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 HEARING: RECEIVED

APPLICATION OF XTO ENERGY, INC. FOR SIMULTANEOUS DEDICATION AND AN EXCEPTION TO THE WELL DENSITY REQUIREMENTS OF THE SPECIAL RULES AND REGULATIONS OF THE BLANCO-MESAVERDE GAS POOL SAN JUAN COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

XTO Energy Inc. submits its pre-hearing statement as required by the New Mexico Oil Conservation Division.

APPEARENCES OF THE PARTIES

APPLICANT

ATTORNEY

XTO Energy, Inc. 810 Houston Street Houston, TX 76102 Thomas Kellahin, Esq. 706 Gonzales Road Santa Fe, NM 87501 Fax 505-982-2047

Attn: Chris Spencer (817) 885-1954

Ph 505-982-4285

OPPOSITION

ATTORNEY

None

STATEMENT OF THE CASE

APPLICANT

XTO Energy, Inc. seeks an order for Simultaneous Dedication and an exception to the well density requirements of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool. Applicant seeks an exception to the well density requirements Rule I.B of this Mesaverde pool and approval for the simultaneous dedication of its proposed Gerk GC B-2, to be located 10 feet FSL and 660 feet FEL of Section 19 as the fifth producing well to a 407.56 acre non-standard gas proration and spacing unit consisting of the S/2S/2 of Section 19 and the N/2 of Section 30, T29N, R9W, San Juan County, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME EST. EXHIBITS

Chris Spencer, Land Man 15-min

John Klutsch, Geologist 20-min

May Flynn, PE 20-min

PROCEDURAL MATTERS

None anticipated

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CERTIFICATE OF SERVICE