

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

Tony Delfin  
Acting Cabinet Secretary

David R. Catanach, Division Director  
Oil Conservation Division



November 29, 2016

RKI Exploration and Production, LLC  
Attn: Ms. Jordan Kessler

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7486

RKI Exploration and Production, LLC  
OGRID 246289  
East Pecos Federal Com. 22 Well No. 14 H  
API No. 30-015-43586

**Proposed Location:**

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	310` FSL & 1285` FEL	P	22	26S	29E	Eddy
Penetration Point	329` FSL & 705` FEL	P	22	26S	29E	Eddy
Final perforation	330` FNL & 677` FEL	A	22	26S	29E	Eddy
Terminus	232` FNL & 672` FEL	A	22	26S	29E	Eddy

**Proposed Gas Spacing Unit:**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 of Section 22	320	Brushy Draw; Wolfcamp (Gas)	72897

Reference is made to your application received on November 7, 2016.

You have requested to drill this horizontal well at an unorthodox gas well location described above in the referenced pool or formation. This location is governed by Division Rule 19.15.15.10.B NMAC, which provides for 320-acre units, with wells located at least 660 feet from a unit outer boundary. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries of the proposed project area than any location that would be a standard location under the applicable pool rules.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

It is our understanding that Matador is seeking this location for efficient well spacing and to prevent waste of a productive reservoir.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons", as defined in Rule 19.15.4.12 (2) NMAC, in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved in order to prevent waste and protect correlative rights.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

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



**DAVID R. CATANACH**  
**Director**

DRC/lrl

cc: Oil Conservation Division – Artesia District Office  
Bureau of Land Management - Carlsbad