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

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

Case Nos. 25204 & 25205

APPLICATIONS OF 3R OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case Nos. 25124 & 25125

## CONSOLIDATED PREHEARING STATEMENT

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

APPLICANT ATTORNEY

WPX Energy Permian, LLC

Darin C. Savage

William E. Zimsky

Andrew D. Schill

214 McKenzie Street Santa Fe, New Mexico 87501 Telephone: 970.385.4401 Facsimile: 970.385.4901 darin@abadieschill.com bill@abadieschill.om

and rew@abadieschill.com

#### **COMPETING APPLICANT**

#### **ATTORNEY**

3R Operating, LLC

Miguel A. Suazo
James P. Parrot
Jacob L. Everhart
500 Don Gaspar Ave.
Santa Fe, NM 87505
Telephone: 505.946.2090
msuazo@bwenergylaw.com
jparrot@bwenergylaw.com
jeverhart@bwenergylaw.com

#### **ADDITIONAL PARTIES:**

Marathon Oil Permian, LLC

Elizabeth Ryan
Keri L. Hatley
ConocoPhillips
1048 Paseo De Peralta
Santa Fe, New Mexico 87501
Telephone: 505.780.8000
beth.ryan@conocophillips.com
keri.hatley@conocophillips.com

## APPLICANT'S STATEMENT OF THE CASE

Under these consolidated Case Nos. 25204 and 25205, WPX seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation ([Purple Sage: Wolfcamp]; Pool Code: [98220]), designated as an gas pool, underlying a standard 640-acre, more or less, spacing unit comprised of the N/2 (Case No. 25204) and the S/2 (Case No. 25205) of Sections 32 and 33, Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico as follows:

In Case No. 25204, WPX seeks to dedicate the **Frontier 33-32 State Fed Com 601H Well** (API 30-015-pending) a gas well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 33 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 32;

approximate TVD of 8,730 feet; approximate TMD of 18,730 feet; FTP in Section 33: 330 feet FNL, 100 feet FEL; LTP in Section 32: 330 feet FNL, 100 feet FWL.

Also, in Case No. 25204, WPX seeks to dedicate the **Frontier 33-32 Fed Com 602H Well** (API 30-015-pending) a gas well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 33 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 32; approximate TVD of 8,730 feet; approximate TMD of 17,730 feet; FTP in Section 33: 1,650 feet FNL, 100 feet FEL; LTP in Section 32: 1,650 feet FNL, 100' FWL.

In Case No. 25205, WPX seeks to dedicate the **Frontier 33-32 Fed Com 603H Well** (API 30-015-pending) a gas 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 NW/4 SW/4 (Unit L) of Section 32; approximate TVD of 8,755 feet; approximate TMD of 18,755 feet; FTP in Section 33: 2,310' FSL, 100' FEL; LTP in Section 32: 2,310' FSL, 100' FWL.

Also, in Case No. 25205, WPX seeks to dedicate the **Frontier 33-32 Fed Com 604H Well** (API 30-015-pending) a gas 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; approximate TVD of 8,755 feet; approximate TMD of 18.755 feet; FTP in Section 33: 900 feet FSL, 100 feet FEL; LTP in Section 32: 900 feet FSL, 100' FWL.

All four of WPX's proposed wells are to be completed in the Wolfcamp XY Sand formation.

The wells proposed herein are unorthodox in their location; the take points do not comply with setback requirements in Order No. R-14262 governing the Purple Sage; Wolfcamp pool. WPX will be applying with the Division for administrative approval of the nonstandard locations.

This Application competes with Case Nos. 25123 and 25124, Applications filed by 3R Operating, LLC ("3R"), in which 3R seeks an order pooling all uncommitted mineral interests in the Wolfcamp formation ([Purple Sage: Wolfcamp]; Pool Code: [98220]), designated as an gas pool, underlying a standard 640-acre, more or less, spacing unit comprised of the N/2 (Case No. 25123) and the S/2 (Case No. 25124) of Sections 32 and 33, Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico as follows:

In Case No. 25123, 3R proposes the following wells:

The Crystal 33 32 Fed Comm 701H Well (API 30-015-pending), which 3R designates as oil well, that will be horizontally drilled from a surface location in the NE/4 of Section 33, Township 23 South, Range 26 East, to a bottom hole location in the Wolfcamp Formation in the NW/4 NW/4 (Unit D) of Section 32, approximate TVD of 8,740 feet; approximate TMD of 19,000 feet; with the SHL location being 376 feet FNL and 1,155 feet FEL, of Section 33, and the BHL location being 660 feet FNL and 330 feet FWL of Section 32;

The **Crystal 33 32 Fed Comm 702H Well** (API 30-015-pending), which 3R designates as oil well, that will be horizontally drilled from a surface location in the NE/4 of Section 33, Township 23 South, Range 26 East, to a bottom hole location in the Wolfcamp Formation in SW/4 NW/4 (Unit E) of Section 32, Township 23 South, Range 26 East; approximate TVD of 8,740 feet; approximate TMD of 19,000 feet; with the SHL location being 376 feet FNL and 1,125 feet FEL, of Section 33, and the BHL location being 1,980 feet FNL and 330 feet FWL of Section 32;

