.

6. If, during any phase of the construction, operation, maintenance, or termination of the power line, any pollutant should be discharged, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of the Holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages to Federal lands resulting there from, the Authorized Officer may take such measures as deemed necessary to control and cleanup the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the Holder. Such action by the Authorized Officer shall not relieve the Holder of any liability or responsibility.

7. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the Holder, or any person working on the Holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The Holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

8. The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."

9. Power lines shall be constructed to standards outlined in "Suggested Practices for Avian Protection on Power Lines – The State of the Art in 2006," Avian Power Line Interaction Committee (APLIC), unless otherwise agreed to by the Authorized Officer in

writing. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication are "eagle safe." Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modifications or additions to all power line structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modification and/or additions shall be made by the holder without liability or expense to the United States.

10. The holder shall be held responsible if noxious weeds become established within the area. Evaluation of growth of the noxious weeds shall be made upon discovery. Weed control will be required on the disturbed lands resulting from the action, which include the power line on adjacent lands affected by the establishment of weeds due to this action.

11. The holder shall insure that the equipment and or vehicles that will be used to construct, maintain and administer power line are not polluted with invasive and noxious weed seeds. Transporting of invasive and noxious weed seeds could occur if the equipment and vehicles were previously used in noxious weed infested areas. In order to prevent the spread of noxious weeds, the Authorized Officer shall require that the equipment and vehicles be cleaned with either high pressure water or air prior to construction, maintenance and administration of the power line.

12. The holder is responsible for consultation with the authorized officer and/or local authorities for acceptable weed control methods, which include following EPA and BLM requirements and policy.

13. The holder shall be responsible for maintaining the site in a sanitary condition at all times; waste materials shall be disposed of promptly at an appropriate waste disposal site. "Waste" means all discarded matter including, but not limited to human waste, trash, garbage, refuse, oil drums, petroleum products, ashes and equipment.

14. The holder shall conduct all activities associated with the construction, operation and termination of the power line within the authorized limits.

15. The holder shall minimize disturbance to existing fences, pipelines and other improvements on public lands. The holder is required to promptly repair impacted improvements to at least their former state. The Holder shall contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence will be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

16. The Holder shall not use the right-of-way as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder shall take whatever steps are necessary to ensure that the route is not used as a roadway.

17. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.

18. Construction holes left open overnight shall be covered. Covers shall be secured in place and shall be strong enough to prevent livestock or wildlife from falling through and into a hole.

19. The holder shall evenly spread the excess soil excavated from pole holes in the immediate vicinity of the pole structure.

20. The BLM serial number assigned to this right-of-way grant shall be posted in a permanent, conspicuous manner, and be maintained in a legible condition for the term of the right-of-way at all major road crossings and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

21. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.

22. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facilities or within 180 days of abandonment, relinquishment, or termination of this grant, whichever comes first. This will not apply where the power line extends to serve an active, adjoining facility or facilities.

23. The holder shall file a proof construction within 90 days after completion of construction. A period of 5 years from the date of right-of-way is granted is allowed for completion of construction.

24. Construction-related traffic shall be restricted to routes approved by the authorized officer. New access roads or cross-country vehicle travel will not be permitted unless prior written approval is given by the authorized officer. Authorized roads used by the holder shall be rehabilitated or maintained when construction activities are complete as approved by the authorized officer.

25. No construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support construction equipment. If such equipment creates ruts in excess of three inches deep, the soil shall be deemed too wet to adequately support construction equipment.

26. Dust Abatement: The operator shall implement dust abatement measures as needed to prevent fugitive dust from vehicular traffic, equipment operations, or wind events. The BLM may direct the operator to change the level and type of treatment (watering or application of various dust agents, surfactants, and road surfacing material) if dust abatement measures are observed to be insufficient to prevent fugitive dust.

27. Erosion Control: Cut-and-fill slopes shall be protected against erosion with the use of water bars, lateral furrows, or other measures approved by the BLM. Cut-and-fill slopes along drainages or in areas with high erosion potential shall also be protected from erosion using hydromulch designed specifically for erosion control or biodegradable blankets/matting, bales, or wattles of weed-free straw or weed-free native grass hay. A well-anchored fabric silt fence shall also be placed at the toe of cut-and-fill slopes along drainages or to protect other sensitive areas from deposition of soils eroded off the slopes. Additional BMPs shall be employed as necessary to reduce soil erosion and offsite transport of sediments.

28. Topsoil Stripping, Storage, and Replacement: All topsoil shall be stripped following removal of vegetation during construction of pads, telephone poles, roads, or other surface facilities. In areas of thin soil, up to 6 inches of surficial material shall be stripped. The BLM may specify a stripping depth during the onsite visit or based on subsequent information regarding soil thickness and suitability. The stripped topsoil shall be stored separately from subsoil or other excavated material and replaced prior to final seedbed preparation.

29. Interim Reclamation. To reduce areas of disturbance not needed for long-term operations, interim reclamation will be initiated for areas such as active right of ways and roads when project completion operations or facility installation operations are concluded. Following interim and final reclamation, it would be the responsibility of the operator to continue re-vegetation efforts until self-sustaining communities of desirable vegetation has been established. Appropriate re-vegetation is important to mitigate soil erosion and weed infestations.

30. When clearing is necessary, the width disturbed should be kept to a minimum. Topsoil material will be stockpiled to the side of the routes where cuts and fills or other surface disturbances occur during project construction. Topsoil material will be segregated and not be mixed or covered with subsurface material. Bladed materials will be placed back into the cleared route upon completion of construction and returned back to the original contour before reapplying topsoil. After construction, cut-and-fill slopes must be re-graded to conform to the adjacent terrain and reclaimed. Rights-of-way will be maintained in order to correct backfill settling and prevent erosion. Project construction will not block, dam, or change the natural course of any drainage.

31. Seeding Procedures: Seeding shall be conducted no more than 24 hours following completion of final seedbed preparation. Where practicable, seed shall be installed by drill-seeding to a depth of 0.25 to 0.5 inch. If interim re-vegetation is unsuccessful, the operator shall implement subsequent reseeds until interim reclamation standards are met.

32. Painting Requirement

All above-ground structures that are not subject to safety requirements and other than the brown-colored poles or the overhead wire shall be painted a flat non-reflective paint

color, Oil Green from the Standard Environmental Supplemental Colors (March 2007). The paint formula is 17-0115 TPX (Pantone for Architecture and Interior Colors Guide 2003).

33. Cave and or Other Karst Features

- a. When operations begin, care would be taken by employees to avoid any kind of pollution or impact of potential karst features.
- b. Any cave or karst feature, such as a deep sinkhole, discovered by the co-operator/contractor or any person working on the co-operator's/contractor behalf, on BLM-managed public land shall be immediately reported to the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate action(s). Any decision as to the further mitigation measures will be made by the Authorized Officer after consulting with the co-operator/contractor.
- c. If a sinkhole is found or develops during facility installation, livestock entrapment could be prevented by creating exclosures around such identified karst features that pose a hazard to livestock. A separate Environmental Analysis would be prepared to construct an exclosure fence.
- d. If at a later date, more significant caves or karst features are found on public land within the proposed action area, that cave or feature may be fenced to exclude livestock grazing and Off Highway Vehicle Use.