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

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

CASE NO. 22506 ORDER NO. R-22286

ORDER

This matter comes before the Director of the Oil Conservation Division ("Director") on the Director's initiative. The Director finds and orders that:

1. This matter involves the interpretation of Oil Conservation Commission ("Commission") regulations regarding horizontal well spacing units. The issue is whether rectangular tracts comprising a standard horizontal spacing unit must be oriented in the same direction as the well interval. The Director believes that this issue should be decided by the Commission.

2. Pursuant to NMSA 1978, Section 70-2-6(B) and 19.15.4.20(B) NMAC, a hearing may be held before the Commission on any matter if the Director, in their discretion, determines that the Commission shall hear the matter.

IT IS THEREFORE ORDERED THAT:

1. Case No. 22506 is referred to the Commission for possible hearing and action and shall be placed on the agenda for the October 13, 2022, Commission meeting.

2. The record in the Division proceeding shall become part of the record before the Commission.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION



Date: 9/12/2022