

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING JUNE 27, 2024**

**CASE NO. 24578**

*CORRAL CANYON 10-15 FED COM 12H WELLS*

**EDDY COUNTY, NEW MEXICO**



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

**APPLICATION OF XTO HOLDINGS, LLC  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 24578**

**TABLE OF CONTENTS**

- **XTO Exhibit A:** Compulsory Pooling Application Checklist
- **XTO Exhibit B:** Application of XTO for Compulsory Pooling
- **XTO Exhibit C:** Self-Affirmed Statement of Vincent Cuccerre, Landman
  - XRO Exhibit C-1: C-102
  - XTO Exhibit C-2: Land Tract Map
  - XTO Exhibit C-3: Pooled Parties
  - XTO Exhibit C-4: Chronology of Contacts
- **XTO Exhibit D:** Self-Affirmed Statement of Marilyn Zorn, Geologist
  - XTO Exhibit D-1: Resume
  - XTO Exhibit D-2: Locator map
  - XTO Exhibit D-3: Subsea structure & cross-section map
  - XTO Exhibit D-4: Stratigraphic cross-section
- **XTO Exhibit E:** Self-Affirmed Statement of Notice
  - XTO Exhibit E-1: Sample Notice Letter to All Interested Parties
  - XTO Exhibit E-2: Mail Tracking Report
- **XTO Exhibit F:** Affidavit of Publication


# COMPULSORY POOLING APPLICATION CHECKLIST

**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 24578</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>June 27, 2024</b>
Applicant	XTO Holdings, LLC
Designated Operator & OGRID (affiliation if applicable)	XTO Energy Inc. (OGRID No. 5380)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF XTO HOLDINGS, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	N/A
Well Family	Corral Canyon
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code (Only if NSP is requested):	N/A
Well Location Setback Rules (Only if NSP is Requested):	N/A
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acre
Orientation:	Standup
Description: TRS/County	E/2 E/2 of Sections 10 and 15, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-3
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A  
Submitted by: XTO Energy Inc.  
Hearing Date: June 27, 2024  
Case no. 24578

Well #1	<b>Corral Canyon 10-15 Fed Com 12H well</b> API: 30-015-45429 SHL: 315' FNL, 330' FEL (Unit A) of Section 10 BHL: 50' FSL, 660' FEL (Unit P) of Section 15 Target: Bone Spring Orientation: Standup Completion: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit D-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	N/A
Production Supervision/Month \$	N/A
Justification for Supervision Costs	N/A
Requested Risk Charge	N/A
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E, E-1, E-2
Proof of Published Notice of Hearing (10 days before hearing)	F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	N/A
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	N/A
Cost Estimate to Equip Well	N/A
Cost Estimate for Production Facilities	N/A
<b>Geology</b>	
Summary (including special considerations)	Exhibit D

Spacing Unit Schematic	Exhibit D-2
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-4
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-2
Well Bore Location Map	Exhibit D-2
Structure Contour Map - Subsea Depth	Exhibit D-3
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Paula M. Vance
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	6/20/2024

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

**APPLICATION OF XTO HOLDINGS, LLC  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 24578**

**APPLICATION**

XTO Holdings, LLC (“XTO” or “Applicant”), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral owners in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Sections 10 and 15, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico. In support of its application, XTO states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to designate XTO Energy Inc. (OGRID No. 5380) as the operator of the proposed horizontal spacing unit.
3. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Corral Canyon 10-15 Fed Com 12H** (API No. 30-015-45429) well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 10, with a first take point in the NE/4 NE/4 (Unit A) of Section 10 and a last take point in the SE/4 SE/4 (Unit P) of Section 15.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B  
Submitted by: XTO Energy Inc.  
Hearing Date: June 27, 2024  
Case no. 24578**

4. Applicant has sought and been unable to obtain the signatory approval on the federal communitization agreement from all the record title owners in one federal lease covering the subject spacing unit, NMNM-144089.

5. The pooling of record title owners will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 13, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted record title owners in the horizontal spacing unit; and
- B. Designating XTO Energy Inc. as operator of this spacing unit and the horizontal well to be drilled thereon.

Respectfully submitted,

HOLLAND & HART LLP

By: 

---

Michael H. Feldewert  
 Adam G. Rankin  
 Paula M. Vance  
 Post Office Box 2208  
 Santa Fe, NM 87504  
 505-988-4421  
 505-983-6043 Facsimile  
 mfeldewert@hollandhart.com  
 agrankin@hollandhart.com  
 pmvance@hollandhart.com

**ATTORNEYS FOR XTO HOLDINGS, LLC**

**CASE \_\_\_\_\_:**      **Application of XTO Holdings, LLC for Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Sections 10 and 15, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed **Corral Canyon 10-15 Fed Com 12H** (API No. 30-015-45429) well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 10, with a first take point in the NE/4 NE/4 (Unit A) of Section 10 and a last take point in the SE/4 SE/4 (Unit P) of Section 15. Also, to be considered will be the designation of XTO Energy Inc. as operator of the well. Said area is located approximately 12 miles southeast of Loving, New Mexico.



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

**APPLICATION OF XTO HOLDINGS, LLC  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 24578**

**SELF-AFFIRMED STATEMENT OF VINCENT CUCCERRE**

1. My name is Vincent Curcierre, and I am employed by XTO Energy Inc. (“XTO”), an affiliate of XTO Holdings, LLC, as a landman. My responsibilities include the Permian Basin of New Mexico. I have previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum land matters and my credentials have been accepted by the Division and made a matter of record.

2. XTO seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Sections 10 and 15, and currently dedicated to the producing **Corral Canyon 10-15 Fed Com 12H** (API No. 30-015-45429) well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 10, with a first take point in the NE/4 NE/4 (Unit A) of Section 10 and a last take point in the SE/4 SE/4 (Unit P) of Section 15.

3. **XTO Exhibit C-1** contains a Form C-102 for the well spacing unit. This form demonstrates that the completed interval for the well complies with the statewide setbacks for oil wells and is in the Willow Lake, Bone Spring, Southeast Pool [96217].

