STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

APPLICATION OF RKI EXPLORATION AND PRODUCTION, LLC TO RE-OPEN CASE NO. 15414 TO POOL RECORD TITLE OWNERS UNDER THE TERMS OF COMPULSORY POOLING ORDER NO. 14104, EDDY COUNTY, NEW MEXICO.

CASE NO. 15414 (re-opened)

RKI'S PRE-HEARING STATEMENT

RKI Exploration and Production, LLC, the applicant in the above-referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

RKI Exploration and Production, LLC 3500 One Williams Center, MD 35 Tulsa, OK 74172

<u>ATTORNEY</u>

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APPLICANT'S STATEMENT OF CASE

RKI Exploration and Production ("RKI") seeks to re-open Case No. 15414 to compulsory pool record title owners pursuant to the terms of Division Order R-14104 and R-14104-A. Order R-14104 created a 224.74-acre spacing and proration unit consisting of the W/2 W/2 of Section 28 and NW/4 NW/4 and Lot 4 of Irregular Section 33, Township 26 South, Range 30 East, NMPM, in Eddy County, New Mexico and pooled the uncommitted interests in the Wolfcamp Formation (Brushy Draw; Wolfcamp Oil Pool (97136)). The spacing unit was dedicated to the to the RDX Federal Com 28 Well No. 9H (API No. 30-015-43294). Following the entry of Order R-14104,

RKI re-opened Case No. 15414 to compulsory pool record title interest owners who did not sign the communitization agreement. The Division issued order R-14104-A pooling the additional record title owners.

Since the entry of Order No. R-14104, RKI has discovered two additional record title owners who did not receive notice of RKI's prior applications. In order to obtain RKI's just and fair share of the oil and gas underlying the subject acreage and to promote administrative efficiency, the record title owners should be pooled pursuant to the terms of Order R-14104 and R-14104-A.

APPLICANT'S PROPOSED EVIDENCE

| WITNESS Name and Expertise | ESTIMATED TIME | EXHIBITS |
|----------------------------|----------------|-----------|
| Aaron Young (Landman) | Approx. 10 | Approx. 2 |

PROCEDURAL MATTERS

This case will be presented by affidavit.

Respectfully submitted,

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