

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**David R. Catanach, Division Director**  
Oil Conservation Division



May 8, 2017

Randy VanDenBerg  
District Superintendent  
WPX Energy Production, LLC  
PO Box 640  
Aztec, NM 87410-0640

**RE: Exception to 19.15.18.15 C(12) LACT Meter Proving Frequency**

Northeast Chaco Communitization Agreement Area; NMNM 132829  
Various Sections, Township 23 North, Range 6 and 7 West, NMPM,  
Rio Arriba and Sandoval Counties, New Mexico  
R-13817 Dated May 2, 2014, Chaco Unit NE HZ (Oil) Pool (Pool code 98088) Oil  
Production

South Chaco Communitization Agreement; CA 133321X  
Section 1 and Section 2, Township 22 North, 7 West, NMPM  
Section 35, Township 23 North, 7 West, NMPM,  
Sandoval County, New Mexico  
R-13883-A dated August 18, 2014, Lybrook Gallup Pool (Pool code 42289) Oil Production

Northwest Lybrook Communitization Agreement; CA NMNM 133482X  
Various Sections, Township 23 North, Range 6 and 7 West, NMPM  
Rio Arriba and San Juan Counties, New Mexico  
R-13921 dated November 3, 2014, Lybrook Unit NW HZ (Oil) Pool (Pool code 98101)  
Oil Production

West Lybrook Communitization Agreement; CA NMNM 135216X  
Various Sections, Township 23 North, Range 8 and 9 West, NMPM  
San Juan County, New Mexico  
R-14051 dated September 8, 2015, Lybrook Mancos W Pool (Pool code 98157) Oil  
Production

Federal Communitization Agreement NMNM 134944  
Section 35, Township 24 North, Range 7 West, NMPM, Rio Arriba County  
R-14092 dated December 8, 2015, MC 6 Com; Mancos Pool (Pool code 98181) Oil  
Production

Various locations and pools noted in Attachment A

Dear Mr. VanDenBerg:

Reference is made to your request on behalf of WPX Energy Production, LLC (OGRID 120782) to change the mandated LACT meter proving frequency from the monthly requirement in the Administrative Rule 19.15.18.15. 12 NMAC to a quarterly schedule. The LACT units, which are subject to this administrative order are identified in Applicant's Attachment A, and made part of this order. Further, the LACT units that are not associated with a specific pool may serve various areas, and measure production from the oil portion of the Basin Mancos Gas Pool and different Gallup/Mancos pools.

The LACT units in this application shall measure only production for the Gallup/Mancos Oil pools; regardless of the OCD pool designation.

It is our understanding that this relaxed meter proving frequency would follow the proving schedule within the Bureau of Land Management's new proposed Onshore Order and Gas Order No. 4 Measurement of Oil.

It is the Division's understanding that the Bureau of Land Management Farmington Field Office has approved this quarterly proving frequency within the NE Chaco Communitization and Federal Communitization Agreement NMNM 134944.

Whiptail Midstream LLC, the other interested party, the operator of the pipeline that the oil from the LACT units flows into, waived any objection to the change in metering frequency

Based on and limited to these findings, the Division hereby approves this exception to the subject rule.

Please provide a schedule of proving to the Aztec district office of the Division so personnel from that office may be given the opportunity to witness the quarterly meter tests.

This administrative order may be amended for future LACT Units if data is submitted to the Division in accordance to Division Rule 19.15.18.15 C (13).

Sincerely,



**DAVID R. CATANACH**  
**Director**

DRC/mam

cc: Oil Conservation Division – Aztec District Office  
Bureau of Land Management – Farmington Field Office  
Case No. 15102  
Case No. 15201  
Case No. 15173  
Case No. 15349  
Case No. 15356

