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

APPLICATIONS OF XTO ENERGY, INC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 25456-25459

XTO'S CONSOLIDATED PRE-HEARING STATEMENT

XTO Energy, Inc ("XTO" or "Applicant") (OGRID No. 5380), the applicant in the above-referenced matters, submits this consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

ATTORNEY

XTO Energy, Inc ("XTO")

Michael H. Feldewert Adam G. Rankin Paula M. Vance Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile

APPLICANT'S STATEMENT OF THE CASE

In these consolidated cases, XTO seeks orders pooling for the referenced acreage, all in Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico, as follows:

Under Case No. 25456, XTO seeks to pool all uncommitted record title owners in the Bone Spring formation, (Willow Lake; Bone Spring, Southeast [96217]) underlying a standard 960-acre, more or less, horizontal well spacing unit comprised of the W/2 of Sections 22, 27, and 34, and initially dedicate the unit to the Corral 22-34 Fed Com
 205H (API No. 30-015-56561) and Corral 22-34 Fed Com 307H (API No. 30-015-

56563), all to be horizontally drilled from surface locations in the NE/4 NW/4 (Unit C) of Section 22, with first take points in the NE/4 NW/4 (Unit C) of Section 22 and last take points in the SE/4 SW/4 (Unit N) of Section 34; and Corral 22-34 Fed Com 102H (API No. 30-015-56548), Corral 22-34 Fed Com 104H (API No. 30-015-56555), and Corral 22-34 Fed Com 207H (API No. 30-015-56557), all to be horizontally drilled from surface locations in the NW/4 NW/4 (Unit D) of Section 22, with first take points in the NW/4 NW/4 (Unit D) of Section 22 and last take points in the SW/4 SW/4 (Unit M) of Section 34. The completed interval of the Corral 22-34 Fed Com 207H well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. The Corral 22-34 Fed Com 307H well is anticipated to be at a non-standard location; therefore, XTO has filed for approval administratively.

Under Case No. 25457, XTO seeks to pool all uncommitted record title owners in the Bone Spring formation (Willow Lake; Bone Spring, Southeast [96217] and Corral Canyon; Bone Spring, South [13354]) underlying a standard 960-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 22, 27, and 34, and dedicate the unit to the Corral 22-34 Fed Com 303H (API No. 30-015-56572) and the Corral 22-34 Fed Com 407H (API No. 30-015-56569), to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 22, with a first take point in the NW/4 NE/4 (Unit B) of Section 22 and a last take point in the SW/4 SE/4 (Unit O) of Section 34; and Corral 22-34 Fed Com 402H (API No. 30-015-56571), to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 22,

with a first take point in the NE/4 NE/4 (Unit A) of Section 22 and a last take point in the SE/4 SE/4 (Unit P) of Section 34. The completed interval of the Corral 22-34 Fed Com 407H well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.

- Under Case No. 25458, XTO seeks to pool all uncommitted record title owners in the Bone Spring formation (Willow Lake; Bone Spring, Southeast [96217]) underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Sections 22 and 27, and dedicate the unit to the Corral 22-27 Fed Com 405H (API No. 30-015-56574), to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 22, with a first take point in the NE/4 NE/4 (Unit A) of Section 22 and a last take point in the SE/4 SE/4 (Unit P) of Section 34.
- Under Case No. 25459, XTO seeks to pool all uncommitted record title owners in the Wolfcamp formation (Purple Sage; Wolfcamp (Gas) [98220]) underlying a standard 1,920-acre, more or less, horizontal well spacing unit comprised of All of Sections 22, 27, and 34, and dedicate the unit to the following wells: Corral 22-34 Fed Com 101H (API No. 30-015-56553), Corral 22-34 Fed Com 103H (API No. 30-015-56554), Corral 22-34 Fed Com 106H (API No. 30-015- 56556), and Corral 22-34 Fed Com 107H (API No. 30-015-56558) wells, all to be horizontally drilled from surface locations in the NW/4 NW/4 (Unit D) of Section 22, with first take points in the NW/4 NW/4 (Unit D) of Section 22 and last take points in the SW/4 SW/4 (Unit M) of Section 34; Corral 22-34 Fed Com 105H (API No. 30-015-56565), Corral 22-34 Fed Com 201H (API No. 30-015-56559), Corral 22-34 Fed Com 203H (API No. 30-015-56559)

56562), and Corral 22-34 Fed Com 204H (API No. 30-015-56560) wells, all to be horizontally drilled from surface locations in the NE/4 NW/4 (Unit C) of Section 22, with first take points in the NE/4 NW/4 (Unit C) of Section 22 and last take points in the SE/4 SW/4 (Unit N) of Section 34; Corral 22-34 Fed Com 206H (API No. 30-015-56564) well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 22, with a first take point in the NW/4 NE/4 (Unit B) of Section 22 and a last take point in the SW/4 SE/4 (Unit O) of Section 34; Corral 22-34 Fed Com **301H** (API No. 30-015-56567), Corral **22-34 Fed Com 302H** (API No. 30-015-56566), and Corral 22-34 Fed Com 306H (API No. 30-015-56568) wells, all to be horizontally drilled from surface locations in the NW/4 NE/4 (Unit B) of Section 22, with first take points in the NW/4 NE/4 (Unit B) of Section 22 and last take points in the SW/4 SE/4 (Unit O) of Section 34; Corral 22-34 Fed Com 304H (API No. 30-015-56570) well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 22, with a first take point in the NE/4 NE/4 (Unit A) of Section 22 and a last take point in the SE/4 SE/4 (Unit P) of Section 34; and Corral 22-34 Fed Com 305H (API No. 30-015-56690), Corral 22-34 Fed Com 401H (API No. 30-015-56575), and Corral 22 34 Fed Com 404H (API No. 30-015-56573) wells, all to be horizontally drilled from surface locations in the NE/4 NE/4 (Unit A) of Section 22, with first take points in the NE/4 NE/4 (Unit A) of Section 22 and last take points in the SE/4 SE/4 (Unit P) of Section 34. The completed interval of the Corral 22-34 Fed Com 203H well is expected to remain within 330 feet of the adjoining quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(3)(b) NMAC. All of the wells are anticipated to be at a non-standard location; therefore, XTO has filed for approval administratively.

The completed interval for the oil wells (except the Corral 22-34 Fed Com 307H well) will comply with statewide setbacks for oil wells. All of the wells in the Purple Sage Wolfcamp are at a non-standard location; therefore, XTO has filed for approval administratively. Applicant has sought and been unable to obtain the signatory approval on the federal communization agreements from all the record title owners in the subject spacing units.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Matthew Fletcher, Landman	Self-Affirmed Statement	Approx. 4
Matthew Kearney, Geologist	Self-Affirmed Statement	Approx. 4

PROCEDURAL MATTERS

XTO requests that these matters be consolidated for hearing and intends to present these cases by self-affirmed statement if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

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By

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

QUESTIONS

Action 491059

QUESTIONS

Operator:	OGRID:
XTO ENERGY, INC	5380
6401 Holiday Hill Road	Action Number:
Midland, TX 79707	491059
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony			
Please assist us by provide the following information about your testimony.			
Number of witnesses	Not answered.		
Testimony time (in minutes)	Not answered.		