



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

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Karen W. Garcia

Deputy Cabinet Secretary

Mark Fesmire

Division Director

Oil Conservation Division



September 30, 2010

Mr. W. Thomas Kellahin
Kellahin & Kellahin
706 Gonzales Rd
Santa Fe, NM 87501

Administrative Order NSL-6277

**Re: RKI Exploration & Production, LLC
Longview 1 Well No. 23
API No. 30-01537609
1700 feet FNL & 1650 feet FEL
Unit G, Section 1-23S-28E
Eddy County, New Mexico**

Dear Mr, Kellahin:

Reference is made to the following:

(a) your application (**administrative application reference No. pTGW10-26735203**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico, on behalf of RKI Exploration & Production, LLC [OGRID 246289] (RKI), on September 23, 2010, and

(b) the Division's records pertinent to this request.

RKI has requested to drill the above-referenced well at an unorthodox well location, as described above in the caption of this letter. The W/2 NE/4 of Section 1 will be dedicated to this well in order to form a standard 80-acre spacing unit in the undesignated South Culebra Bluff-Bone Spring Pool (15011). Spacing in this pool is governed by the Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool, as adopted by Order R-6139 issued on October 12, 1979, which provide for 80-acre units with wells to be located within 150 feet of the center of a quarter/quarter section.

This location is more than 150 feet from the center of the SW/4 NE/4 of Section 1.

Oil Conservation Division
1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone (505) 476-3440 • Fax (505) 476-3462 • www.emnrd.state.nm.us/OCD



Your application on behalf of RJI has been duly filed under the provisions of Division Rules 15.13 and 4.12.A(2).

It is our understanding that RJI is seeking this location for topographic reasons.

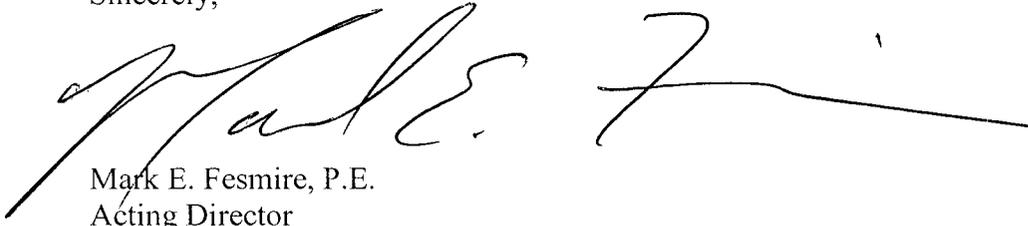
It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a long horizontal line extending to the right.

Mark E. Fesmire, P.E.
Acting Director

MEF/db

cc: New Mexico Oil Conservation Division - Artesia
United States Bureau of Land Management