4. **XTO Exhibit C-2** identifies the tracts of land comprising the spacing unit and the lateral trajectory of the existing well. The acreage is comprised of federal lands.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C  
Submitted by: XTO Energy Inc.  
Hearing Date: June 27, 2024  
Case no. 24578

5. XTO has reached a voluntary agreement with all working interest owners in this unit but seeks a pooling order for record title owners, which are non-cost bearing interest owners, who have yet to execute the necessary federal communitization agreements; in particular, record title owners in one federal lease covering the subject spacing unit, NMNM-144093. The parties that XTO seeks to pool are highlighted in yellow in **XTO Exhibit C-3**.

6. XTO has reviewed public records, conducted online computer searches and, where applicable, contacted known relatives to locate contact information for all interest owners that it seeks to pool. XTO has been able to locate addresses for all the owners it seeks to pool.

7. **XTO Exhibit C-4** contains a chronology of the contacts with the record title holders that XTO seeks to pool and XTO's attempts to obtain signatory approval on the federal communitization agreement from them. In my opinion, XTO has undertaken good faith, diligent efforts to reach agreement with each interest owner.

8. Because the interest XTO seeks to pool is a non-cost bearing interest, XTO is not requesting to assess a proportionate share of costs, risk charges, or overhead and administrative costs for drilling and producing the well.

9. XTO has provided the law firm of Holland & Hart LLP with the names and addresses of the record title owners XTO seeks to pool and instructed that they be notified of this hearing.

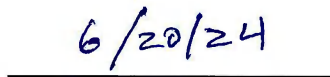
10. **XTO Exhibits C-1 through C-4** were either prepared by me or compiled under my direction and supervision.

11. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be

used as written testimony in this case. This statement is made on the date next to my signature below.



Vincent Cuccerre



Date

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office  
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-015- 45429		<sup>2</sup> Pool Code 96217		<sup>3</sup> Pool Name Willow Lake, Bone Spring, Southeast	
<sup>4</sup> Property Code		<sup>5</sup> Property Name CORRAL CANYON 10-15 FED			<sup>6</sup> Well Number 12H
<sup>7</sup> OGRID No. 005380		<sup>8</sup> Operator Name XTO ENERGY, INC.			<sup>9</sup> Elevation 3,028'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	25 S	29 E		315	NORTH	330	EAST	EDDY

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	15	25 S	29 E		50	SOUTH	660	EAST	EDDY

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

**16**

<p><b>GEODEIC COORDINATES</b> NAD 27 NME SURFACE LOCATION Y= 418,842.1 X= 614,204.9 LAT.=32.150976°N LONG.= 103.964319°W</p> <p><b>FIRST TAKE POINT</b> NAD 27 NME Y= 419,055.4 X= 613,873.8 LAT.= 32.151565°N LONG.= 103.965387°W</p> <p><b>CORNER COORDINATES TABLE</b> NAD 27 NME</p> <table border="0"> <tr><td>A - Y= 419,151.6 N, X= 613,208.3 E</td></tr> <tr><td>B - Y= 419,159.1 N, X= 614,533.5 E</td></tr> <tr><td>C - Y= 416,494.8 N, X= 613,214.7 E</td></tr> <tr><td>D - Y= 416,503.2 N, X= 614,541.2 E</td></tr> <tr><td>E - Y= 413,834.9 N, X= 613,220.9 E</td></tr> <tr><td>F - Y= 413,847.8 N, X= 614,548.5 E</td></tr> <tr><td>G - Y= 411,185.1 N, X= 613,233.6 E</td></tr> <tr><td>H - Y= 411,192.1 N, X= 614,560.0 E</td></tr> <tr><td>I - Y= 408,530.9 N, X= 613,246.7 E</td></tr> <tr><td>J - Y= 408,538.5 N, X= 614,571.9 E</td></tr> </table> <p><b>CORNER COORDINATES TABLE</b> NAD 83 NME</p> <table border="0"> <tr><td>A - Y= 419,210.1 N, X= 654,392.5 E</td></tr> <tr><td>B - Y= 419,217.6 N, X= 655,717.8 E</td></tr> <tr><td>C - Y= 416,553.2 N, X= 654,399.0 E</td></tr> <tr><td>D - Y= 416,561.6 N, X= 655,725.5 E</td></tr> <tr><td>E - Y= 413,893.3 N, X= 654,405.3 E</td></tr> <tr><td>F - Y= 413,906.2 N, X= 655,732.9 E</td></tr> <tr><td>G - Y= 411,243.4 N, X= 654,418.1 E</td></tr> <tr><td>H - Y= 411,250.4 N, X= 655,744.5 E</td></tr> <tr><td>I - Y= 408,589.2 N, X= 654,431.2 E</td></tr> <tr><td>J - Y= 408,596.8 N, X= 655,756.5 E</td></tr> </table> <p><b>LAST TAKE POINT</b> NAD 27 NME Y= 408,634.7 X= 613,911.5 LAT.= 32.122919°N LONG.= 103.965380°W</p> <p><b>BOTTOM HOLE LOCATION</b> NAD 27 NME Y= 408,584.7 X= 613,911.7 LAT.= 32.122781°N LONG.= 103.965380°W</p>	A - Y= 419,151.6 N, X= 613,208.3 E	B - Y= 419,159.1 N, X= 614,533.5 E	C - Y= 416,494.8 N, X= 613,214.7 E	D - Y= 416,503.2 N, X= 614,541.2 E	E - Y= 413,834.9 N, X= 613,220.9 E	F - Y= 413,847.8 N, X= 614,548.5 E	G - Y= 411,185.1 N, X= 613,233.6 E	H - Y= 411,192.1 N, X= 614,560.0 E	I - Y= 408,530.9 N, X= 613,246.7 E	J - Y= 408,538.5 N, X= 614,571.9 E	A - Y= 419,210.1 N, X= 654,392.5 E	B - Y= 419,217.6 N, X= 655,717.8 E	C - Y= 416,553.2 N, X= 654,399.0 E	D - Y= 416,561.6 N, X= 655,725.5 E	E - Y= 413,893.3 N, X= 654,405.3 E	F - Y= 413,906.2 N, X= 655,732.9 E	G - Y= 411,243.4 N, X= 654,418.1 E	H - Y= 411,250.4 N, X= 655,744.5 E	I - Y= 408,589.2 N, X= 654,431.2 E	J - Y= 408,596.8 N, X= 655,756.5 E	<p><b>GEODEIC COORDINATES</b> NAD 83 NME SURFACE LOCATION Y= 418,900.6 X= 655,389.2 LAT.=32.151100°N LONG.= 103.964806°W</p> <p><b>FIRST TAKE POINT</b> NAD 83 NME Y= 419,113.9 X= 655,058.1 LAT.= 32.151689°N LONG.= 103.965873°W</p> <p><b>CORNER COORDINATES TABLE</b> NAD 83 NME</p> <table border="0"> <tr><td>A - Y= 419,210.1 N, X= 654,392.5 E</td></tr> <tr><td>B - Y= 419,217.6 N, X= 655,717.8 E</td></tr> <tr><td>C - Y= 416,553.2 N, X= 654,399.0 E</td></tr> <tr><td>D - Y= 416,561.6 N, X= 655,725.5 E</td></tr> <tr><td>E - Y= 413,893.3 N, X= 654,405.3 E</td></tr> <tr><td>F - Y= 413,906.2 N, X= 655,732.9 E</td></tr> <tr><td>G - Y= 411,243.4 N, X= 654,418.1 E</td></tr> <tr><td>H - Y= 411,250.4 N, X= 655,744.5 E</td></tr> <tr><td>I - Y= 408,589.2 N, X= 654,431.2 E</td></tr> <tr><td>J - Y= 408,596.8 N, X= 655,756.5 E</td></tr> </table> <p><b>LAST TAKE POINT</b> NAD 83 NME Y= 408,693.0 X= 655,096.1 LAT.= 32.123043°N LONG.= 103.965866°W</p> <p><b>BOTTOM HOLE LOCATION</b> NAD 83 NME Y= 408,643.0 X= 655,096.3 LAT.= 32.122905°N LONG.= 103.965865°W</p>	A - Y= 419,210.1 N, X= 654,392.5 E	B - Y= 419,217.6 N, X= 655,717.8 E	C - Y= 416,553.2 N, X= 654,399.0 E	D - Y= 416,561.6 N, X= 655,725.5 E	E - Y= 413,893.3 N, X= 654,405.3 E	F - Y= 413,906.2 N, X= 655,732.9 E	G - Y= 411,243.4 N, X= 654,418.1 E	H - Y= 411,250.4 N, X= 655,744.5 E	I - Y= 408,589.2 N, X= 654,431.2 E	J - Y= 408,596.8 N, X= 655,756.5 E
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J - Y= 408,596.8 N, X= 655,756.5 E																															

