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

APPLICATION OF WPX ENERGY PRODUCTION, LLC FOR APPROVAL OF THE SOUTH CHACO FEDERAL EXPLORATORY UNIT; AND FOR AN EXCEPTION TO THE WELL LOCATION REQUIREMENTS SET FORTH IN THE SPECIAL RULES FOR THE BASIN MANCOS GAS POOL, SANDOVAL COUNTY, NEW MEXICO.

CASE NO.15173 ORDER NO. R-13883

MOTION TO AMEND ORDER R-13883

WPX ENERGY PRODUCTION, LLC, ("WPX") through its undersigned attorneys, hereby moves the Oil Conservation Division to amend Order R-13883 to correct the pool to which the South Chaco Federal Exploratory Unit is subject and thereby render moot the request for an exception to the well location requirements set forth in the Special Rules for the Basin Mancos Gas Pool. In support of this motion, WPX states:

- 1. In Case No. 15173, the Division issued Order R-13883 on August 15, 2014 approving WPX's South Chaco Federal Exploratory Unit and granting WPX's request for an exception to the well location requirements set forth in the Special Rules for the Basin Mancos Gas Pool.
- 2. Since entry of Order R-13883, WPX has been informed that the South Chaco Federal Exploratory Unit is subject to the Lybrook Gallup Oil Pool (Pool Code 42289) and not the Basin Mancos Gas Pool (Pool Code 97232).
- 3. The Lybrook Gallup Oil Pool is subject to the statewide rules for oil wells, which requires wells to be no closure than 330 feet to the outer boundary of a spacing unit, or in this case the unitized area. Since the unitized area is subject to the

rules governing the Lybrook Gallup Oil Pool, WPX no longer requires an exception to the Special Rules for the Basin Mancos Gas Pool.

4. Division Order R-13883 should be corrected to reflect that the South Chaco Federal Exploratory Unit is subject to the Lybrook Gallup Oil Pool and therefore WPX's request for an exception to the well location requirements of the Basin Mancos Gas Pool is moot.

WHEREFORE, WPX Energy Production, LLC requests that the Division issue an order amending R-13883 to reflect that (a) the South Chaco Federal Exploratory Unit is subject to the Lybrook Gallup Oil Pool, and (b) WPX's request for an exception to the well location requirements set forth in the Special Rules for the Basin Mancos Gas Pool is moot.

Respectfully submitted,

HOLLAND & HART, LLP

 $\mathbf{R}\mathbf{v}$

Michael H. Feldewert Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile

mfeldewert@hollandhart.com

ATTORNEYS FOR WPX ENERGY PRODUCTION, LLC