

10/15/15



**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING OCTOBER 15, 2015
CASE No. 15341 (RE-OPENED)**

**RKI EXPLORATION & PRODUCTION, LLC
HEARING EXHIBITS**

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

**APPLICATION OF RKI EXPLORATION AND PRODUCTION TO RE-OPEN
CASE NO. 15341 TO AMEND THE SPACING UNIT UNDER THE TERMS OF
COMPULSORY POOLING ORDER R-14016, EDDY COUNTY, NEW MEXICO.**

CASE NO. 15341 (re-opened)

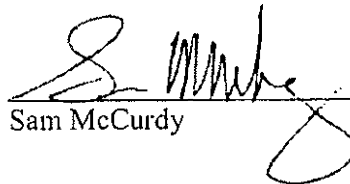
AFFIDAVIT OF SAM McCURDY

STATE OF OKLAHOMA)
) ss.
COUNTY OF Oklahoma)

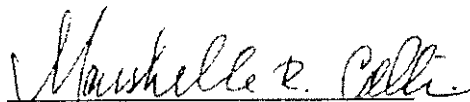
Sam McCurdy, being first duly sworn on oath, states as follows:

1. My name is Sam McCurdy and I am employed as a landman by RKI Exploration & Production, LLC, in Oklahoma City, Oklahoma. I previously testified as an expert in petroleum land matters at the hearing on July 9, 2015, in Case No. 15341 that resulted in the issuance of pooling Order R-14016 on July 15, 2015.
2. Division Order R-14016 created a 320-acre spacing and proration unit in the Wolfcamp formation underlying the E/2 of Section 17, Township 26 South, Range 30 East, NMPM, in Eddy County, New Mexico and pooled EOG Resources as the only uncommitted mineral interest in the spacing and proration unit. EOG Resources owns a lease that covers the S/2 NE/4 of Section 17, received notice of the Division hearing in July and did not appear or otherwise object to entry of a pooling order for this acreage.
3. The 320-acre spacing unit was to be dedicated to the RDX Federal Com 17 Well No. 26H (API No. 30-015-42752), which is being drilled at an approved unorthodox location for gas wells in the W/2 E/2 of Section 17. On August 18, 2015, the Division modified the C-102 for this well to place it within the Brushy Draw; Wolfcamp (O) Pool (97136), an oil pool subject to the Division's statewide rules. The Division also amended the dedicated acreage for this well from 320-acres to 160 acres comprised of the W/2 E/2 of Section 17.
4. RKI has filed an application with the Division to amend pooling Order R-14016 to contract the pooled spacing unit to the W/2 E/2 of Section 17 as designated by the Division. Attached to this affidavit is a list of the operators and lessees in the 40-acre tracts surrounding the W/2 E/2 of Section 17. I have instructed our attorneys to notify these parties of the hearing in this matter, as well as EOG Resources, the only party subject to the current pooling order.

FURTHER AFFIANT SAYETH NOT.


Sam McCurdy

SUBSCRIBED AND SWORN before me on this 13th day of October, 2015.


Notary Public

My Commission Expires:

7/2/2016



RKI EXPLORATION & PRODUCTION
CASE NO. 15341 (RE-OPENED)

POOLED PARTY:

EOG Resources, Inc.
5509 Champions Drive
Midland, TX 79706

OFFSET AFFECTED PARTIES:

Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210

ABO Petroleum Corp.
105 S. 4th Street
Artesia, NM 88210

Myco Industries, Inc.
105 S. 4th Street
Artesia, NM 88210

Oxy Y-1 Company
5 Greenway Plaza
Houston, TX 77046

EOG Resources, Inc.
5509 Champions Drive
Midland, TX 79706