**17 OPERATOR CERTIFICATION**  
*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

**18 SURVEYOR CERTIFICATION**  
*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

10-15-2018  
Date of Survey

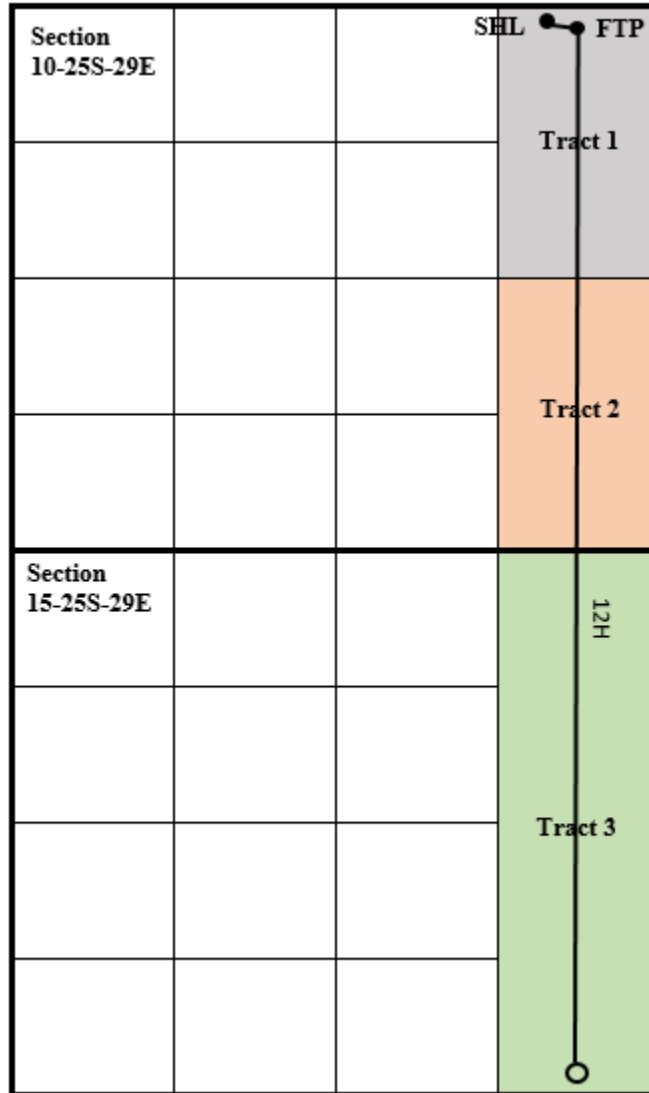
Signature and Seal of Professional Surveyor:

MARK DILLON HARP 23786  
Certificate Number

Corral Canyon 10-15 Fed Com 12H (API No. 30-015-45429)

Plat of Communitized area covering  
E2E2 Section 10 T25S, R29E, N.M.P.M.  
E2E2 Section 15 T25S, R29E, N.M.P.M.  
Eddy County, NM