The **Crystal N 33 32 Fed Comm 801H** Well (API 30-015-pending), which 3R designates as oil well, that will be horizontally drilled from a surface location in the NE/4 of Section 33, Township 23 South, Range 26 East, to a bottom hole location in the Wolfcamp Formation in NW/4 NW/4 (Unit D) of Section 32, Township 23 South, Range 26 East, approximate TVD of 9,400

feet; approximate TMD of 19,660 feet; with the SHL location being 376 feet FNL and 1,245 feet FEL, of Section 33, and the BHL location being 660 feet FNL and 330 feet FWL of Section 32; and

The Crystal N 33 32 Fed Comm 802H Well (API 30-015-pending), which 3R designates as oil well, that will be horizontally drilled from a surface location in the NE/4 of Section 33, Township 23 South, Range 26 East, to a bottom hole location in the Wolfcamp Formation in SW/4 NW/4 (Unit E) of Section 32, approximate TVD of 9,400 feet; approximate TMD of 19,660 feet; with the SHL location being 376 feet FNL and 1,24 feet FEL, of Section 33, Township 23 South, Range 26 East, and the BHL location being 660 feet FNL and 330 feet FWL of Section 32.

In Case No. 25124, 3R proposes the following wells:

The **Crystal N 33 32 Fed Com #703H Well**, which 3R designates as an oil well, that will be horizontally drilled from a surface location in the SE/4 of Section 33 to a bottom hole location in the Wolfcamp Formation in the NW/4 SW/4 (Unit L) of Section 32; approximate TVD of 8,740 feet; approximate TMD of 19,000 feet; with the SHL location being 1,335 feet FSL and 295' FEL, of Section 33, and the BHL location being 1,980 feet FSL and 330 feet FWL of Section 32.

The Crystal N 33 32 Fed Com #803H Well, which 3R designates as an oil well, that will be horizontally drilled from a surface location in the SE/4 of Section 33 to a bottom hole location in the Wolfcamp Formation in the NW/4 SW/4 (Unit L) of Section 32; approximate TVD of 9,400 feet; approximate TMD of 19,660 feet; and the with the SHL location being 1,305 feet FSL and 295 feet FEL, of Section 33, and the BHL location being 1,980 feet FSL and 330 feet FWL of Section 32.

The Crystal N 33 32 Fed Com #804H Well, which 3R designates as an oil well, that will be horizontally drilled from a surface location in the SE/4 of Section 33 to a bottom hole location

in the Wolfcamp Formation in the SW/4 SW/4 (Unit M) of Section 32; approximate TVD of 9,400 feet; approximate TMD of 19,660 feet and the with the SHL location being 1,275 feet FSL and 295 feet FEL of Section 33, and the BHL location being 660 feet FSL and 330 feet FWL of Section 32.

The Crystal N 33 32 Fed Com #701H, Crystal N 33 32 Fed Com #702H, and the Crystal N 33 32 Fed Com #703H Wells are to be completed and produce from the Wolfcamp XY Sand, while the Crystal N 33 32 Fed Com #801H, Crystal N 33 32 Fed Com #802H, Crystal N 33 32 Fed Com #803H, and the Crystal N 33 32 Fed Com #804H Wells are to be completed in the Wolfcamp B.

# APPLICANT'S PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Andy Bennett	Approx. 35 min	Approx. 6
Geologist: Joe Dixon	Approx. 20 min	Approx. 6
Reservoir Engineer: Keevin Barnes	Approx. 20 min	Approx. 3
Facilities Engineer:	Approx. 10 minutes	Approx. 2
Attorney (for Notice)	Approx. 10 minutes	Approx. 3

# **OPPONENT'S PROPOSED EVIDENCE**

To be provided in 3R's Pre-Hearing Statement.

#### **PROCEDURAL MATTERS**

WPX requests that the parties be granted leave to file written closing briefs after the close of the hearing.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

Darin S. Savage

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

Attorneys for WPX Energy Permian, LLC

## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed with the New Mexico Oil Conservation Division and was served on counsel of record via electronic mail on April 22, 2025:

Miguel A. Suazo – msuazo@bwenergylaw.com James P. Parrot – jparrot@bwenergylaw.com Jacob L. Everhart – jeverhart@bwenergylaw.com

Attorneys for 3R Operating, LLC

beth.ryan@conocophillips.com keri.hatley@conocophillips.com

Attorneys Marathon Oil Permian, LLC

/s/ Darin C. Savage
Darin C. Savage

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory <a href="https://www.emnrd.nm.gov/ocd/contact-us">https://www.emnrd.nm.gov/ocd/contact-us</a>

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

QUESTIONS

Action 454225

#### **QUESTIONS**

Operator:	OGRID:
WPX Energy Permian, LLC	246289
Devon Energy - Regulatory	Action Number:
Oklahoma City, OK 73102	454225
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

#### QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	5	
Testimony time (in minutes)	95	