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

APPLICATION OF WPX ENERGY PRODUCTION, LLC FOR COMPULSORY POOLING AND APPROVAL OF AN UNORTHODOX WELL LOCATION, SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 15261

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by WPX ENERGY PRODUCTION, LLC ("WPX"), as required by NMAC 19.15.4.13.B.

APPEARANCES

APPLICANT	ATTORNEY 25	REGE
WPX Energy Production, LLC P.O. Box 3102 Tulsa, Oklahoma 74101	Michael H. Feldewert Jordan L. Kessler Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-22085 (505) 988-4421 (505) 983-6043 Facsimile	INED OOD

STATEMENT OF THE CASE

WPX seeks an order (1) pooling all mineral interests in the Mancos formation underlying the N/2 of Section 33, Township 24 North, Range 8 West, NMPM, San Juan County, New Mexico; and (2); approving an unorthodox well location. WPX proposes to dedicate the above-referenced spacing and proration unit as the project area for its proposed Chaco 2408-33D No. 113H Well, which will be horizontally drilled from a surface location in the 1304 feet from the North line and 372 from the West line (Unit D) of Section 33. The completed interval for this horizontal well will commence 380 feet from the West line and 1598 from the North line (Unit E) to a location 330 feet

from the East line and 2400 feet from the North line (Unit H) of Section 33. The well is located within the Basin Mancos Gas Pool which is governed by the Special Rules as governed by Division Order R-12984. These Special Rules require 320-acre spacing units and that the completed interval for a well be no closer than 660 to the outer boundary of the spacing unit. As a result, the completed interval for this horizontal well encroaches on the spacing units to the East, Southeast, South, Southwest, and West.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS	
Brennan West, Landman	Approx. 10 minutes	Approx. 5	
Barbara Pickup, Geologist	Approx. 10 minutes	Approx. 5	

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND, &, HART, LLP

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