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 Michael H. Feldewert Jordan L. Kessler Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421

ATTORNEY

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.

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APPLICANT'S PROPOSED EVIDENCE

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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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ATTORNEYS FOR WPX ENERGY PRODUCTION, LLC