

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JANUARY 10, 2019**

CASE No. 15414

RDX FED COM 28 WELL No 9H

EDDY COUNTY, NEW MEXICO



**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF RKI EXPLORATION AND PRODUCTION,
LLC TO RE-OPEN CASE NO. 15414 TO POOL RECORD TITLE
OWNERS UNDER THE TERMS OF COMPULSORY POOLING
ORDER NO. 14104, EDDY COUNTY, NEW MEXICO.**

CASE NO. 15414 (re-opened)

**SECOND AFFIDAVIT OF AARON YOUNG
IN SUPPORT OF CASE NO. 15414 (RE-OPENED)**

Aaron Young, of lawful age and being first duly sworn, declares as follows:

1. My name is Aaron Young. I work for RKI Exploration and Production, LLC ("RKI") as a Landman. RKI is in the process of changing its name to WPX Energy Permian, LLC. A change of operator form has not yet been provided to the Division.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matter. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
3. I am familiar with the Application filed by RKI on December 11, 2018, and the status of the lands in Section 28 and Irregular Section 33, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico.
4. Division Order R-14104, entered on December 21, 2015, created a 224.74-acre spacing and proration unit consisting of the W/2 W/2 of Section 28 and NW/4 NW/4 and Lot 4 of Irregular Section 33, Township 26 South, Range 30 East, NMPM, in Eddy County, New Mexico. This order further pooled the uncommitted interests in the Wolfcamp Formation

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit 1
Submitted by: WPX Energy
Hearing Date: January 10, 2019
Case No. 15414 (re-open)**

(Brushy Draw; Wolfcamp Oil Pool (97136))¹ in this spacing and proration unit (the “Unit”) and dedicated the Unit to the **RDX Federal Com 28 Well No. 9H** (API No. 30-015-43294), a horizontal well that has been drilled from a surface location 360 feet from the North line and 1345 feet from the West line (Unit C) of Section 28 to a bottom hole location 230 feet from the South line and 430 feet from the West line (Lot 4) of Irregular Section 33. **Attachment A** to this affidavit is a copy of Order R-14104.

5. Division Order R-14104-A, entered October 4, 2017, pooled additional record interest owners that were not pooled in the original Case No. 15414 and who were not subject to the initial Division Order R-14104. **Attachment B** to this affidavit is a copy of Order R-14104-A.

6. Since the entry of Order R-14104 and Order R-14104-A, RKI has discovered two additional record title owners who did not receive notice of RKI’s prior applications. **Attachment C** is an exhibit I prepared that identifies the names and addresses for these additional title owners.

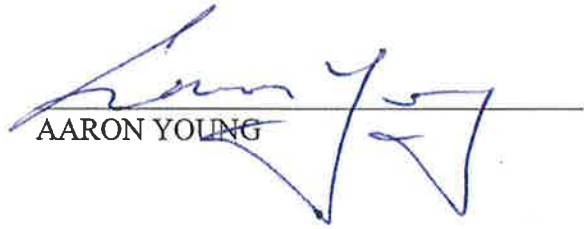
7. RKI has undertaken good faith efforts to locate and obtain the signatures of these record title owners, including mailing them written correspondence.

8. **Attachment D** is an affidavit and letter from my attorney at Holland & Hart providing notice of this hearing to the record title owners whom RKI seeks to pool.

9. **Attachment E** is an affidavit of publication in Eddy County directed to the unlocatable record title owner.

10. For these reasons, RKI respectfully requests that these two additional record title owners be pooled pursuant to the terms of Order R-14104.

¹ The well has since been reassigned to the Purple Sage Wolfcamp Pool (98220). Pursuant to Paragraph 7, p. 8 of Order No. R-14262, however, the prior spacing unit established in Order R-14104 was retained.


AARON YOUNG

STATE OF OKLAHOMA)
)
COUNTY OF TULSA)

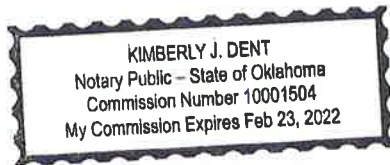
SUBSCRIBED and SWORN to before me this 9th day of January 2019 by
Aaron Young.


