

**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

ORDER GRANTING MOTION TO REOPEN THE RECORD AND FOR RECONSIDERATION

April 29-30, 2025, a contested hearing was held in these consolidated matters, and the evidentiary record was closed. WPX Energy Permian, LLC ("WPX") subsequently sought to introduce two governmental decisions: an April 30, 2025 Bureau of Land Management ("BLM Letter") suspending Federal Oil and Gas Lease NMNM-134858, and Oil Conservation Division ("OCD") Order Nos. R-23798, R-23799, R-23800, and R-23801 ("OCD Orders") granting WPX operatorship of the Bone Spring formation. 3R Operating, LLC ("3R") objected, and the Hearing Examiner denied WPX's request, finding no legal basis to admit the documents post-closure.

Despite this ruling, WPX incorporated the excluded documents into its post-hearing proposed findings of fact and conclusions of law, and again 3R objected. This led to the Hearing Examiner's May 22, 2025 Order on Post-Hearing Filings, which rejected WPX's submission as procedurally noncompliant and cautioned WPX against future disregard for procedural rules. WPX was ordered to file a revised submission omitting references to the excluded documents, which it did.

Subsequently, 3R objected to WPX's May 21, 2025 Closing Argument for similar reasons¹⁵. While 3R did not pursue a formal motion for sanctions, the Hearing Examiner, on June 6, 2025, independently ruled that WPX's Closing Argument violated the prior order and directed WPX to submit a redacted version, which WPX promptly filed and was accepted.

On June 15, 2025, WPX filed a Motion to Reopen the Record and for Reconsideration ("Motion to Reopen"), specifically requesting the admission of the BLM Letter and OCD Orders. 3R stated it took no position on the Motion to Reopen. Notably, on May 19, 2025, after the BLM Letter's issuance, 3R itself filed its Second Amended Exhibit Package, acknowledging the Federal Lease was set to expire on October 1, 2025.

A hearing on the Motion to Reopen was conducted on June 26, 2025. After careful review of the procedural record, the parties' filings, and arguments presented, the Hearing Examiner finds that the BLM Letter is necessary for a complete record and accurate adjudication. The Division, as a matter of course, is aware of its own prior orders, making their formal admission as exhibits unnecessary.

Therefore, good cause having been shown,

IT IS HEREBY ORDERED:

1. The record is **REOPENED** to admit the BLM Letter into the record as WPX Exhibit S-1.
2. The OCD Orders are **NOT ADMITTED** as exhibits into the record, as the Oil Conservation Division is aware of its own rulings.

SO ORDERED.

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