

**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. 25123 & 25124**

**HEARING EXAMINER'S RULING ON  
POST-HEARING FILINGS AND REQUEST FOR SANCTIONS**

On April 29-30, 2025, the Division conducted a contested hearing in the above-captioned matters. At the conclusion of the hearing, the evidentiary record was formally closed. The parties were expressly advised that no additional evidence would be accepted absent a timely and properly supported motion to reopen the record for good cause.

Subsequently, WPX Energy Permian, LLC ("WPX") submitted a request that the Division take administrative notice of two governmental decisions not introduced at hearing. The Division received an objection from 3R Operating, LLC ("3R"), and the Hearing Examiner ruled that there was no legal basis for admitting the documents after the close of the record. WPX's request was denied.

Thereafter, WPX submitted its post-hearing proposed findings of fact and conclusions of law, which incorporated and relied upon the two excluded documents. 3R objected, asserting that WPX knowingly violated the Hearing Examiner's prior ruling and requested that the Division strike WPX's entire submission and/or impose sanctions.

After reviewing the procedural record and the parties' filings, the Hearing Examiner rules as follows:

**1. Reaffirmation of Closed Record**

The evidentiary record in these cases was formally closed on April 30, 2025. Any factual or legal arguments based on documents not admitted into the record—whether submitted as exhibits or through a request for administrative notice—are improper and inadmissible without a motion to reopen the record. No such motion was filed or granted.

**2. Improper Invocation of Administrative Notice**

Although 1.2.2.35(D)(1)(a) NMAC permits administrative notice of certain official documents, this rule does not authorize post-hearing expansion of the record without express leave. WPX's attempt to submit and rely on these documents after the hearing and without prior authorization violates procedural requirements. The Division declines to take administrative

notice of the two documents and maintains its ruling excluding them from the record.

### 3. Rejection of WPX's Post-Hearing Submission and Order to Resubmit

WPX's post-hearing proposed findings of fact and conclusions of law improperly reference and rely on documents the Division previously excluded. Therefore, WPX's May 21, 2025 submission is rejected in its entirety as procedurally noncompliant.

WPX is hereby **ORDERED** to file a revised version of its proposed findings of fact and conclusions of law that omits all references to the excluded documents. The revised filing must be submitted within five (5) business days of the date of this ruling. Only the revised submission will be considered by the Division.

### 4. Sanctions

The Division finds that WPX disregarded a clear ruling excluding the subject documents from the record. While the Division will not impose additional sanctions at this time beyond rejection of the noncompliant submission, WPX is cautioned that further disregard for procedural rules or express rulings of the Hearing Examiner may result in the imposition of sanctions, including adverse procedural rulings or exclusion of future filings.

3R may, if it so chooses, file a formal motion for sanctions within five (5) business days of this ruling. WPX will have five (5) business days thereafter to respond. The Division will rule on any such motion following submission of the parties' briefing.

**IT IS SO ORDERED.**

---

**GREGORY CHAKALIAN**  
**HEARING EXAMINER**  
**NEW MEXICO OIL CONSERVATION DIVISION**