

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FEB - 3 2009

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.1 Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator RKI Exploration & Production, LLC

3a Address
3817 NW Expressway, Ste.950, OKC, OK 731123b Phone No (include area code)
405-949-2221

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)

Unit Letter 'P', Section 15, Twp 26-S, Rng 30-E, NMPM

5 Lease Serial No
NM-102036 (and others)

6 If Indian Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No
Ross Draw Unit (RDX)8 Well Name and No
RDX Well No.15-29 API Well No.
30-015-36151 (and others)10 Field and Pool, or Exploratory Area
Brushy Canyon Delaware (and others)11 County or Parish, State
Eddy County, New Mexico

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 Commingle gas production from several BLM/State Leases
	<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 recomplate 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 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.)

For economic reasons, RKI will build a gas gathering system in its RDX unit to commingle gas production from the following marginal producers: RDX 15-1 (API 30-015-35955), Federal Lease No. NM-100558; RDX 15-2, (30-015-36151) NM-102036; RDX 9-1 (30-015-36211) NM-100558; RDX 16-1 (30-015-36004), State lease; RDX 16-2 (30-015-36383), State lease; RDX 17-2 (30-015-36464), NM-101110; Pioneer Federal #1 (30-015-24599), NM-020965.

Federal (NM-121572) and State (R-31315) rights-of-way have been obtained. Oil production will be separated and is not part of this application.

The gathering system utilizes individual orifice type, positive displacement well allocation meters. The sales meter will be located at the RDX Well No.15-2 located in UL 'P', Sec 15, Twp 26-S, Rng 30-E. The system is comprised of 2-inch PVC flow lines from individual wells and a 3-inch PVC trunk line installed on the surface. The system is designed to gather and transport for sale up to 500 mcf of produced natural gas at less than 125 psi (average 20-80 psi). Construction is underway and should be ready in February 2009.

Interest owners have been notified via certified U.S. mail and include BLM, State of New Mexico, RKI or its subsidiary for all wells except the Pioneer Federal No.1 located in UL 'P', Sec 17, Twp 26-S, Rng 30-E. A pool / lease commingling application is filed and pending with NMOCD. There will be no reduction in the value of commingled gas and royalties will not be reduced.

* Approval is for commingling Surface of Lease. Like Approval from OGD Required. This is not a ROW Approval.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Ben Stone, SOS Consulting, LLC, 903-488-9850

Title Agent for RKI E & P

Signature

Date

01/23/2009

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

JAN 31 2009

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

JAMES A. AMOS
SUPERVISOR EDS

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)

FOR RECORDS ONLY