**Corral Canyon 10-15 Fed Com 12H**  
Bone Spring Formation



*SHL 185' FNL & 834' FEL SEC 10-25S-29E*  
*BHL 200' FSL & 660' FWL SEC 15-25S-29E*

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C-2  
Submitted by: XTO Energy Inc.  
Hearing Date: June 27, 2024  
Case no. 24578

Operator of Communitized Area: **XTO ENERGY INC.**

DESCRIPTION OF LEASES COMMITTED

**Tract No. 1**

Lease Serial Number: NMNM-136870  
 Lease Date: April 1, 1972  
 Lease Term: 10 Years  
 Lessor: United States of America  
 Original Lessee: L G Wells  
 Present Lessee: XTO Holdings, LLC  
 Description of Land Committed: Township 25 South, Range 29 East, N.M.P.M.  
 Section 10: E2NE  
 Number of Acres: 80.00

**Tract No. 2**

Lease Serial Number: NMNM-136870  
 Lease Date: April 1, 1972  
 Lease Term: 10 Years  
 Lessor: United States of America  
 Original Lessee: L G Wells  
 Present Lessee: XTO Holdings, LLC  
 Description of Land Committed: Township 25 South, Range 29 East, N.M.P.M.  
 Section 10: E2SE  
 Number of Acres: 80.00

**Tract No. 3**

Lease Serial Number: NMNM-014778  
 Lease Date: December 1, 1971  
 Lease Term: 10 Years  
 Lessor: United States of America  
 Original Lessee: M R Latham  
 Present Lessee(s) not committed: H M Bettis Inc. – 6.25%  
 J Guinn Family Trust A  
 J Guinn Family Trust M  
 CNX Gas Co LLC  
 Description of Land Committed: Township 25 South, Range 29 East, N.M.P.M.  
 Section 15: E2E2  
 Number of Acres: 160.00

**RECAPITULATION**

<b><u>Tract No.</u></b>	<b><u>No. of Acres Committed</u></b>	<b><u>Percentage of Interest in Communitized Area</u></b>
1	80.00	25.0000%
2	80.00	25.0000%
3	<u>160.00</u>	<u>50.0000%</u>
<b>Total</b>	<b>320.00</b>	<b>100.0000%</b>

KEY: Pooled parties highlighted in yellow.

Trustees of the J Guinn Family Trusts A&M			
11/9/2020	via certified mail	7190 2455 0800 0164 2707	Nov-20
2021	via certified mail	7190 2455 0800 0164 5937	Mar-21
5/31/2024	via USPS Express Mail (2 different addresses)	EJ 437 517 292 US	6/3/2024
5/31/2024		EJ 437 517 289 US	Returned to XTO - Undeliverable
5/31/2024		EJ 437 517 332 US	6/3/2024
5/31/2024		EJ 437 517 258 US	Returned to XTO - Undeliverable
CNX Gas Co LLC			
2020	via certified mail	7190 2455 0800 0164 2622	Nov-20
12/17/2020	via email- Evan Mungai	<a href="mailto:evanmungai@cnx.com">evanmungai@cnx.com</a>	
5/31/2024	via USPS Express Mail	EJ 437 517 315 US	Unclaimed - being returned to XTO
5/31/2024	via USPS Express Mail	EJ 437 517 301 US	6/3/2024

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

**APPLICATION OF XTO HOLDINGS, LLC  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 24578**

**SELF-AFFIRMED STATEMENT OF MARILYN ZORN**

1. My name is Marilyn Zorn, and I am employed by XTO Energy Inc. (“XTO”), an affiliate of XTO Holdings, LLC, as a geologist and technical team lead.

2. I have not previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in geology matters. I have included a copy of my resume as **XTO Exhibit D-1** for the Division to review and respectfully request that my credentials be accepted as a matter of record, and I be tendered as an expert in geology matters.

3. I am familiar with the application filed by XTO in this case, and I have conducted a geologic study of the lands in the subject area.

4. **XTO Exhibit D-2** is a regional map showing the location of the subject acreage outlined in red.

5. **XTO Exhibit D-3** is a subsea structure map that I prepared on top of the Bone Spring formation, with contour intervals of 100 feet. The subject acreage is outlined in red, and the general location and trajectory of the producing wells are identified with thin red lines and diamonds at the bottomhole locations. This exhibit demonstrates that the targeted interval dips gently to the east. The Bone Spring structure appears consistent across the wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments in this area.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: XTO Energy Inc.  
Hearing Date: June 27, 2024  
Case no. 24578



6. XTO Exhibit D-3 also depicts a line of cross section through the horizontal spacing units from A to A'. I chose the logs from these wells to create the cross section because they penetrate the targeted interval and are of good quality. In my opinion, these well logs are representative of the geology in the subject area.

7. **XTO Exhibit D-4** is a structural cross section that I prepared using the logs from the representative wells shown on XTO Exhibit D-3. Each well on the cross-section contains gamma ray, resistivity, and porosity logs. The target interval for the wells is identified on the exhibit with a black arrow. The cross-section demonstrates that the targeted interval is continuous across the spacing units.

8. My geologic study indicates the Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the horizontal spacing units will continue to be productive and contribute proportionately to the production from the wells.

9. In my opinion, the standup orientation of the wells is consistent with existing development in this area and appropriate due to the geologic stress.

10. In my opinion, approval of this application is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

11. **XTO Exhibits D-1 through D-4** were either prepared by me or compiled under my direction and supervision.

12. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Marilyn Zorn

2024-06-20

Date

Exhibit No. D-1  
 Submitted by: XTO Energy Inc.  
 Hearing Date: June 27, 2024  
 Case no. 24578

# MARILYN ZORN

(346) 224.6032 • The Woodlands, TX • marilyn.e.zorn@gmail.com • linkedin.com/in/marilynzorn/

## OPERATIONAL EXCELLENCE LEADER

Senior operations leader with a 13+ year track record of executing multi-year programs totaling over \$3.7B and stepping up to build lean culture initiatives as part of 70+ staff global teams.

