



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

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July 5, 2000

Lori Wrotenbery

Director

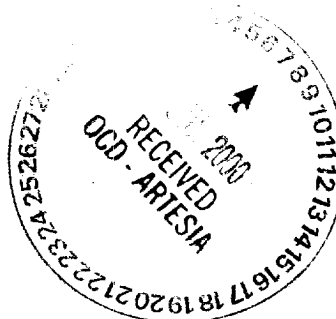
Oil Conservation Division

Pecos Petroleum Engineering, Inc.

P. O. Box 1794

Roswell, New Mexico 88202-1794

Attention: Bruce A. Stubbs



Re: Application dated June 14, 2000 for Ricks Exploration, Inc. to recomplate the existing RSE Partners-I, L.P. Dinah "23" Federal Com. Well No. 1 (API No. 30-015-28946), located at a surface location 1077 feet from the South line and 660 feet from the West line (Unit M) of Section 23, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico, into the Wolfcamp formation at an unorthodox subsurface gas well location within the W/2 of Section 23.

Dear Mr. Stubbs:

My review of your application indicates that this wellbore is within one-half mile of the Anderson-Wolfcamp Pool, which is an oil pool governed under Division Rule 104.B (1) requiring 40-acre spacing and for wells to be located no closer than 330 feet from the boundary of the 40-acre tract. Under Division Rule 104.A (2) this Wolfcamp recompletion will be subject to these rules and not those for a deep gas well completion in southeast New Mexico [Division Rule 104.C (2)], therefore an application for an exception to Division Rule 104.B (1) will be required.

Please submit the required data and notice pursuant to Division Rules 104.F and 1207.A (2). Also provide me with the Artesia district office of the Division's recognized depths of the top and base of the Wolfcamp formation in this wellbore. With this data please provide me with the corresponding subsurface locations of this wellbore [see Division Rule 111.A (6)].

Should you have any questions or comments concerning this matter, please contact me in Santa Fe at (505) 827-8185. Thank you.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Artesia ✓
Ms. Lori Wrotenbery, Director - NMOCD, Santa Fe