

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

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

Case No. _____

APPLICATION

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 provisions of NMSA 1978, § 70-2-17, for 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. In support of its Application, WPX states the following:

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.

5. WPX has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the wells or in the commitment of their interests to the wells for their development within the proposed HSU.

6. The pooling of all interests in the Bone Spring formation within the proposed HSU will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.

7. In order to provide for its just and fair share of the oil and gas underlying the subject lands, WPX requests that all uncommitted interests in this HSU be pooled and that WPX be designated the operator of the proposed horizontal wells and HSU.

WHEREFORE, WPX requests that this Application be set for hearing on March 13, 2025 before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

A. 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.

B. Approving the **Frontier 33-32 Fed Com 224H Well** as the initial well for the HSU.

C. Designating WPX as operator of this HSU and the horizontal wells to be drilled thereon;

D. Authorizing WPX to recover its costs of drilling, equipping, and completing the wells;

E. Approving actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

F. Setting a 200% charge for the risk assumed by WPX in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

ABADIE & SCHILL, PC

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Application of WPX Energy Permian, LLC, for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division 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. The proposed well to be dedicated to the horizontal spacing unit is 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. The location of the well is orthodox, and its take points and completed interval will comply with setback requirements under statewide rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The well and lands are located approximately 11 miles South Southwest of Carlsbad, New Mexico.