

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

APPLICATION OF WPX ENERGY PRODUCTION, LLC FOR AN 80-ACRE NON-STANDARD SPACING UNIT IN THE BASIN-MANCOS GAS POOL (97232) AND APPROVAL OF AN UNORTHODOX WELL LOCATION IN THIS SPACING UNIT; APPROVAL OF AN 80-ACRE NON-STANDARD SPACING UNIT IN THE NAGEEZI GALLUP POOL (47540) AND COMPULSORY POOLING; AND APPROVAL TO DOWNHOLE COMMINGLE PRODUCTION FROM THE NAGEEZI GALLUP POOL (47540) AND THE BASIN MANCOS GAS POOL (97232), SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 15070

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by WPX Energy Production LLC ("WPX") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

WPX Energy Production LLC
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ATTORNEY

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OPPONENT

None

ATTORNEY

None

STATEMENT OF THE CASE

WPX seeks an order (1) creating a non-standard 80-acre spacing and proration unit in the Basin Mancos Gas Pool comprised of the S/2 SW/4 Section 16, Township 23 North, Range 8 West, NMPM, San Juan County, New Mexico, and authorizing an unorthodox well location in

this spacing unit; (2) creating a non-standard 80-acre spacing and proration unit in the Nageezi Gallup Pool comprised of the S/2 SE/4 of Section 16 and pooling all mineral interests in this pool underlying this acreage; and (3) granting an exception to Division Rule 19.15.12.9 authorizing the downhole commingling of production from the Nageezi Gallup Pool and the Basin-Mancos Gas Pool in a horizontal well to be located in the S/2 S/2 of Section 16.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Chuck Bassett, Landman	Approx. 20 minutes	Approx. 4
Amy Richardson, Geologist OR	Approx. 30 minutes	Approx. 6
Barbara Pickup, Geologist	Approx. 30 minutes	Approx. 6

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP



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