



# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
**Reese Fullerton**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



October 3, 2008

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

**Administrative Order NSL-5932**

**Re: RKI Exploration & Production, LLC**  
**Braskey 27 Well No. 1**  
**API No. 30-015**  
**2460 feet FSL and 1550 feet FWL**  
**Unit K, Section 27-24S-28E**  
**Eddy County, New Mexico**

Dear Mr. Kellahin:

Reference is made to the following:

(a) your application (**administrative application reference No. pKVR08-24953574**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico, on behalf of RKI Exploration & Production, LLC (RKI), on September 5, 2008, and

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

RKI has requested to drill the above-referenced well at an unorthodox oil well location, described above in the caption of this letter. The NE/4 SW/4 of Section 27 will be dedicated to this well in order to form a standard 40-acre spacing unit in the undesignated Willow Lake-Delaware Pool (64453) or the undesignated Malaga-Delaware Pool (42940). Both of these pools are governed by statewide Rule 104.B(1), which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from the northern and western unit boundaries.

Your application on behalf of RKI has been duly filed under the provisions of Division Rules 104.F and 1210.A(2).

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

Oil Conservation Division \* 1220 South St. Francis Drive

\* Santa Fe, New Mexico 87505

\* Phone: (505) 476-3440 \* Fax (505) 476-3462\* <http://www.emnrd.state.nm.us>



October 3, 2008

Page 2

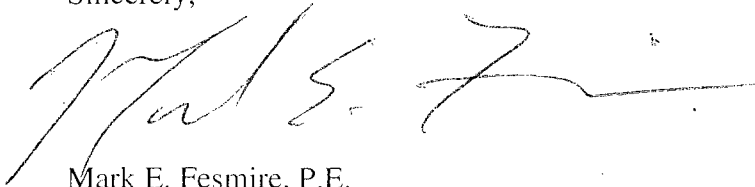
It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 1210.A(2), in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 104.F(2), 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 40.

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 flourish extending to the right.

Mark E. Fesmire, P.E.  
Director

MEF/db

cc: New Mexico Oil Conservation Division - Artesia  
New Mexico State Land Office - Santa Fe