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

AMENDED APPLICATION OF XTO PERMIAN OPERATING, LLC FOR APPROVAL OF NON-STANDARD HORIZONTAL SPACING UNIT, EDDY COUNTY, NEW MEXICO

CASE NO. 25231

AMENDED APPLICATION

XTO Permian Operating, LLC, OGRID No. 5380 ("XTO" or "Applicant"), through its undersigned attorneys, hereby files this Amended Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17 and 19.15.16.15(B)(5) NMAC, for an order (1) approving a 2,080.66-acre, more or less, non-standard horizontal spacing unit ("HSU") composed of all of Sections 2, 11, 14, and the N/2 N/2 of Section 23, Township 24 South, Range 30 East, N.M.P.M. (the "Application Lands").

In support of its Application, XTO states the following:

- 1. XTO is a working interest owner in the subject lands and has a right to drill wells thereon.
- 2. XTO seeks to dedicate all of the Application Lands to form a 2,080.66-acre, more or less, HSU.
 - 3. XTO seeks to dedicate the above-referenced HSU to the following proposed wells:
 - A. **Poker Lake Unit 23 DTD Fed State Com #151H** (API No. 30-15-54820), which is a gas well that will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NW/4 NW/4 (Unit D) of Section 2, Township 24 South, Range 30 East;

- B. **Poker Lake Unit 23 DTD Fed State Com #152H** (API No. 30-15-54416), which is a gas well that will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NW/4 (Unit C) of Section 2, Township 24 South, Range 30 East;
- C. **Poker Lake Unit 23 DTD Fed State Com #176H** (API No. 30-15-49652), which is a gas well that will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 23, Township 24 South, Range 30 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NW/4 (Unit C) of Section 2, Township 24 South, Range 30 East;
- D. **Poker Lake Unit 23 DTD Fed State Com #177H** (API No. 30-15-54422), which is a gas well that will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Unit A) of Section 2, Township 24 South, Range 30 East;
- E. **Poker Lake Unit 23 DTD Fed State Com #178H** (API No. 30-15-54423), which is a gas well that will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Unit A) of Section 2, Township 24 South, Range 30 East, and;
- F. **Poker Lake Unit 23 DTD Fed State Com #179H** (API No. 30-15-54424), which is a gas well that will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the

Purple Sage, Wolfcamp Formation in the NW/4 NE/4 (Unit B) of Section 2, Township 24 South, Range 30 East.

- 4. The wells are orthodox in their location as defined by 19.15.16.15.(C) NMAC, and the take points and laterals comply with Statewide Rules for setbacks under 19.15.16.15.(C) NMAC.
- 5. Approval of a non-standard horizontal spacing unit is necessary to prevent waste and protect correlative rights.

WHEREFORE, XTO requests this Application be set for hearing on April 10, 2025, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

- A. Approving the creation of an approximately 2,080.66-acre non-standard HSU, composed of the Application Lands, pursuant to 19.15.16.15(B)(5) NMAC;
- B. Approving the Poker Lake Unit 23 DTD Fed State Com #151H, Poker Lake Unit 23 DTD Fed State Com #152H, Poker Lake Unit 23 DTD Fed State Com #176H, Poker Lake Unit 23 DTD Fed State Com #177H, Poker Lake Unit 23 DTD Fed State Com #179H as the wells for the HSU.

Respectfully submitted,

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Application of XTO Permian Operating, LLC, for Approval of a Non-Standard Horizontal Spacing Unit, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) approving a 2,080.66-acre, more or less, non-standard horizontal spacing and proration unit composed of all of Sections 2, 11, 14, and the N/2 N/2 of Section 23, Township 24 South, Range 30 East, N.M.P.M. The proposed wells to be dedicated to the horizontal spacing unit are the Poker Lake Unit 23 DTD Fed State Com #151H, which is a gas well that will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NW/4 NW/4 (Unit D) of Section 2, Township 24 South, Range 30 East; Poker Lake Unit 23 DTD Fed State Com #152H, which is a gas well that will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NW/4 (Unit C) of Section 2, Township 24 South, Range 30 East; Poker Lake Unit 23 DTD Fed State Com #176H, which is a gas well that will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 23, Township 24 South, Range 30 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NW/4 (Unit C) of Section 2, Township 24 South, Range 30 East; Poker Lake Unit 23 DTD Fed State Com #177, which is a gas well that will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Unit A) of Section 2, Township 24 South, Range 30 East; Poker Lake Unit 23 DTD Fed State Com #178H, which is a gas well that will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Unit A) of Section 2, Township 24 South, Range 30 East, and; and Poker Lake Unit 23 DTD Fed State Com #179H, which is a gas well that will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NW/4 NE/4 (Unit B) of Section 2, Township 24 South, Range 30 East. The wells are orthodox in location, and the take points and laterals comply with Statewide Rules for setbacks. The wells and lands are located approximately 39 miles southeast from Carlsbad, New Mexico.