

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

APPLICATION OF WPX ENERGY PRODUCTION, LLC TO AMEND ORDER R-14100 TO EXPAND THE WEST ESCAVADA UNIT AND THE CORRESPONDING WEST ESCAVADA UNIT; MANCOS POOL, SANDOVAL AND SAN JUAN COUNTIES, NEW MEXICO.

CASE NO. 15348 (re-opened)

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by WPX Energy Production, LLC ("WPX") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

WPX Energy Production, LLC
One Williams Center
Tulsa, OK 74172

ATTORNEY

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STATEMENT OF THE CASE

WPX seeks to amend Order R-14100 to (1) expand the geographic area of the West Escavada Unit by 960 acres of land, and (2) expand the corresponding West Escavada Unit; Mancos Pool created by that Order to allow horizontal wells to be located anywhere within the Unit so long as the completed interval is no closer than 330 feet from the outer boundary of the expanded West Escavada Unit area. The proposed Unit Area for the expanded West Escavada Unit now consists of approximately 2,886.42 acres comprised of the following Federal and Indian Allotted lands in San Juan County and Sandoval Counties, New Mexico (*denotes the added sections):

TOWNSHIP 22 NORTH, RANGE 7 WEST, SANDOVAL COUNTY

Section 7: S/2
Section 8: S/2
Section 17: All
Section 18: All

TOWNSHIP 22 NORTH, RANGE 8 WEST, SAN JUAN COUNTY

Section 12: S/2*
Section 13: All*

The additional acreage WPX seeks to add to the unitized area is currently within a wildcat pool. To remain consistent with the existing unitized area, and to allow for the most efficient horizontal well development pattern, WPX requests that the Division expand the West Escavada Unit; Mancos Pool to include the additional unitized acreage and thereby allow horizontal wells to be located anywhere within the expanded Unit Area so long as the completed interval remains at least 330 feet from the outer boundary of the West Escavada Unit.

APPLICANT'S PROPOSED EVIDENCE

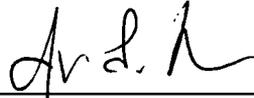
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Delio Silvestri, Landman	Approx. 15 minutes	Approx. 7
Trevor Gates, Geologist	Approx. 15 minutes	Approx. 5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP



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