

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. 20636

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

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APPLICANT'S STATEMENT OF CASE

XTO seeks an order pooling all uncommitted interests in the Wolfcamp formation (WC-015 G-05 S233031K; Wolfcamp [Pool Code 98241]) underlying a standard 400-acre horizontal spacing unit comprised of E/2 W/2 of Sections 19 and 30, and the E/2 NW/4 of Section 31, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico. The horizontal spacing unit will be dedicated to the following proposed wells: The **Remuda North 31 State No. 113H Well** (API No. 30-015-44413), the **Remuda North 31 State No. 123H Well** (API No. 30-015-44414), the **Remuda North 31 State No. 124H Well** (API No. 30-015-44415), and the

Remuda North 31 State No. 164H Well (API No. 30-015-pending). Each of these wells have been or will be horizontally drilled from a surface location in the NE/4 SW/4 (Unit K) of Section 31 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 19. XTO intends to seek administrative approval of any non-standard locations for these wells as required by the rules of the Division.

APPLICANT'S PROPOSED EVIDENCE

| WITNESS Name and Expertise | ESTIMATED TIME | EXHIBITS |
|---------------------------------------|-----------------------|-----------------|
| Carlos de la Garza, Landman | Approx. 10 | Approx. 5 |
| Arturo Ayala, Geologist | Approx. 10 | Approx. 3 |

PROCEDURAL MATTERS

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

Respectfully submitted,

HOLLAND & HART, LLP



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