NOTARY PUBLIC

My Commission Expires:

2-23-2022

11851101_1



**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**CASE NO. 15414
ORDER NO. R-14104**

**APPLICATION OF RKI EXPLORATION AND PRODUCTION FOR A NON-
STANDARD SPACING AND PRORATION UNIT AND COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on December 3, 2015 before Examiner Michael McMillan, and December 17, 2015 before Examiner William V. Jones.

NOW, on this 21st day of December, 2015, the Division Director, having considered the testimony, the record and the recommendations of Examiner McMillan,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and of the subject matter.

(2) RKI Exploration and Production, LLC ("Applicant") seeks approval of a non-standard 224.74-acre, more or less, oil spacing and proration unit ("Unit") for oil production in the Wolfcamp formation, Brushy Draw; Wolfcamp (O); Wolfcamp Pool (Pool Code 97136) comprising the W/2 W/2 of Section 28, and NW/4 NW/4 and Lot 4 of Irregular Section 33, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico. Applicant further seeks the pooling of all uncommitted interests in the Unit.

(3) The Unit will be dedicated to Applicant's RDX Federal Com. 28 Well No. 9H (the "subject well"; API No. 30-015-43294), a horizontal well drilled from a surface location 360 feet from the North line and 1345 feet from the West line (Unit C) of Section 28 to a terminus or bottomhole location 230 feet from the South line and 430 feet from the West line (Lot 4) of Irregular Section 33, Township 26 South, Range 30 East. The completed interval of the subject well will be orthodox.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Attachment A
Submitted by: WPX Energy
Hearing Date: January 10, 2019
Case No. 15414 (re-open)**

(4) The subject well is within the Brushy Draw; Wolfcamp (O); Pool (Pool Code 97136). Spacing in this pool is governed by Division Rule 19.15.15.9 (A) NMAC, which provides for standard 40-acre units, each comprising a governmental quarter-quarter section. The proposed Unit and project area consists of six (6) adjacent quarter-quarter sections.

(5) Applicant appeared at the hearing and presented land and geological evidence to the effect that:

- (a) The Wolfcamp formation in this area is suitable for development by horizontal drilling;
- (b) the proposed orientation of the horizontal well from North to South or South to North is appropriate for the proposed Unit;
- (c) all quarter-quarter sections within the Unit are expected to be productive in the Wolfcamp formation, so that formation of the Unit, as proposed, will not impair correlative rights.
- (d) subject well has been spud, but not completed;
- (e) the subject well was originally placed in the Ross Draw; Wolfcamp (Gas) Pool; however, the Artesia District Office reassigned the subject well to the Brushy Draw; Wolfcamp (O) Pool;
- (f) the API gravity of the pool in wells in proximity to the subject well is approximately 40 API, and the GOR is 4,744 cf/bbl;
- (g) notice was provided for formation of the non-standard spacing unit to lessees or operators of surrounding tracts; and
- (h) notice was provided for compulsory pooling within the Unit to all locatable interest owners subject to pooling proceedings;

(6) No other party appeared at the hearing, or otherwise opposed the granting of this application.

The Division concludes as follows:

(7) The proposed non-standard unit should be approved in order to enable Applicant to drill a horizontal well that will efficiently produce the reserves underlying the Unit, thereby preventing waste and protecting correlative rights.

(8) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(9) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the subject well to a common source of supply within the Unit at the proposed location.

(10) There are interest owners in the Unit that have not agreed to pool their interests.

(11) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas within the Unit.

(12) RKI Exploration and Production, LLC should be designated the operator of the subject well and of the Unit.

(13) Any pooled working interest owner who does not pay its share of estimated well costs should have withheld from production its share of reasonable well costs plus an additional 200% thereof as a reasonable charge for the risk involved in drilling the subject well.

