

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

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

Case No. 20991

**APPLICATION**

WPX Energy Permian, LLC, (“WPX”), OGRID No. 246289, submits the following Prehearing Statement pursuant to the rules of the Oil Conservation Division (“Division”).

**APPEARANCES**

**APPLICANT**

WPX Energy Permian, LLC

**ATTORNEY**

Darin C. Savage  
Lara Katz  
Abadie & Schill, PC  
214 McKenzie Street  
Santa Fe, New Mexico 87501  
Telephone: 970.385.4401  
Facsimile: 970.385.4901  
darin@abadieschill.com  
lara@abadieschill.com

**APPLICANT’S STATEMENT OF CASE**

In Case No. 20991, WPX seeks an Order for order (1) establishing a 320-acre, more or less, horizontal spacing and proration unit comprised of the S/2 of Section 21, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation (PURPLE SAGE; WOLFCAMP [98220]) underlying said spacing unit.

WPX proposes to dedicate the HSU to its two Wells: a) the **Corgi 21-22-27 Fee 401H Well**, to be horizontally drilled from a surface location in SW/4SW/4 (Unit M) of Section 21, with the First Take Point (FTP) in the NW/4SW/4 (Unit L), to a bottom hole location in the NE/4SE/4 (Unit I) of Section 21, with the Last Take Point (LTP) in same Unit I; and b) the **Corgi 21-22-27 Fee 402H Well**, to be horizontally drilled from a surface location in SW/4SW/4 (Unit M) of Section 21, with the FTP in the same Unit M, to a bottom hole location in the SE/4SE/4 (Unit P) of Section 21, with the LTP in same Unit P.

The proposed wells are located in the Purple Sage; Wolfcamp (Gas) Pool, Code No. 98220, a gas field subject to Special Rules set forth in Division Order No. R-14262. The FTP of the **Corgi 21-22-27 Fee 401H Well** will be located 330 feet from the outer boundary from the spacing unit; however, its completed interval and LTP will be at a nonstandard location. Similarly, the FTP of the **Corgi 21-22-27 Fee 402H Well** will be located 330 feet from the outer boundary of said spacing unit, but its completed interval and LTP will be at a nonstandard location. WPX will apply administratively for approval of an unorthodox location for the two wells.

Also to be considered will be the costs of drilling and completing said wells; the allocation of these costs and the actual operating costs and charges for supervision; designating WPX as operator of the wells; allowing an extension of the normal period to drill and complete the initial well; and a 200% charge for risk involved in drilling the wells.

**APPLICANT’S PROPOSED EVIDENCE**

WITNESS	ESTIMATED TIME	EXHIBITS
Brennan West - Landman	Approx. 15	Approx. 6
Kasmira Workman – Geologist	Approx. 15	Approx. 4

**PROCEDURAL MATTERS**

At this point, no party has made an entry of appearance in Case No. 20991. If no party makes an appearance, or if a party should make an appearance but does not protest or object to the pooling, then WPX plans to present the case by affidavit.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

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Darin C. Savage  
Lara Katz  
214 McKenzie Street  
Santa Fe, New Mexico 87501  
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Facsimile: 970.385.4901  
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lara@abadieschill.com

*Attorneys for Applicant*