

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



Administrative Order DHC-4846
Order Date: August 21, 2018

RKI Exploration & Production, LLC
3500 One Williams Center MD 35
Tulsa, Oklahoma 74172

Attention: Ashlee Fechino

Old Cavern Fee Well No. 1
API No. 30-015-42355
Unit K, Section 32, Township 22 South, Range 27 East NMPM
Eddy County, New Mexico

Pool	CASS DRAW;; BONE SPRING	Oil (10380)
Names:	PURPLE SAGE; WOLFCAMP (GAS)	Gas (98220)

Reference is made to your recent application for an exception to Division Rule 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19.15.12.11A. NMAC, and since reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division Rule 19.15.12.11 A (6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of oil production from the subject well shall be based on the analysis of the historical production from a surrounding well in the same pools.

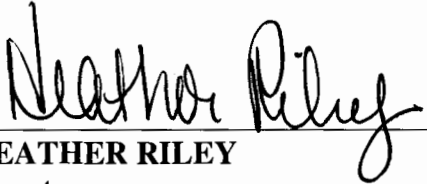
Assignment of allowable and allocation of production from the well shall be as follows:

CASS DRAW; BONE SPRING POOL	Pct. Oil: 96	Pct. Gas: 96
PURPLE SAGE; WOLFCAMP (GAS)	Pct. Oil: 4	Pct. Gas: 4

Pursuant to Division Rule, 19.15.12.11 C.1 (B) Applicant provided a copy of the Division Form C-107-A to interest owners in the spacing units due to diverse ownership in the pools.

REMARKS: The operator shall notify the Division's District II office upon implementation of commingling operations.

Pursuant to Division Rule 19.15.12.11 B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.


HEATHER RILEY
Director

HR/mam

cc: New Mexico Oil Conservation Division – Artesia
Well File - 30-015-42355