(14) Reasonable charges for supervision (combined fixed rates) should be fixed at \$7500 per month while drilling and \$750 per month while producing, provided that these rates should be adjusted annually pursuant to Section III.1.A.3. of the COPAS form titled "Accounting Procedure-Joint Operations."

IT IS THEREFORE ORDERED THAT:

(1) A non-standard 224.74-acre, more or less, oil spacing and proration unit is hereby established for oil production from the Wolfcamp formation, Brushy Draw; Wolfcamp (O); Pool consisting of the W/2 W/2 of Section 28, and NW/4 NW/4 and Lot 4 of Irregular Section 33, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico.

(2) Pursuant to the application of RKI Exploration and Production, LLC, all uncommitted interests, whatever they may be, in the oil and gas in the Wolfcamp formation underlying the Unit, are hereby pooled.

(3) The Unit shall be dedicated to Applicant's RDX Federal Com. 28 Well No. 9H (the "subject well"; API No. 30-015-43294), a horizontal well drilled from a surface location 360 feet from the North line and 1345 feet from the West line (Unit C) of Section 28 to a terminus or bottomhole location 230 feet from the South line and 430 feet from the West line (Lot 4) of Irregular Section 33, Township 26 South, Range 30 East. The completed location shall be orthodox.

(4) Should the subject well not be drilled and completed within 120 days after commencement thereof, then Ordering Paragraphs (1) and (2) shall be of no further effect, and the Unit and project area created by this order shall terminate, unless operator appears before the Division Director and obtains an extension of the time for completion of the proposed well for good cause shown by satisfactory evidence. If the subject well is not completed in all of the standard spacing units included in the proposed project area (or Unit), then the operator shall apply to the Division for an amendment to this Order to contract the Unit so that it includes only those standard spacing units in which the well is completed.

(5) Upon final plugging and abandonment of the subject well and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled Unit created by this Order shall terminate, unless this Order has been amended to authorize further operations.

(6) RKI Exploration and Production, LLC (OGRID No. 246289) is hereby designated the operator of the well and the Unit.

(7) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this Order, the operator shall furnish the Division and each known pooled working interest owner in the Unit an itemized schedule of estimated costs of drilling, completing and equipping the subject well ("well costs").

(8) Within 30 days from the date the schedule of estimated well costs is furnished, any pooled working interest owner shall have the right to pay its share of estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided, and any such owner who pays its share of estimated well costs as provided above shall remain liable for operating costs but shall not be liable for risk charges. Pooled working interest owners who elect not to pay their share of estimated well costs as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(9) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs within 90 days following completion of the subject well. If no objection to the actual well costs is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs after public notice and hearing.

(10) Within 60 days following determination of reasonable well costs, any pooled working interest owner who has paid its share of estimated costs in advance as provided above shall pay to the operator its share of the amount that reasonable well costs

exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid exceed its share of reasonable well costs.

(11) The operator is hereby authorized to withhold the following costs and charges from production from each well:

- (a) The proportionate share of reasonable well costs attributable to each non-consenting working interest owner; and
- (b) As a charge for the risk involved in drilling the well, 200% of the above costs.

(12) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs.

(13) Reasonable charges for supervision (combined fixed rates) for the well are hereby fixed at \$7500 per month while drilling and \$750 per month while producing, provided that these rates shall be adjusted annually pursuant to Section III.1.A.3. of the COPAS form titled "*Accounting Procedure-Joint Operations*." The operator is authorized to withhold from production the proportionate share of both the supervision charges and the actual expenditures required for operating the well, not in excess of what are reasonable, attributable to pooled working interest owners.

(14) Except as provided in Paragraphs (11) and (13) above, all proceeds from production from the subject well that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not disbursed, such proceeds shall be turned over to the appropriate authority as and when required under the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

(15) Any unleased mineral interests shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for the purpose of allocating costs and charges under this Order. Any well costs or charges that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

(16) Should all the parties to this compulsory pooling order reach voluntary agreement subsequent to entry of this order, this order shall thereafter be of no further effect.

