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

APPLICATION OF WPX ENERGY PERMIAN, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 25203

PREHEARING STATEMENT

WPX Energy Permian, LLC ("WPX"), OGRID No. 246289, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division"), pursuant to the Division's rules.

APPEARANCES

ATTORNEY

APPLICANT

WPX Energy Permian, LLC

Darin C. Savage Andrew D. Schill William E. Zimsky 214 McKenzie Street Santa Fe, New Mexico 87501 Telephone: 970.385.4401 Facsimile: 970.385.4901 darin@abadieschill.om andrew@abadieschill.com bill@abadieschill.com

APPLICANT'S STATEMENT OF THE CASE

In Case No. 25203, WPX seeks an order pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 320-acre, more or less, spacing unit comprised of the S/2 S/2 of Sections 32 and 33, Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico 1. WPX is a working interest owner in the proposed horizontal spacing and proration unit ("HSU") and has a right to drill a well thereon.

2. WPX proposes and dedicates to the HSU the **Frontier 33-32 Fed Com 224H Well** as the initial well to be drilled to a sufficient depth to test the Bone Spring formation.

3. WPX proposes the **Frontier 33-32 Fed Com 224H Well,** an oil well, to be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 33 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 32.

4. The well proposed herein is orthodox in its location, and the take points and completed intervals comply with setback requirements under statewide rules.

APPLICANT'S PROPOSED EVIDENCE

| WITNESS | ESTIMATED TIME | EXHIBITS |
|---------------------------|----------------|-----------|
| Landman: Andy Bennett | Approx. 10 min | Approx. 5 |
| Geologist: Russell Goodin | Approx. 10 min | Approx. 5 |

PROCEDURAL MATTERS

No protests or objections have been filed, and WPX does not anticipate any at this time;

consequently, WPX plans to conduct the hearing by affidavit or self-affirmed statements.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage Darin C. Savage

Andrew D. Schill William E. Zimsky 214 McKenzie Street Santa Fe, New Mexico 87501

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Attorneys for WPX Energy Permian, LLC

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

QUESTIONS

| Operator: | OGRID: |
|---------------------------|--|
| WPX Energy Permian, LLC | 246289 |
| Devon Energy - Regulatory | Action Number: |
| Oklahoma City, OK 73102 | 439951 |
| | Action Type: |
| | [HEAR] Prehearing Statement (PREHEARING) |
| | |

QUESTIONS

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|---|----|--|
| Please assist us by provide the following information about your testimony. | | |
| Number of witnesses | 2 | |
| Testimony time (in minutes) | 20 | |

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