Attachment A WPX Energy LACT Measurement facilities San Juan Basin

5/4/17

| LOCATION                                   | API        | TOWNSHIP | RANGE | SECTION | COUNTY     | Pool                        |
|--------------------------------------------|------------|----------|-------|---------|------------|-----------------------------|
| NE Chaco Com. #166H Transfer LACT          | 3003931202 | 23N      | 07W   | 15M     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #175H Transfer LACT          | 3003931192 | 23N      | 07W   | 13L     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #173H Transfer LACT          | 3003931207 | 23N      | 07W   | 13D     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #184H Transfer LACT          | 3003931224 | 23N      | 07W   | 13A     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #171H Transfer LACT          | 3003931217 | 23N      | 07W   | 12L     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #168H Transfer LACT          | 3003931173 | 23N      | 07W   | 12E     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #176H Transfer LACT          | 3003931251 | 23N      | 06W   | 06D     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #179H Transfer LACT          | 3003931190 | 23N      | 06W   | 6L      | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #254H Transfer LACT          | 3003931289 | 23N      | 06W   | 05L     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #197H Transfer LACT          | 3003931278 | 23N      | 06W   | 08E     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #181H Transfer LACT          | 3003931250 | 23N      | 06W   | 07L     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #199H Transfer LACT          | 3003931247 | 23N      | 06W   | 08L     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #201H Transfer LACT          | 3003931256 | 23N      | 06W   | 17E     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #209H Transfer LACT          | 3003931292 | 23N      | 06W   | 16L     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #187H Transfer LACT          | 3003931208 | 23N      | 07W   | 13I     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #240H Transfer LACT          | 3003931235 | 23N      | 06W   | 18M     | RIO ARRIBA | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #206H Transfer LACT          | 3004321190 | 23N      | 06W   | 20L     | SANDOVAL   | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #208H Transfer LACT          | 3004321170 | 23N      | 06W   | 20M     | SANDOVAL   | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #191H Transfer LACT          | 3004321139 | 23N      | 06W   | 19M     | SANDOVAL   | Chaco Unit NE HZ (OIL)      |
| NE Chaco Com. #188H Transfer LACT          | 3004321136 | 23N      | 06W   | 19E     | SANDOVAL   | Chaco Unit NE HZ (OIL)      |
| South Chaco Unit #342H Pipeline LACT       | 3004321243 | 23N      | 07W   | 2A      | SANDOVAL   | Lybrook Gallup              |
| NW Lybrook Unit #133H Transfer LACT        | 3004535623 | 24N      | 08W   | 36O     | SAN JUAN   | Lybrook Unit NW HZ (OIL)    |
| NW Lybrook Unit #131H Transfer LACT        | 3004535507 | 24N      | 08W   | 25M     | SAN JUAN   | Lybrook Unit NW HZ (OIL)    |
| NW Lybrook Unit #143H Transfer LACT        | 3004535474 | 24N      | 08W   | 36P     | SAN JUAN   | Lybrook Unit NW HZ (OIL)    |
| MC 6 Com. #160H Transfer LACT              | 3003931312 | 24N      | 07W   | 35I     | RIO ARRIBA | MC 6 COM; Mancos            |
| MC 8 Com. #409H Transfer LACT              | 3003931337 | 23N      | 07W   | 7N      | RIO ARRIBA | Basin Mancos+Lybrook Gallup |
| Chaco 2307-17H #163H Transfer LACT         | 3003931226 | 23N      | 07W   | 17H     | RIO ARRIBA | Basin Mancos                |
| Chaco 2206-02P #228H Truck LACT            | 3004321147 | 22N      | 06W   | 02P     | SANDOVAL   | Lybrook Gallup              |
| MC 5 Com. #112H Transfer LACT              | 3004535605 | 24N      | 08W   | 33D     | SAN JUAN   | Basin Mancos                |
| Chaco 2308-32P #114H Transfer LACT         | 3004535441 | 24N      | 08W   | 32P     | SAN JUAN   | Nageezi Gallup              |
| MC 1 Com. #282H Transfer LACT              | 3004535616 | 23N      | 08W   | 04D     | SAN JUAN   | Basin Mancos+Nageezi Gallup |
| Chaco 2308-24H #153H Transfer LACT         | 3004535550 | 23N      | 08W   | 24H     | SAN JUAN   | Basin Mancos                |
| Chaco 2308-14E #151H Transfer LACT         | 3004535503 | 23N      | 08W   | 14E     | SAN JUAN   | Nageezi Gallup              |
| Chaco 2308-16I #147H Transfer LACT         | 3004535439 | 23N      | 08W   | 16I     | SAN JUAN   | Basin Mancos+Nageezi Gallup |
| MC 2 Com. #283H Transfer LACT              | 3004535608 | 23N      | 08W   | 04L     | SAN JUAN   | Basin Mancos+Nageezi Gallup |
| Chaco 2308-09A #145H Transfer LACT         | 3004535496 | 23N      | 08W   | 09A     | SAN JUAN   | Nageezi Gallup              |
| Chaco 2308-04P #150H Transfer LACT         | 3004535497 | 23N      | 08W   | 04P     | SAN JUAN   | Nageezi Gallup              |
| Chaco 2308-03L #404H Transfer LACT         | 3004535539 | 23N      | 08W   | 3L      | SAN JUAN   | Basin Mancos                |
| Chaco 2308-06H #395 Truck LACT             | 3004535553 | 23N      | 08W   | 06H     | SAN JUAN   | Nageezi Gallup              |
| Chaco 2308-11A #407H Transfer LACT         | 3004535564 | 23N      | 08W   | 11A     | SAN JUAN   | Basin Mancos                |
| West Lybrook Unit Remote #1 Transfer LACT  | 3004535725 | 23N      | 09W   | 19K     | SAN JUAN   |                             |
| West Lybrook Unit Remote #2 Transfer LACT  | 3004535748 | 23N      | 08W   | 18D     | SAN JUAN   |                             |
| West Lybrook Unit 7-1 CDP Truck LACT #1    |            | 23N      | 09W   | 35L     | SAN JUAN   |                             |
| West Lybrook Unit 7-1 CDP Pipeline LACT #1 |            | 23N      | 09W   | 35L     | SAN JUAN   |                             |
| West Lybrook Unit 7-1 CDP Truck LACT #2    |            | 23N      | 09W   | 35L     | SAN JUAN   |                             |
| West Lybrook Unit 7-1 CDP Pipeline LACT #2 |            | 23N      | 09W   | 35L     | SAN JUAN   |                             |
| West Lybrook Unit 7-1 CDP Pipeline LACT #3 |            | 23N      | 09W   | 35L     | SAN JUAN   |                             |
| 4-1 CDP Truck LACT #1                      |            | 23N      | 07W   | 13      | RIO ARRIBA |                             |
| 4-1 CDP Truck LACT #2                      |            | 23N      | 07W   | 13      | RIO ARRIBA |                             |
| 4-1 CDP Pipeline LACT #1                   |            | 23N      | 07W   | 13      | RIO ARRIBA |                             |
| 4-1 CDP Pipeline LACT #2                   |            | 23N      | 07W   | 13      | RIO ARRIBA |                             |