

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

APPLICATION OF WPX ENERGY PRODUCTION, LLC FOR
APPROVAL OF THE SOUTH CHACO FEDERAL
EXPLORATORY UNIT; AND FOR AN EXCEPTION TO THE
WELL LOCATION REQUIREMENTS SET FORTH IN THE
SPECIAL RULES FOR THE BASIN MANCOS GAS POOL,
SANDOVAL COUNTY, NEW MEXICO.

CASE NO. 15173
Order No. R-13883-A

ORDER OF THE DIVISION *Nunc Pro Tunc*

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on July 24, 2014, at Santa Fe, New Mexico, before Examiner Scott Dawson and legal counsel Gabriel Wade.

On August 15, 2014, the Division Director, having considered the testimony, the record and the recommendations of the Examiners issued Order No. R-13883.

NOW, on this 18th day of November, 2014, the Division Director, having considered the October 10, 2014 Motion to Amend Order No. R-13883,

FINDS THAT:

(1) The South Chaco Federal Exploratory Unit is subject to the Lybrook Gallup Oil Pool (**Pool Code 42289**), and not subject to the Special Rules for the Basin Mancos Gas Pool (**Pool Code 97232**).

(2) The Lybrook Gallup Oil Pool is subject to the statewide rules for oil wells, which requires wells to be located no closer than 330 feet to the outer boundary of the unitized area.

(3) Since the unitized area is subject to the statewide rules governing the Lybrook Gallup Oil Pool, the request by WPX for an exception for the 330 foot requirement should be **dismissed**.

IT IS THEREFORE ORDERED THAT:

(1) Order No. R-13883 is hereby amended to reflect that the South Chaco Federal Exploratory Unit is subject to the Lybrook Gallup Oil Pool (**Pool Code 42289**),

and *not* subject to the Special Rules governing the Basin Mancos Gas Pool (**Pool Code 97232**).

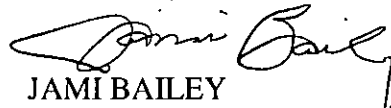
(2) The request by WPX for an exception to the 330 foot setback requirement is hereby **dismissed**. Accordingly, Ordering Paragraphs (4) and (7) of Order No. R-13883 shall be deleted from this Order.

(3) The provisions of Order No. R-13883 shall still be in full force and effect.

(4) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JAMI BAILEY
Director

SEAL