(17) The operator of the well and the Unit shall notify the Division in writing of the subsequent voluntary agreement of all parties subject to the compulsory pooling provisions of this Order.

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

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

David R. Catanach

DAVID R. CATANACH
Director

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**CASE NO. 15414 (Re-Opened)
ORDER NO. R-14104-A**

**APPLICATION OF RKI EXPLORATION AND PRODUCTION, LLC TO RE-
OPEN CASE NO. 15414 TO POOL RECORD TITLE INTEREST OWNERS
UNDER THE TERMS OF COMPULSORY POOLING ORDER NO. R-14104,
EDDY COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on September 14, 2017, at Santa Fe, New Mexico, before Examiner Michael A. McMillan.

NOW, on this 4th day of October, 2017, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and the subject matter.

(2) The Division, by Order No. R-14104, issued in Case No. 15414 on December 21, 2015, approved the compulsory pooling of all uncommitted interests within a non-standard Wolfcamp gas spacing unit (the "Unit") consisting of the W/2 W/2 of Section 28, and the NW/4 NW/4 and Lot 4 (W/2 NW/4 equivalent) of Irregular Section 33, all in Township 26 South, Range 30 East, NMPM, Eddy County New Mexico. The Unit is presently dedicated to the RDX Federal Com 28 Well No. 9H (API No. 30-015-43294; "subject well"), a horizontal well drilled to test the Wolfcamp formation and completed on March 19th, 2015 within the Brushy Draw; Wolfcamp (O), Pool (Pool code 84330). The subject well has been reassigned to the Purple Sage; Wolfcamp (Gas) Pool (Pool code 98220).

(3) RKI Exploration and Production, LLC ("RKI or "Applicant") in the re-opened case has discovered additional record title owners whose interests were not pooled

in Case No. 15414 and who were not subject to the original Hearing Order. The record title interest owners have divested all of their operating rights in the Wolfcamp formation and would not be subject to liability for costs or to the Division approved risk penalty.

(4) The record title interest owner's estates have either not been probated in New Mexico, or the personal representatives, heirs or distributees have not filed the updated paperwork with the Bureau of Land Management ("BLM").

(5) Applicant appeared through counsel and presented testimony and proof of notice to all record title owners subject to pooling proceedings as affected parties of the proposed compulsory pooling within the Unit.

(6) Applicant provided notice to parties subject to pooling by certified mail, return receipt requested, and by publication before hearing in a newspaper of general circulation in Eddy County, New Mexico, the county in which the property is located, for those parties for whom return receipts were not returned.

(7) No other party entered an appearance or otherwise opposed this application.

The Division concludes as follows:

(8) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(9) Applicant is owner of an oil and gas working interest within the Unit. Applicant had the right to drill, and has drilled the subject well to a common source of supply within the Unit at that well's existing location.

(10) There are interest owners in the Unit that have not agreed to pool their interests.

(11) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas within the Unit.

(12) RKI Exploration and Production, LLC should be designated the operator of the subject well and the Unit.

(13) Any record title owner who was not duly noticed in the original Case No. 15414, and who receives notice of this order should file the required paperwork with the BLM and should not be subject to any other provisions of the compulsory pooling.

(14) Any working interest owner whose interest was pooled by Order No. R-

14104 who has not heretofore paid its share of well costs for the subject well should remain subject to the provisions of Ordering Paragraph (11) of that order.

IT IS THEREFORE ORDERED THAT:

(1) Pursuant to the application of RKI Exploration and Production, LLC, all uncommitted interests, whatever they may be, in the oil and gas in the Wolfcamp formation, (Purple Sage; Wolfcamp (Gas) Pool (Pool code 98220)), underlying the W/2 W/2 of Section 28, and Lot 4 and the NW/4 NW/4 (W/2 NW/4 equivalent) of Irregular Section 33, all in Township 26 South, Range 30 East, NMPM, Eddy County New Mexico (the "Unit"), are hereby pooled. This shall include interest owners of record title who own no working interest in the subject well.

