

Bill Richardson

Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



Surface Commingling Order PLC-322

March 6, 2009

Ben Stone, SOS Consulting, LLC Agent for RKI Exploration & Production, LLC P.O. Box 300 Como, Texas 75431

Attention: Ben Stone:

RKI Exploration & Production, LLC is hereby authorized to surface commingle gas production from the following Pools;

Brushy Draw; Delaware, East (8090) Ross Draw; Delaware, North (52797)

Wildcat; Bone Spring (96403)

and from the following diversely owned wells located on Federal and State leases in Eddy County, New Mexico:

Well Name & Number	Lease	Location	API Number
RDX 15 Well No. 1	Federal	D-15-26S-30E	30-015-35955
RDX 15 Well No. 2	Federal	P-15-26S-30E	30-015-36151
RDX 16 Well No. 1	State	O-16-26S-30E	30-015-36004
RDX 16 Well No. 2	State	K-16-26S-30E	30-015-36383
RDX 17 Well No. 2	Federal	G-17-26S-30E	30-015-36464
RDX 9 Well No. 1	Federal	P-9 -26S-30E	30-015-36211
Pioneer Fed. Well No. 1	Federal	P-17-26S-30E	30-015-24599

Commingled gas production from the wells detailed above shall be measured and sold at the RDX 15 Well No. 2 Central Delivery Point (CDP) located in Unit P of Section 15, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico.

Gas production from all the wells shall be measured continuously with calibrated allocation meters installed in the wells prior to commingling with gas from other wells. Gas production



shall then be allocated back to each well utilizing allocation and sales meter volume data, and shall be determined in accordance with the following procedure.

The production allocated to each well will be the integrated volume from the CDP gas sales meter, less the sum of the other allocation meter volumes, plus any lease use gas. In the event the sum of the allocation meter volumes do not equal the integrated volume of the CDP gas sales meter, the gas production from each well shall be calculated using the volume its allocation meter indicates, divided by the sum of all the allocation meter volumes. This percentage will then be multiplied by the integrated volume of the CDP gas sales meter, plus lease use gas.

Gas is approved for off-lease measurement and sales after being metered on-lease. The oil production from these wells shall NOT be commingled. The gas allocation and the CDP meters shall be calibrated semi-annually.

NOTE: This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations. It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the Artesia district office of the Division prior to implementation of commingling operations.

DONE at Santa Fe, New Mexico, on March 6, 2009.

MARK E. FESMIRE, P.E.,

Division Director

MEF/re

cc: Oil Conservation Division – Artesia

Bureau of Land Management (BLM)- Roswell

State Land Office (SLO), Oil, Gas and Minerals Division