- ❑ **Leading Organizational Transformation: Lean Six Sigma and Agile-minded team leader** with a flawless history of delivering high-risk projects up to 6 months faster than goal while managing multi-disciplinary teams.
- ❑ **Delivering Operational Efficiencies: Hand-selected for technical and team support roles** due to reducing program costs by 25% while safely guiding domestic and global high-risk operations for Fortune 500 companies.
- ❑ **Defining Energy Business Solutions: History of operations leadership** guiding up to 38 mission-critical projects while maximizing profitability in tight, low-cost price environments for ExxonMobil and its affiliates.

## KEY SKILLS

- Business Development & Strategy
- Strategic Goals, Data Inputs & KPIs
- Lean Six Sigma & Agile Methodology
- Operations Excellence Management
- Risk & Crisis Management
- Change Management
- Project & Program Management
- Budget & Financial Analytics
- Contract Review & Negotiation
- Lead Cross-Functional Teams
- Strategic Resource Allocation
- Risk Mitigation & Analysis

## PROFESSIONAL WORK HISTORY

**EXXONMOBIL | Spring, Texas & St. John's, Newfoundland** **2015 to Present**

**Technical Team Lead - Geoscience (North America Project Management)** **2022 to Present**

Promoted to one of ExxonMobil's prominent cash generation units in Permian Unconventional resources. Leading geoscience team through development plans for Delaware Basin, NM that will provide stable cash flow to ExxonMobil, its partners, and shareholders.

- ✓ Responsible for enhancing technical quality and team culture of 12 geoscientists.

**Operations Geology Specialist (Global Project Management)** **2020 to 2022**

Expanded one of ExxonMobil's cornerstone growth areas by securing / assessing Guyana resources. Stepped up as the first in a 70+ person group to build lean culture team initiatives. Planned development for new projects through 2027 that will provide critical returns to Guyana's government, ExxonMobil, its partners, and shareholders.

- ✓ Guided 2 inexperienced multi-disciplinary teams while working remotely for 11 months.
- ✓ Worked with cross-functional teams to reduce program costs by 20% by eliminating uneconomical activities.
- ✓ Supported the professional development of junior staff, building their technical skills and business acumen through direct and indirect mentorship across a broad range of engineering specialties.
- ✓ Introduced process standards and new technology for program execution and evaluation, capturing lessons learned that increase operational success and minimize the risk of job "defects" that increase job costs by 900%.

**Senior Operations Geologist (North America Project Management)** **2015 to 2020**

Hired to plan and execute a 38-project program for ExxonMobil Canada Energy. Partnered with shareholders and Wall Street investors while balancing near-term data collection requirements on early projects for long-term stewardship of a 30-year project.

MARILYN ZORN, PH.D.

2

- ✓ Facilitated cross-functional alignment to identify risks, optimize equipment design, and build evaluation programs for 17 projects, maximizing profitability in a low-cost price environment.
- ✓ Continuously improved project execution plans by incorporating data from previous programs that helped mitigate operational execution and safety-related issues on future projects.
- ✓ Built and maintained a flexible change management process that boosted efficiency by 300% by allowing engineering teams to deliver projects more efficiently through real-time operational decision-making.
- ✓ Analyzed real-time data to recommend strategic operations decisions based on mitigating project risk.
- ✓ Achieved high performance and flawless execution with a rotating operations crew on a new site by clearly communicating expectations and mentoring new contractors.
- ✓ Served as a subject matter expert (SME) in digital innovation testing for project planning and design software based on Agile development processes.

### HIBERNIA MANAGEMENT & DEVELOPMENT COMPANY, LTD. | St. John's, Newfoundland 2012 to 2015

#### **Junior Operations Geologist (North America Project Management)**

Seconded from previous employer, Imperial Oil, to Hibernia in 2012 to steward planning and execution activities for a \$1.1B multi-year campaign. Led a multi-disciplinary team comprised of engineers, scientists, and operations staff to build an 11-project operations and evaluation program assessing resource viability.

- ✓ Facilitated time-sensitive communications between ocean-based and office teams for permits and waivers.
- ✓ Partnered with Procurement to steward operational contracts for multiple sites with unionized and non-unionized workforces, ensuring selected vendors led safe, economical, and environmentally sound operations.
- ✓ Mitigated future potential financial exposure by selecting appropriate vendors and assessing contract terms.
- ✓ Trained and managed vendors as a technical specialist, offering feedback on optimal equipment, personnel logistics, data access, delivery expectations, and invoicing through SAP.

### IMPERIAL OIL RESOURCES, LTD. | Calgary, Alberta

2009 to 2012

#### **Junior Operations Geologist (North America Project Management)**

Contributed to internal reporting procedures for operational programs and critical business planning decisions  
Maintained ExxonMobil's 19-year history of new reserves replacement exceeding 100% of yearly production.

- ✓ Partnered with geoscientists, engineers, vendors, and government regulators through project planning and execution, communicating criteria for operational success as defined by the geoscience business unit.