(2) All provisions of Division Order No. R-14104 not inconsistent herewith shall remain in full force and effect.

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

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

David R. Catanach

DAVID R. CATANACH
Director

Costilla Energy
2305 Metz Place
Midland, Texas 79705-4923

or

PO Box 10369
Midland, Texas 79702

El Paso Natural Gas Company, LLC
600 North Dairy Ashford Road
Houston, Texas 77079

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Attachment C

Submitted by: **WPX Energy**

Hearing Date: January 10, 2019

Case No. 15414 (re-open)

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

APPLICATION RKI EXPLORATION AND PRODUCTION, LLC TO RE-OPEN CASE NO. 15414 TO POOL THE INTERESTS OF RECORD TITLE OWNERS UNDER THE TERMS OF COMPULSORY POOLING ORDER R-14104, EDDY COUNTY, NEW MEXICO.

CASE NO. 15414

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Julia Broggi, attorney in fact and authorized representative of **RKI EXPLORATION AND PRODUCTION, LLC**, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.



Julia Broggi

SUBSCRIBED AND SWORN to before me this 9th day of January 2019 by Julia Broggi.




Notary Public
My Commission Expires:
August 26, 2021



December 21, 2018

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Application of RKI Exploration and Production, LLC to Re-Open Case No. 15414
To Pool The Interests Of Record Title Owners Under The Terms Of Compulsory
Pooling Order R-14104, Eddy County, New Mexico.
RDX Federal Com 28 No. 9H Well**

Ladies & Gentlemen:

This letter is to advise you that RKI Exploration and Production, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on January 10, 2019. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter please contact Aaron Young, at (539) 573-3531 or aaron.young@wpenergy.com.

Sincerely,

Jordan L. Kessler

**ATTORNEY FOR RKI EXPLORATION AND
PRODUCTION, LLC**

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF RKI EXPLORATION AND PRODUCTION,
LLC TO RE-OPEN CASE NO. 15414 TO POOL ADDITIONAL
RECORD TITLE OWNERS UNDER THE TERMS OF
COMPULSORY POOLING ORDER NO. R-14104, EDDY
COUNTY, NEW MEXICO.**

CASE NO. 15414 (re-opened)

APPLICATION

RKI Exploration and Production, LLC (“RKI”) (OGRID No. 246289), through its undersigned attorneys, hereby makes application to the Oil Conservation Division to pool the interests of additional interest owners under the terms of Division Order R-14104 and R-14104-

A. In support of this application, RKI states:

1. Division Order R-14104, entered on December 21, 2015, created a 224.74-acre spacing and proration unit consisting of the W/2 W/2 of Section 28 and NW/4 NW/4 and Lot 4 of Irregular Section 33, Township 26 South, Range 30 East, NMPM, in Eddy County, New Mexico. This order further pooled the uncommitted interests in the Wolfcamp Formation (Brushy Draw; Wolfcamp Oil Pool (97136))¹ in this spacing and proration unit (the “Unit”) and dedicated the Unit to the RDX Federal Com 28 Well No. 9H (API No. 30-015-43294), a horizontal well that has been drilled from a surface location 360 feet from the North line and 1345 feet from the West line (Unit C) of Section 28 to a bottom hole location 230 feet from the South line and 430 feet from the West line (Lot 4) of Irregular Section 33.

¹ The well has since been reassigned to the Purple Sage Wolfcamp Pool (98220). However, pursuant to Paragraph 7, p. 8 of Order No. R-14262, the prior spacing unit established in Order R-14104 was retained.

2. Following the entry of Order R-14104, RKI re-opened Case No. 15414 to compulsory pool record title interest owners who did not sign the communitization agreement. The Division issued order R-14104-A pooling the additional record title owners.

3. Since the entry of Order No. R-14104, RKI has discovered two additional record title owners who did not receive notice of RKI's prior applications.

