

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

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

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

Case No. 13,849

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by XTO Energy Inc. as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

XTO Energy Inc.
Suite 2000
810 Houston Street
Fort Worth, Texas 76102

Attention: Christopher Spencer
(817) 885-2540

APPLICANT'S ATTORNEY

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 3, 4, S/2NW/4, and SW/4 (the W/2) of Section 5, Township 30 North, Range 13 West, NMPM, to form a 320.72-acre gas spacing unit within that vertical extent. The unit is to be dedicated to (i) the Lunt Well No. 1, to be drilled at an orthodox gas well location in the SW/4NW/4 of Section 5, and (ii) the Lunt Well No. 2, to be drilled at an orthodox gas well location in the SW/4SW/4 of Section 5. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for

the risk involved in drilling and completing the wells. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

This application will be submitted by affidavit.

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for XTO Energy Inc.