## EDUCATION

**Doctor of Philosophy**, Earth & Atmospheric Sciences, University of Alberta (Edmonton, Alberta)

**Bachelor of Science (Honours)**, Paleontology, University of Alberta (Edmonton, Alberta)

## TRAINING | CERTIFICATION | MEMBERSHIPS

### Certification & Training:

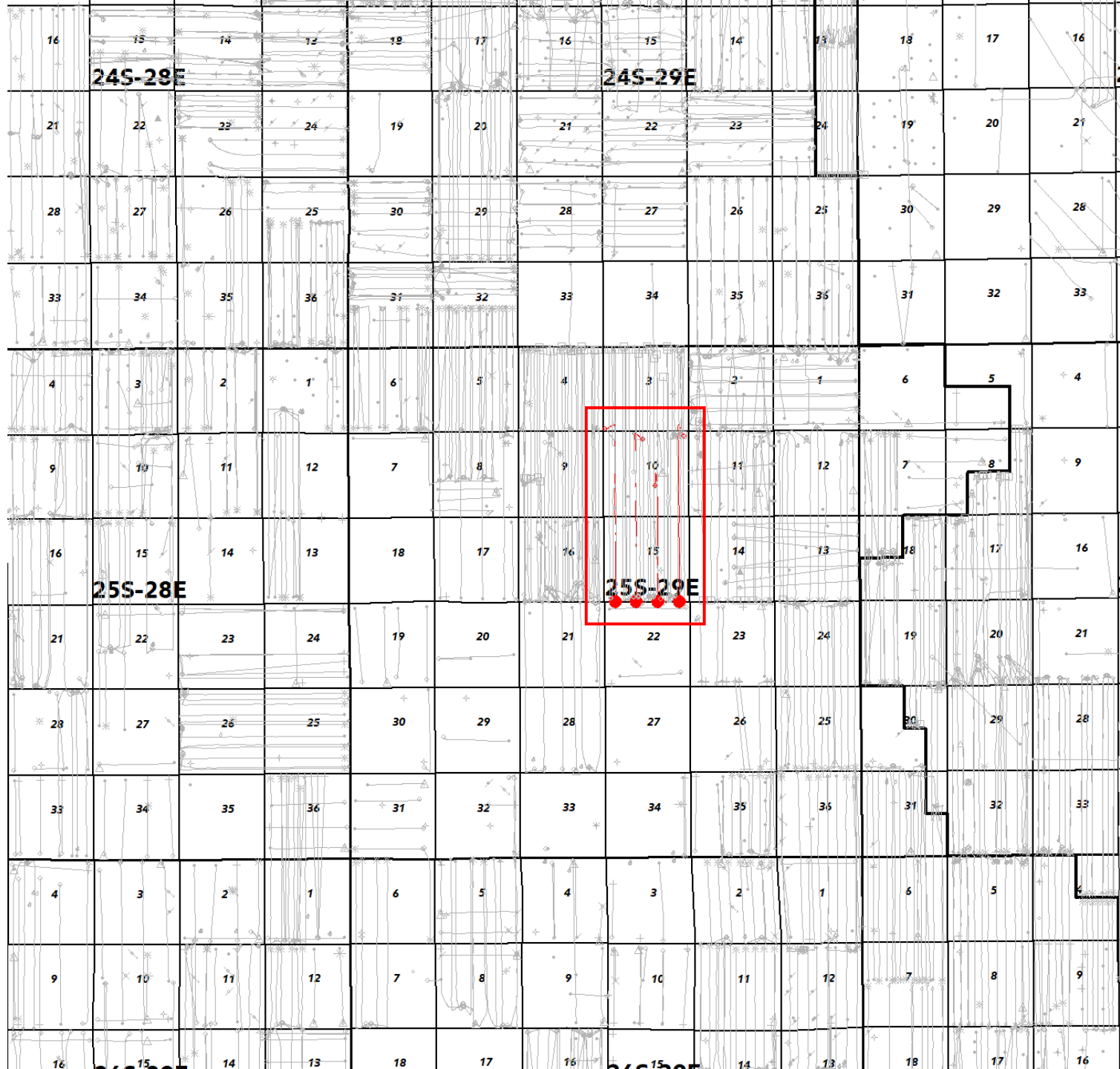
- *McGill University-Council for Six Sigma Certification (CSSC):* Lean Six Sigma Black Belt
- *Project Management Institute:* Project Management Professional Certification (PMP)
- *McGill University-CSSC:* Lean Six Sigma Green Belt & Lean Enterprise Certification
- *University of California Berkley:* Leading Complex Projects
- *ExxonMobil:* Business Acumen; Commercial Overview; Fundamentals of Change Management; Finance for Non-Finance Professionals

### Memberships:

- American Society for Quality; Project Management Institute; Women in Lean

# Exhibit D-2

## Locator Map



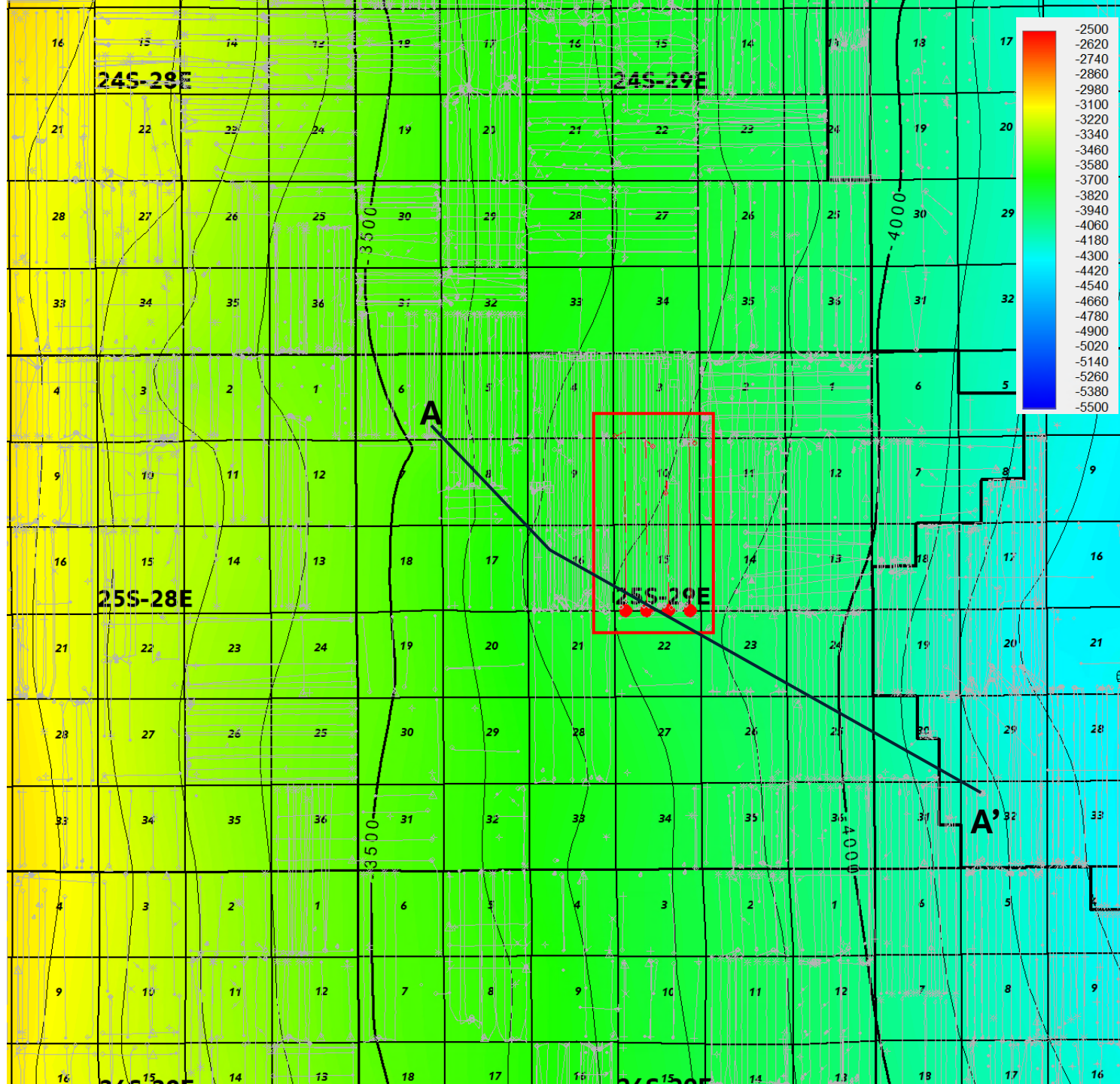
BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D-2  
 Submitted by: XTO Energy Inc.  
 Hearing Date: June 27, 2024  
 Case no. 24578





