

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

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

Case No. _____

APPLICATION

XTO Permian Operating, LLC, OGRID No. 373075 (“XTO” or “Applicant”), through its undersigned attorneys, hereby files this 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 799.77-acre, more or less, non-standard horizontal spacing unit (“HSU”) composed of the E/2NE/4 and SE/4 of Section 1, E/2 of Section 12, and the NE/4 of Section 13, Township 24 South, Range 29 East, N.M.P.M., Eddy County, New Mexico (the “Application Lands”).

In support of its Application, XTO states the following:

1. XTO is a working interest owner in the Application Lands and has a right to drill wells thereon as the designated Operator of the Application Lands within the Poker Lake Federal Unit.
2. XTO seeks to dedicate all of the Application Lands to form a 799.77-acre, more or less, HSU.
3. XTO seeks to dedicate the above-referenced HSU to the following proposed wells:
 - A. **Poker Lake Unit 13-24 PC 108H** (API No. 30-015-53558), which is a gas well that will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 13, Township 24 South, Range 29 East, to a bottom hole location in the

Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Unit A) of Section 1, Township 24 South, Range 29 East;

- B. **Poker Lake Unit 13-24 PC 118H** (API No. 30-015-53556), which is a gas well that will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 13, Township 24 South, Range 29 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Unit A) of Section 1, Township 24 South, Range 29 East;
- C. **Poker Lake Unit 13-24 PC 127H** (API No. 30-015-53553), which is a gas well that will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 13, Township 24 South, Range 29 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Unit A) of Section 1, Township 24 South, Range 29 East;
- D. **Poker Lake Unit 13-24 PC 166H** (API No. 30-015-54015), which is a gas well that will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of Section 13, Township 24 South, Range 29 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Lot 1) of Section 1, Township 24 South, Range 29 East;
- E. **Poker Lake Unit 13-24 PC 168H** (API No. 30-015-53552), which is a gas well that will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 13, Township 24 South, Range 29 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Lot 1) of Section 1, Township 24 South, Range 29 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 Order No. R-14262 Special Pool Rules for the

Purple-Sage Wolfcamp Gas Pool [98220] for setbacks.

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 June 5th, 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 799.77-acre non-standard HSU, composed of the Application Lands, pursuant to 19.15.16.15(B)(5) NMAC;
- B. Approving the **Poker Lake Unit 13-24 PC 108H, Poker Lake Unit 13-24 PC 118H, Poker Lake Unit 13-24 PC 127H, Poker Lake Unit 13-24 PC 166H, and Poker Lake Unit 13-24 PC 168H** as the wells for the HSU.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By: 

Miguel A. Suazo

James P. Parrot

Jacob L. Everhart

Ryan McKee

500 Don Gaspar Ave.,

Santa Fe, NM 87505

(505) 946-2090

msuazo@bwenergylaw.com

jparrot@bwenergylaw.com

jeverhart@bwenergylaw.com

rmckee@bwenergylaw.com

Attorneys for XTO Permian Operating, LLC

Application of XTO Permian Operating, LLC for Approving 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 799.77-acre, more or less, non-standard horizontal spacing and proration unit composed of the E/2NE/4 and SE/4 of Section 1, E/2 of Section 12, and the NE/4 of Section 13, Township 24 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. The proposed wells to be dedicated to the horizontal spacing unit are the: **Poker Lake Unit 13-24 PC 108H** (API No. 30-015-53558), which is a gas well that will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 13, Township 24 South, Range 29 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Lot 1) of Section 1, Township 24 South, Range 29 East; **Poker Lake Unit 13-24 PC 118H** (API No. 30-015-53556), which is a gas well that will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 13, Township 24 South, Range 29 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Lot 1) of Section 1, Township 24 South, Range 29 East; **Poker Lake Unit 13-24 PC 127H** (API No. 30-015-53553), which is a gas well that will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 13, Township 24 South, Range 29 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Lot 1) of Section 1, Township 24 South, Range 29 East; **Poker Lake Unit 13-24 PC 166H** (API No. 30-015-54015), which is a gas well that will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of Section 13, Township 24 South, Range 29 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Lot 1) of Section 1, Township 24 South, Range 29 East; **Poker Lake Unit 13-24 PC 168H** (API No. 30-015-53552), which is a gas well that will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 13, Township 24 South, Range 29 East, to a bottom hole location in the Purple Sage, Wolfcamp Formation in the NE/4 NE/4 (Lot 1) of Section 1, Township 24 South, Range 29 East. The wells are orthodox in location, and the take points and laterals comply with Order No. R-14262 Special Pool Rules for the Purple-Sage Wolfcamp Gas Pool [98220] for setbacks. The wells and lands are located approximately 11 miles southeast from Loving, New Mexico.