

J. SCOTT HALL

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December 12, 2013

Ms. Jami Bailey, Director New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87504 HAND DELIVERED

Re:

NMOCD Case No. 15067: In the Matter of the Application of WPX Energy Production, LLC for a Non-Standard Spacing and Proration Unit, Compulsory Pooling, and Unorthodox Well Location San Juan County, New Mexico

Dear Ms. Bailey:

On behalf of Logos Resources LLC, enclosed for filing is an original and one copy of Logos's Pre-Hearing Statement in the above-captioned case.

Thank you.

Very truly yours

Loretta Baca

Assistant to J. Scott Hall

Enclosures

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REPLY TO:

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

APPLICATION OF WPX ENERGY
PRODUCTION, LLC FOR A NON-STANDARD
SPACING AND PRORATION UNIT,
COMPULSORY POOLING, AND
UNORTHODOX WELL LOCATION SAN
JUAN COUNTY, NEW MEXICO

Case No. 15067

PRE-HEARING STATEMENT

Logos Resources LLC, ("Logos") provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

OPPONENT	OPPONENTS ATTORNEY
OLIGINE	OIT ONE INTERIOR

Logos Resources LLC

J. Scott Hall, Esq.
Seth C. McMillan, Esq.

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OTHER PARTY OTHER PARTY'S ATTORNEY

WPX Energy Production LLC Michael H. Feldewert, Esq.

Adam G. Rankin, Esq. HOLLAND & HART LLP

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STATEMENT OF THE CASE

Among other matters, WPX seeks approval of an unorthodox location for its proposed Chaco 2308-09A 146H Well, which will be horizontally drilled from a surface location in the

NE/4 NE/4 (Unit A) to a non-standard bottom hole location in the SW/4 NW/4 (Unit E) of Section 9. As advertised, "[t]he completed interval for this well will commence in the SE/4 NE/4 (Unit H) of Section 9 and will be non-standard in the SW/4 NW/4 (Unit E)." WPX's Application also indicates the bottom hole location will be 230 feet from the West line of Section 9, placing the well's terminus 100 feet beyond the setbacks established for the Nageezi Gallup Oil Pool.

Logos Resources LLC owns the lease interests in Section 8 immediately offsetting the proposed unorthodox bottom hole location. Logos Resources is concerned that the encroachment of the WPX well will impair its correlative rights.

PROPOSED EVIDENCE

OPPONENT

<u>WITNESSES</u> <u>EST. TIME</u> <u>EXHIBITS</u>

Logos Resources reserves the right to call one or more technical witnesses to provide testimony at the hearing on this Application.

APPLICANT

<u>WITNESSES</u> <u>EST. TIME</u> <u>EXHIBITS</u>

PROCEDURAL MATTERS

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Respectfully submitted,

MONTGOMERY & ANDREWS, P. A.

By:

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Attorneys for Logos Resources LLC

Certificate of Service

I hereby certify that a true and correct copy of the foregoing was served to counsel of record by electronic mail this 12th day of December, 2013.

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