### Exhibit D-3

EM/XTO Structure Map (tvdss)  
Bone Springs  
CI = 100'

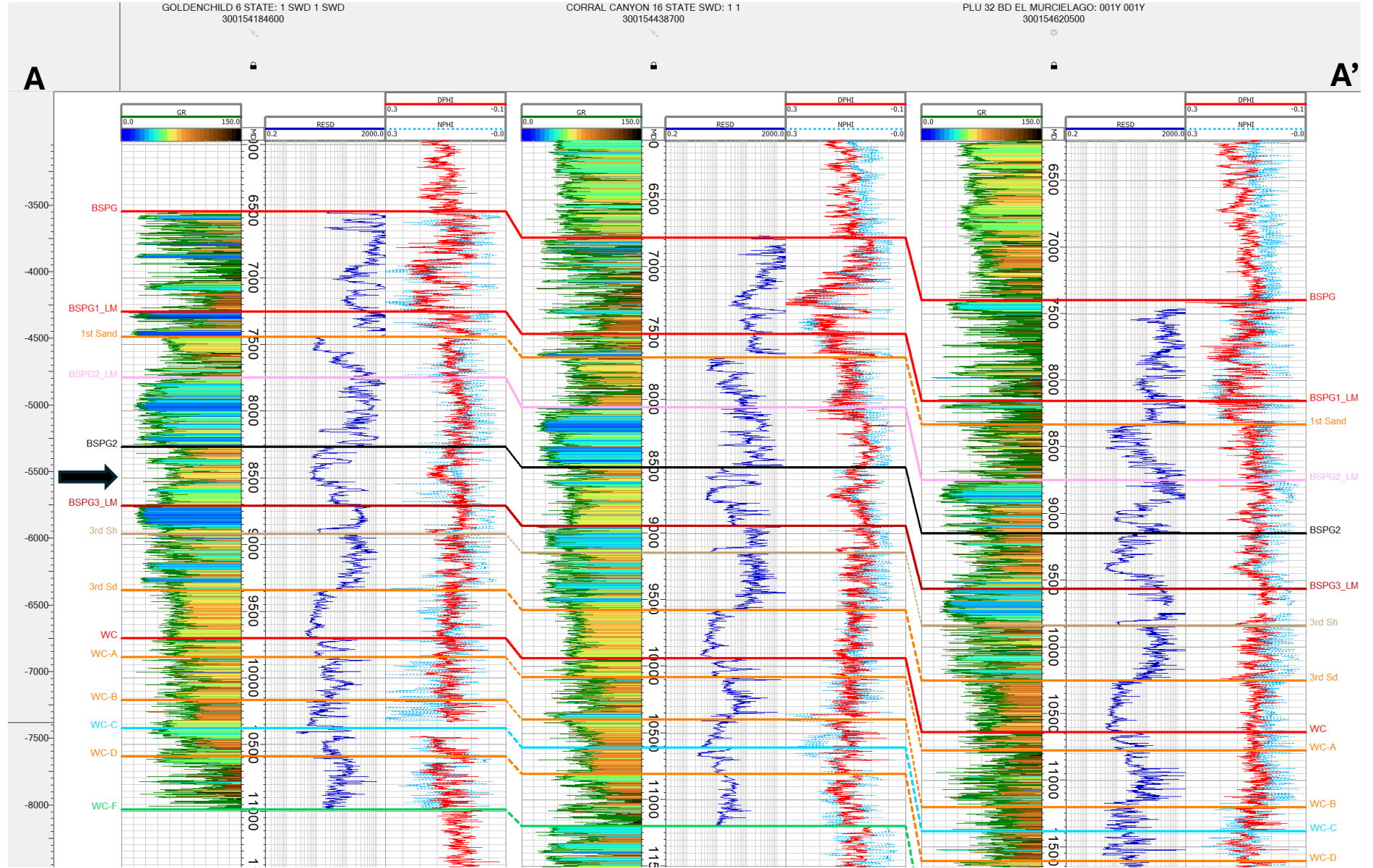


BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D-3  
 Submitted by: XTO Energy Inc.  
 Hearing Date: June 27, 2024  
 Case no. 24578



# Exhibit D-4

## Cross Section



BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D-4  
 Submitted by: XTO Energy Inc.  
 Hearing Date: June 27, 2024  
 Case no. 24578

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

**APPLICATION OF XTO HOLDINGS, LLC  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 24578**

**SELF-AFFIRMED STATEMENT OF  
PAULA M. VANCE**

1. I am attorney in fact and authorized representative of XTO Holdings, LLC (“XTO”), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto. *See XTO Exhibit E-1.*

3. The spreadsheet attached hereto contains the name of the parties to whom notice was provided. *See XTO Exhibit E-2.*

4. **XTO Exhibit E-2** contains the information provided by the United States Postal Service on the status of the delivery of this notice as of June 18, 2024.

