

Submit 1 Copy To Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources

Form C-103

Revised July 18, 2013

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD
RECEIVED
JUL 25 2016

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-34423
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. E-5841
7. Lease Name or Unit Agreement Name Toro 33 State
8. Well Number 001
9. OGRID Number 246289
10. Pool name or Wildcat Morrow
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3695' GR

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 [X] Other []
2. Name of Operator RKI Exploration & Production, LLC
3. Address of Operator 3500 One Williams Center MD-35, Tulsa, OK 47172
4. Well Location Unit Letter G : 1650 feet from the North line and 1650 feet from the East line
Section 33 Township 19S Range 35E NMPM County Lea

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 [X] CHANGE PLANS []
PULL OR ALTER CASING [] MULTIPLE COMPL []
DOWNHOLE COMMINGLE []
CLOSED-LOOP SYSTEM []
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.

RKI Exploration & Production, LLC is requesting Temporary Abandonment status for an additional year until we can recomplete the well up hole. Please see attached MIT procedure.

Condition of Approval: notify
OCD Hobbs office 24 hours
prior of running MIT Test & Chart

Spud Date: 12/16/98 Rig Release Date: 1/30/99

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

SIGNATURE [Signature] TITLE Regulatory Specialist Staff DATE 7/21/16

Type or print name Josh Walker E-mail address: josh.walker@wpxenergy.com PHONE: (539) 573-0108

For State Use Only
APPROVED BY: [Signature] TITLE Dist. Supervisor DATE 7/26/2016
Conditions of Approval (if any)

NO PRODUCTION - 23 MONTHS.

MIT Workover Procedure

Well: Toro 33-1

Location: Lea, NM

Date: July 21, 2016

Objective: Mechanical Integrity Test

EH&S Notes:

- ✓ Personnel Safety is the number one job, no exceptions.
- ✓ Please follow appropriate WPX Energy contractor protocols for this job plan. (Please see your WPX Energy Business Representative if you have any questions; Contractor protocols can be found in the WPX Energy Contractor Guide.)
- ✓ Continuous personal H2S monitoring is required. Any H2S alarms or other indications above 10ppm will require work to stop and the situation to be evaluated
- ✓ A Safety meeting shall be held each morning before work and subsequent "tailgate" safety meetings are to be held during the day when operation objectives shift in nature and intent. Please ensure these are documented per the WPX Contractor Guide.

Prior to Job:

- Schedule Workover Rig
- Test anchors if not done so recently
- Verify location is ok for rig operations
- Ensure all flowlines on surface are clear and lease operator has installed proper tags

Current Wellbore Status: Vertical Completion in Morrow. Perforations at 12,864' – 12,878'.

Procedure:

- Spot equipment; MIRU
- Blow down casing. If necessary pump water down casing to kill well.
- TOO H with tbg and packer.
- RU Wireline and run gauge ring down to 50' above top perf.
- RIH with RBP and set no more than 100' above top perf.
- Set several sacks of sand on top of plug.
- Load hole with clean water.
- Open Casing valves and note any flow before pressure testing.
- Close casing and apply 500 psi at surface and hold for 30 minutes.
 - Make sure to chart the pressure test with a recorder that has a maximum two hour clock and maximum 1000 pound spring.
 - Insure the unit has been calibrated within the last six months.
 - Please Ensure to have both the Consultant on location and Rig Tool Pusher sign the chart.

- Note any flow during test
- If the well drops below 450 psi (10%) within the 30 minutes then it is considered to have failed the test.
 - In the event of a failed test please notify WPX Engineer so the NMOCD can be notified and proper actions taken.
- If the well does not drop below 450 psi (10%) within the 30 minutes then it is considered a successful test. The signed chart can be turned into the WPX field office.
- Open Casing valves back up and note for flow.
- Top hole off with water and leave set.
- RDMO

WPX Energy Contact List:

| WPX | Title | Office | Cell |
|------------------|---------------------|---------------|--------------|
| Heather Stephens | Production Engineer | 539-573-8961 | 303-898-3918 |
| Brandon Ripley | Production Foreman | | 575-689-5431 |
| Mark Trent | Workover Consultant | | 575-602-6221 |
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