

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

**APPLICATION OF XTO ENERGY INC.
FOR A NON-STANDARD SPACING AND
PRORATION UNIT, AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 15434

**APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY, L.P., FOR A NON-STANDARD OIL
SPACING AND PRORATION UNIT AND
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

CASE NO. 15411

XTO's PRE-HEARING STATEMENT

XTO Energy Inc. (XTO), the applicant in Case No. 15434, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

XTO Energy Inc.
810 Houston Street
Fort Worth, TX 76102

ATTORNEY

Michael H. Feldewert, Esq.
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OPPONENT

Devon Energy Production Company

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APPLICANT'S STATEMENT OF CASE

In Case No. 15434, XTO seek an order from the Division (a) creating a 320-acre oil spacing and proration unit comprised of the W/2 W/2 of Section 8 and the W/2 W/2 of Section 17, Township 23 South, Range 32 East, N.M.P.M., Lea County, New Mexico; and (b) pooling all mineral interests in the Bone Spring formation underlying this acreage for a proposed two-mile horizontal well. XTO owns the N/2 of Section 8 and the NW/4 of Section 17. In Case No. 15411, Devon Energy seeks an order creating a 160-acre oil spacing and proration unit in the Bone Spring formation comprised of only the W/2 W/2 of Section 8 for a shorter, proposed horizontal well. XTO believes a two-mile horizontal well with a surface location in the SW/4 SW/4 of Section 17 and a bottomhole location in the NW/4 NW/4 of Section 8 provides a more efficient development plan than that proposed by Devon.

APPLICANT'S PROPOSED EVIDENCE

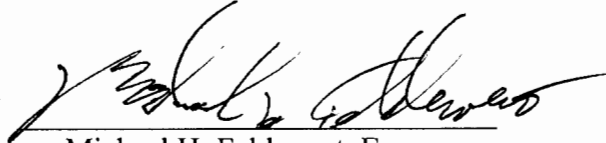
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Mark S. Dale, Landman	Approx. 10	Approx. 5
Brian Henthorn, Petroleum Geologist	Approx. 10	Approx. 5
James Madison Petroleum Engineer	Approx. 10	Approx. 3

PROCEDURAL MATTERS

XTO requests that Devon's competing pooling application under Case No. 15411 be consolidated with Case No. 15434 for hearing.

Respectfully submitted,

HOLLAND & HART LLP

A handwritten signature in black ink, appearing to read "Michael H. Feldewert", is written over a horizontal line.

Michael H. Feldewert, Esq.

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