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

## APPLICATION OF RKI EXPLORATION AND PRODUCTION TO RE-OPEN CASE NO. 15341 TO AMEND THE SPACING UNIT UNDER THE TERMS OF COMPULSORY POOLING ORDER R-14016, EDDY COUNTY, NEW MEXICO.

CASE NO. 15341 (re-opened)

## **APPLICATION TO AMEND ORDER NO. R-14016**

RKI Exploration and Production, ("RKI") through its undersigned attorneys, hereby makes application to the Oil Conservation Division to amend Order No. R-14016 to conform with the 160-acre non-standard oil spacing and proration unit subsequently designated by the Division. In support of this application, RKI states:

1. On July 15, 2015, the Division entered Order No. R-14016 granting RKI's application to pool all uncommitted interests within the Wolfcamp formation underlying the E/2 of Section 17, Township 26 South, Range 30 East, NMPM, in Eddy County, New Mexico. The order dedicated the 320-acre standard spacing unit to RKI's RDX Federal Com 17 Well No. 26H (API No. 30-015-42752), to be drilled in the W/2 E/2 of Section 17, and approved an unorthodox location for the well.

2. Under R-14016, the dedicated spacing unit was a standard 320-acre gas unit.

3. On August 18, 2015, the Division approved a sundry C-102 for the RDX Federal Com 17 Well No. 26H and designated the pool as Brushy Draw; Wolfcamp (O) 97136.

4. The Brushy Draw; Wolfcamp (O) is an oil pool subject to 40-acre spacing. The Division therefore amended RKI's Sundry to dedicate 160 acres to the well comprised of the W/2 E/2 of Section 17. 5. To conform with the Division's designated spacing, RKI seeks to contract the spacing unit approved in Order R-14016 to a non-standard 160-acre oil spacing and proration unit comprised of the W/2 E/2 of Section 17, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico.

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4. The party pooled under Order R-14016 owns a proportional interest in the E/2 E/2 and W/2 E/2 of Section 17. Therefore, the revenue interests of the pooled party will not change.

WHEREFORE, RKI Exploration and Production requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 15, 2015, and after notice and hearing as required by law, the Division amend existing order R-14016 to approve a non-standard 160-acre spacing unit for the proposed well.

Respectfully submitted,

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## CASE 15341 (re-opened): Application of RKI Exploration And Production To Re-Open Case No. 15341 To Amend The Spacing Unit Under The Terms Of Compulsory Pooling Order R-14016, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Order R-14016 to contract the spacing unit to conform with the spacing designated by the Division. The proposed RDX Federal Com 17 26H Well will be dedicated to a 160-acre non-standard oil spacing and proration unit comprised of the E/2 W/2 of Section 17, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico, which will be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) to a standard bottom hole location in in the NW/4 NE/4 (Unit B) of Section 17. The completed interval for this well will remain within the 330-foot standard offset required by the rules. Said area is located approximately 9.5 miles Southwest of Ross Place, New Mexico.

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