5. I caused a notice to be published to the party subject to this compulsory pooling proceeding. The affidavit of publication from the publication’s legal clerk with a copy of the notices of publication is attached herein. *See XTO Exhibit F.*

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. E  
Submitted by: XTO Energy Inc.  
Hearing Date: June 27, 2024  
Case no. 24578**





---

Paula M. Vance

6/20/2024

---

Date



**Paula M. Vance**  
**Associate**  
Phone (505) 988-4421  
Email pmvance@hollandhart.com

June 7, 2024

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of XTO Holdings, LLC for Compulsory Pooling, Eddy County,  
New Mexico: Corral Canyon 10-15 Fed Com 12H well**

Ladies & Gentlemen:

This letter is to advise you that XTO Holdings, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on June 27, 2024, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

**It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico. To participate virtually in the hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.**

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Vincent Cuccerre at (346) 998-2541 or [vincent.cuccerre@exxonmobil.com](mailto:vincent.cuccerre@exxonmobil.com).

Sincerely,

Paula M. Vance  
ATTORNEY FOR XTO HOLDINGS, LLC

**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
Exhibit No. E-1  
Submitted by: XTO Energy Inc.  
Hearing Date: June 27, 2024  
Case no. 24578

T 505.988.4421 F 505.983.6043  
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208  
[www.hollandhart.com](http://www.hollandhart.com)

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

XTO - Corral Canyon 10H, 12H, 21H and 220H wells - Case nos. 24577-24581  
 Postal Delivery Report

9414811898765469643441	Edward K Gaylord II	PO Box 31560	Edmond	OK	73003-0026	Your item was picked up at the post office at 8:52 am on June 14, 2024 in EDMOND, OK 73003.
9414811898765469643434	J Guinn Family Trust A	PO Box 1298	Graham	TX	76450-1298	Your item was picked up at the post office at 12:27 pm on June 14, 2024 in GRAHAM, TX 76450.
9414811898765469643519	J Guinn Family Trust M	PO Box 1298	Graham	TX	76450-1298	Your item was picked up at the post office at 12:27 pm on June 14, 2024 in GRAHAM, TX 76450.
9414811898765469643557	CNX Gas Co LLC	1000 Horizon Vue Dr	Canonsburg	PA	15317-6523	Your item was delivered to the front desk, reception area, or mail room at 1:13 pm on June 11, 2024 in CANONSBURG, PA 15317.



PO Box 631667 Cincinnati, OH 45263-1667

**AFFIDAVIT OF PUBLICATION**

Joe Stark  
Joe Stark EENR Specialist  
Holland & Hart  
222 South Main Street  
Suite 2200  
Salt Lake City UT 84101

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the below listed cases. The hearings will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the MS Teams virtual meeting platform (sign-in information below) on Thursday, June 27, 2024, at 8:30 a.m.

To participate in the hearings, see the instructions posted below. The docket may be viewed electronically on the Division's website, <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from the OCD law clerk, at (505) 469-5527 or [freya.tschantz@emnrd.nm.gov](mailto:freya.tschantz@emnrd.nm.gov).

Documents filed in these cases may be viewed at <http://ocdimage.emnrd.state.nm.us/imagino/CaseFileCriteria.aspx>.

If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact the OCD law clerk using the contact information above, or at the New Mexico Relay Network, 1-800-659-1779, no later than Monday, June 17, 2024.

Persons may view and participate in the hearings through the following link:  
[www.microsoft.com/en-us/microsoft-teams/join-a-meeting](http://www.microsoft.com/en-us/microsoft-teams/join-a-meeting)  
Meeting ID: 297 546 029 690  
Passcode: HEGYJT

Dial in by phone:  
+1 505-312-4308, 367265738#  
-or-  
(505) 312-4308  
Phone conference ID: 367 265 738#

**STATE OF NEW MEXICO TO:**  
All named parties and persons  
having any right, title, interest  
or claim in the following case  
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All affected interest owners, including: Edward K Gaylord II, his heirs and devisees; J Guinn Family Trust A; J Guinn Family Trust M; CNX Gas Co LLC.

Case No. 24578: Application of XTO Holdings, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Sections 10 and 15, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Corral Canyon 10-15 Fed Com 12H (API No. 30-015-45429) well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 10, with a first take point in the NE/4 NE/4 (Unit A) of Section 10 and a last take point in the SE/4 SE/4 (Unit P) of Section 15. Also, to be considered will be the designation of XTO Energy Inc. as operator of the well. Said area is located approximately 12 miles southeast of Loving, New Mexico. #10263092; Current Argus; June 11, 2024

STATE OF WISCONSIN, COUNTY OF BROWN

The Carlsbad Current Argus, a newspaper published in the city of Carlsbad, Eddy County, State of New Mexico, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issue:

06/11/2024

and that the fees charged are legal.  
Sworn to and subscribed before on 06/11/2024

\_\_\_\_\_  
Legal Clerk

\_\_\_\_\_  
Notary, State of WI, County of Brown

1-7-25

My commission expires

Publication Cost: \$224.00  
Tax Amount: \$16.57  
Payment Cost: \$240.57  
Order No: 10263092 # of Copies: 1  
Customer No: 1360634  
PO #: Case No. 24578

**THIS IS NOT AN INVOICE!**

Please do not use this form for payment remittance.

**KATHLEEN ALLEN**  
Notary Public  
State of Wisconsin

**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
Exhibit No. F  
Submitted by: XTO Energy Inc.  
Hearing Date: June 27, 2024  
Case no. 24578  
Page 1 of 1