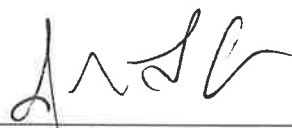
4. The pooling of these additional record owners under the terms of Division Order R-14104 and R-14104-A will prevent waste, will protect correlative rights, and will promote administrative efficiency.

5. In order to obtain RKI's just and fair share of the oil and gas underlying the subject acreage and to promote administrative efficiency, the record title owners should be pooled pursuant to the terms of Order R-14104 and R-14104-A.

WHEREFORE, RKI Exploration and Production, LLC requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 10, 2019, and, after notice and hearing as required by law, the Division pool remaining uncommitted record title owners in the Unit pursuant to the terms of existing Division Order R-14104 and Order R-14104-A.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert

Adam G. Rankin

Jordan L. Kessler

Julia Broggi

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421
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mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jlkessler@hollandhart.com
jbroggi@hollandhart.com

**ATTORNEYS FOR RKI EXPLORATION AND
PRODUCTION, LLC**

CASE 15414 (re-opened): **Application of RKI Exploration and Production, LLC to Re-Open Case No. 15414 To Pool The Interests Of Record Title Owners Under The Terms Of Compulsory Pooling Order R-14104, Eddy County, New Mexico.** Applicant in the above-styled cause seeks to amend Division Order R-14104 and R-14104-A to include the pooling of record title owners in the Wolfcamp formation underlying the W/2 W/2 of Section 28 and NW/4 NW/4 and Lot 4 of Irregular Section 33, Township 26 South, Range 30 East, NMPM, in Eddy County, New Mexico. Said unit is dedicated to the **RDX Federal Com 28 No. 9H Well** and is located 10.5 miles southwest of Ross Place, New Mexico.

	A	B	C	F	G	I	J	K
1	CustomField1	MailClass	TrackingNo	ToName	DeliveryAddress	City	St	Zip
2	65182 - RDX Fed Com 28 Well No 9H - 1	Certified with Return Receipt (Signature)	9414810898765023669835	Costilla Energy	2305 Metz Place	Midlace	TX	79705
3	65182 - RDX Fed Com 28 Well No 9H - 2	Certified with Return Receipt (Signature)	9414810898765023669842	El Paso Natural Gas Company LLC	600 North Diary Ashford Road	Houston	TX	77079

	N	U
1	USPS_Status	
2	12/24/2018	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
3	12/24/2018	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

CARLSBAD CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

Ad No.
0001272235

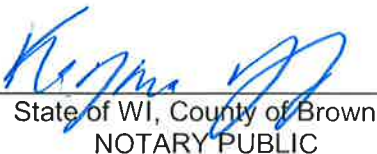
DAVID WASHINGTON
110 NORTH GUADALUPE, SUITE 1 PO BOX 2208
SANTA FE NM 87504

I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

12/22/18


Legal Clerk

Subscribed and sworn before me this
24th of December 2018.


State of WI, County of Brown
NOTARY PUBLIC

11/9/22
My Commission Expires

Ad#:0001272235
P O : 0001272235
of Affidavits :0.00

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on **January 10, 2019**, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by **December 31, 2018**. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: Costilla Energy; El Paso Natural Gas Company LLC.

Case No. 15414 (re-opened) Application of RKL Exploration and Production, LLC to Re-Open Case No. 15414 To Pool The Interests Of Record Title Owners Under The Terms Of Compulsory Pooling Order R-14104, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Division Order R-14104 and R-14104-A to include the pooling of record title owners in the Wolfcamp formation underlying the W/2 W/2 of Section 28 and NW/4 NW/4 and Lot 4 of Irregular Section 33, Township 26 South, Range 30 East, NMPM, in Eddy County, New Mexico. Said unit is dedicated to the **RDX Federal Com 28 No. 9H Well** and is located 10.5 miles southwest of Ross Place, New Mexico.

Pub: December 22, 2018 #1272235



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Attachment E
Submitted by: WPX Energy
Hearing Date: January 10, 2019
Case No. 15414 (re-open)