

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

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

CASE NO. 20826

XTO ENERGY INC.'S PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

XTO Energy Inc.

ATTORNEY

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile

APPLICANT'S STATEMENT OF CASE

XTO seeks an order pooling all uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp (Gas) Pool (Pool code 98220)) underlying a standard 1280-acre, more or less, horizontal spacing unit comprised of the S/2 of Section 32, Township 24 South, Range 29 East, all of Section 5, and the N/2 of Section 8, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico. The horizontal spacing unit will be dedicated to the following proposed wells:

- The Corral Canyon 8-32 Fed #161H well, the Corral Canyon 8-32 Fed #121H well, the Corral Canyon 8-32 Fed #102H well, the Corral Canyon 8-32 Fed #162H well, the Corral Canyon 8-32 Fed #122H well to be drilled

from common surface hole locations in NW/4 SW/4 (Unit L) of Section 8, to bottom hole locations in the NW/4 SW/4 (Unit L) Section 32.

- The **Corral Canyon 8-32 Fed #163H well**, the **Corral Canyon 8-32 Fed #103H well**, the **Corral Canyon 8-32 Fed #124H well**, the **Corral Canyon 8-32 Fed #104H well**, the **Corral Canyon 8-32 Fed #164H well** to be drilled from common surface hole locations in NE/4 SW/4 (Unit K) of Section 8, to bottom hole locations in the NE/4 SW/4 (Unit K) Section 32.
- The **Corral Canyon 8-32 Fed #125H well**, the **Corral Canyon 8-32 Fed #165H well**, the **Corral Canyon 8-32 Fed #105H well**, the **Corral Canyon 8-32 Fed #126H well**, the **Corral Canyon 8-32 Fed #166H well** to be drilled from common surface hole locations in NW/4 SE/4 (Unit J) of Section 8, to bottom hole locations in the NW/4 SE/4 (Unit J) Section 32.
- The **Corral Canyon 8-32 Fed #167H well**, the **Corral Canyon 8-32 Fed #127H well**, the **Corral Canyon 8-32 Fed #108H well**, the **Corral Canyon 8-32 Fed #168H well**, the **Corral Canyon 8-32 Fed #107H well** to be drilled from common surface hole locations in NE/4 NE/4 (Unit A) of Section 8, to bottom hole locations in the NE/4 SE/4 (Unit I) Section 32.

The completed interval for the proposed **Corral Canyon 8-32 Fed #104H well** will remain within 330 feet of the SE/4 of Section 32, the E/2 of Section 5, and the NE/4 of Section 8, to allow inclusion of these proximity tracts in a standard 1280-acre horizontal well spacing unit.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Kenneth Hilger, Landman	Approx. 10	Approx. 5
Brian Henthorn, Geologist	Approx. 10	Approx. 3

PROCEDURAL MATTERS

XTO intends to present this case by affidavits if it remains unopposed at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP



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mfeldewert@hollandhart.com

agrankin@hollandhart.com

jbroggi@hollandhart.com

kaluck@hollandhart.com

ATTORNEYS FOR XTO ENERGY INC.