

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WOOD-HOBBS

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 and Production, LLC

3a. Address
3817 NW Expressway, #950, Oklahoma City, OK 73112

3b. Phone No. (include area code)
405 833-0332

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
990' FNL & 1750' FEL 13-20S-33E NMPM
Unit B

5. Lease Serial No.
LC-065447

6. If Indian, Allottee or Tribe Name
 N/A

7. If Unit or CA/Agreement, Name and/or No.
N/A Unit 85340

8. Well Name and No.
SIX SHOOTER 13 FED'L. #1

9. API Well No.
30-025-31274

10. Field and Pool, or Exploratory Area
QUAIL RIDGE; MORROW (GAS)

11. County or Parish, State
LEA 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 checked="" 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 checked="" type="checkbox"/> Recomplete	<input 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 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. 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.)

**Will perforate Morrow from 13,052' to 13,069' and 13,077' to 13,086'.
 Top of Morrow is at 13,010'.
 See attached procedures.**

See comments in procedure, comments per operator (Pot McCollom) 6/18/07

cc: BLM, McCollom

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

BRIAN WOOD

(PHONE 505 466-8120)

Title **CONSULTANT**

(FAX 505 466-9682)

Signature

[Signature]

Date

05/27/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

Title

Office

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.

APPROVED

Date **JUN 18 2007**

[Signature]
WESLEY W. INGRAM
PETROLEUM ENGINEER

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 and Production, LLC
3817 NW Expressway, Suite 950
Oklahoma City, Oklahoma 73112

Six Shooter 13-1
Sec. 13 T20S R33E
Lea County, New Mexico
API NO. 30-025-31274

5/17/07; PEM

Wellbore Data:

Spud Date: 6/29/91
Completion Date: 11/15/91
Surface Casing: 20", 94# @ 450' w/ 750 sx
Intermediate Csg1: 13-3/8", 88.2#, P-110 @ 3200' w/ 2675 sx
Intermediate Csg2: 9-5/8", 53.5, 47, 43.5#, N-80 @ 5250' w/ 1575 sx
DV tool @ 3122'
Production Casing: 5-1/2", 23, 20, 17#, N-80, S-95, P-110 @ 13,674' w/ 1,600 sx
DV tool @ 11,352'. TOC from CBL @ 8,380'
Tubing: 433 jts. of 2-7/8", 2-3/8" tubing, two Baker packers, and sliding sleeve (see attachment for additional detail)
TD / PBTD: 13,675' / 13,652'
Perforations: Morrow 13,225' - 13,232' (28 holes)
13,240' - 13,253' (52 holes)
13,289' - 13,301' (48 holes)
Note: Lower two sets of perforations communicated behind pipe.
Elevations: KB 3,627', GL 3,605'

A newly drilled offset well was completed in January, 2007. The offset well is producing ~3,000 MCFD at basically the same completion interval as the Six Shooter 13-1. Recently the Six Shooter 13-1 has been loading up and production has dropped significantly. Recent production rates have averaged 15 MCFD, 0.3 BOPD, and 0.1 BWPD. Swabbing operations have been required more and more to keep fluids off of the formation.

It is recommended to complete an Upper Morrow zone and retube the well with 2-3/8" tubing.

RECOMPLETION PROCEDURE:

1. Test all wellhead valves and safety anchors to full rating.
2. MIRU completion rig.
3. Nipple up 3,000# BOP.

11. Release packer and POH laying down.

RKI to supply the following for frac stimulation treatment:

- 230 tons of CO₂ (contact BOC for CO₂, booster pump and Operator)
- 360 bbl. of powder-mixed 7% KCl and storage tank
- Wellhead isolation tool

12. MIRU fracture stimulation company. Fracture stimulate Upper Morrow zone via 5-1/2" casing @ 30 BPM @ ~5,500 psi w/ 21,650 pHaserFrac + 50,000# 20/40 Ultraprop in the following stages:

Note: Max. allowable surface pressure - 6,200 psi.

- a. 30,000 gals pHaserFrac(28) pad
- b. 4,000 gals pHaserFrac(28) + 0.5 ppg 20/40 Ultraprop
- c. 5,000 gals pHaserFrac(28) + 1.0 ppg 20/40 Ultraprop
- d. 7,000 gals pHaserFrac(28) + 1.5 ppg 20/40 Ultraprop
- e. 7,000 gals pHaserFrac(28) + 2.0 ppg 20/40 Ultraprop
- f. 5,000 gals pHaserFrac(28) + 2.5 ppg 20/40 Ultraprop
- g. 2,000 gals pHaserFrac(28) + 3.0 ppg 20/40 Ultraprop
- h. 5,879 gals 10# CMHPG flush

Record ISIP, 5 min SIP, 10 min SIP, 15 min SIP.

13. Shut-in well for 4 hours. Flow test well.

14. After flow test, TIH w/ replacement 2-3/8" tubing. MIRU pump truck, and swivel. Cleanout wellbore to top of frac plug @ ~13,200'.

15. Hang with end of tubing @ 13,052' (depth of the top perf).

16. Nipple down BOPE. Nipple up wellhead. Swab well.

17. RDMO completion rig.

18. Place the well on production.