

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

APPLICATION OF WPX ENERGY PRODUCTION, LLC FOR APPROVAL OF THE NORTH ESCAVADA UNIT, CREATION OF A NEW POOL WITHIN THE UNIT, AND FOR ALLOWANCE OF 330 FOOT SETBACKS FROM THE EXTERIOR OF THE UNIT AREA, SANDOVAL COUNTY, NEW MEXICO.

CASE NO. 15338

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 an order (1) approving it's North Escavada Unit pursuant to 19.15.20.14 NMAC (2) creating a new pool for horizontal wells within the Unit Area; and (3) allowing for 330 foot setbacks from the exterior of the proposed Unit. The proposed Unit Area is comprised of approximately 3,040.00 acres of Federal and Allotted Indian lands situated in Sandoval County, New Mexico.

APPLICANT'S PROPOSED EVIDENCE


| WITNESS Name and Expertise | ESTIMATED TIME | EXHIBITS |
|-------------------------------|--------------------|-----------|
| Chuck Bassett Landman | Approx. 15 minutes | Approx. 7 |
| Barbara Pickup Geologist | Approx. 10 minutes | Approx. 4 |

PROCEDURAL MATTERS

Applicant requests that the Division remove certain acreage from the proposed Unit Area as originally filed in its Application. WPX no longer seeks to include the following acreage in its proposed Unit Area: E/2 of Section 11, Section 12, the N/2 of Section 13, and the NE/4 of Section 14.

Respectfully submitted,

HOLLAND & HART, LLP



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