

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

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

CASE NOS. 24667-24668 & 24769-24770

XTO HOLDINGS, LLC’S CONSOLIDATED PRE-HEARING STATEMENT

XTO Holdings, LLC (“XTO” or “Applicant”), the applicant in the above-referenced matters, submits this consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

XTO Holdings, LLC
 (“XTO”)

ATTORNEY

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APPLICANT’S STATEMENT OF THE CASE

Under these consolidated cases, XTO seeks orders pooling for the referenced acreage, all in Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico, as follows:

- Under **Case No. 24667**, XTO seeks to pool all uncommitted record title owners in the Bone Spring formation (Willow Lake, Bone Spring, Southeast [96217]) underlying a standard 959.40-acre, more or less, horizontal well spacing unit

comprised of Lots 1-2 (N/2 NE/4 equivalent), S/2 NE/4, and the SE/4 of irregular Section 3, and the E/2 of Sections 10 and 15. The unit is dedicated to the drilled and completed **Shanghai Rooster 15-3 Fed #107H** (API No. 30-015-53675) well, horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 15, with a first take point in the SE/4 SE/4 (Unit P) of Section 15 and a last take point in Lot 1 (NE/4 NE/4 equivalent) of irregular Section 3; and the **Shanghai Rooster 15-3 Fed #125H** (API No. 30-015-50096) well, horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 15, with a first take point in the SW/4 SE/4 (Unit O) of Section 15 and a last take point in Lot 2 (NW/4 NE/4 equivalent) of irregular Section 3.

- Under **Case No. 24668**, XTO seeks to pool all uncommitted record title owners in the Bone Spring formation (Willow Lake, Bone Spring, Southeast [96217]) underlying a standard 959.80-acre, more or less, horizontal well spacing unit comprised of Lots 3-4 (N/2 NW/4 equivalent), S/2 NW/4, and the SW/4 of irregular Section 3, and the W/2 of Sections 10 and 15. The unit is dedicated to the drilled and completed **Shanghai Rooster 15-3 Fed #103H** (API No. 30-015-50045) well, horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 15, with a first take point in the SE/4 SW/4 (Unit N) of Section 15 and a last take point in Lot 4 (NW/4 NW/4 equivalent) of irregular Section 3.
- Under **Case No. 24769**, XTO seeks to pool all uncommitted record title owners in the Wolfcamp formation (Purple Sage, Wolfcamp (Gas) [98220]) underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 10 and 15. The unit is dedicated to the drilled and completed **Shanghai**

Rooster 15-10 Fed #108H (API No. 30-015-50101) well, horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 15, with a first take point in the SE/4 SE/4 (Unit P) of Section 15 and a last take point in the NE/4 NE/4 (Unit A) of Section 3; the **Shanghai Rooster 15-10 Fed #804H** (API No. 30-015-50047) well, horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 15, with a first take point in the SE/4 SE/4 (Unit P) of Section 15 and a last take point in the NE/4 NE/4 (Unit A) of Section 3; and the **Shanghai Rooster 15-10 Fed #806H** (API No. 30-015-50095) well, horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 15, with a first take point in the SE/4 SE/4 (Unit P) of Section 15 and a last take point in the NE/4 NE/4 (Unit A) of Section 3.

- Under **Case No. 24770**, XTO seeks to pool all uncommitted record title owners in the Wolfcamp formation (Purple Sage, Wolfcamp (Gas) [98220]) underlying a standard 1,919.2-acre, more or less, horizontal well spacing unit comprised of Lots 1-4 (N/2 N/2 equivalent), S/2 N/2, and the S/2 of irregular Section 3, and all of Sections 10 and 15. The unit is dedicated to the drilled and completed **Shanghai Rooster 15-3 Fed #104H** (API No. 30-015-50043) well, horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 15, with a first take point in the SE/4 SW/4 (Unit N) of Section 15 and a last take point in Lot 3 (NE/4 NW/4 equivalent) of irregular Section 3; the **Shanghai Rooster 15-3 Fed #105H** (API No. 30-015-50098) well, horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 15, with a first take point in the SW/4 SE/4 (Unit O) of Section 15 and a last take point in Lot 2 (NW/4 NE/4 equivalent) of irregular

Section 3; the **Shanghai Rooster 15-3 Fed #121H** (API No. 30-015-50042) well, horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 15, with a first take point in the SW/4 SW/4 (Unit M) of Section 15 and a last take point in Lot 4 (NE/4 NE/4 equivalent) of irregular Section 3; the **Shanghai Rooster 15-3 Fed #124H** (API No. 30-015-50040) well, horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 15, with a first take point in the SE/4 SW/4 (Unit N) of Section 15 and a last take point in Lot 3 (NE/4 NW/4 equivalent) of irregular Section 3; the **Shanghai Rooster 15-3 Fed #126H** (API No. 30-015-50100) well, horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 15, with a first take point in the SW/4 SE/4 (Unit O) of Section 15 and a last take point in Lot 2 (NW/4 NW/4 equivalent) of irregular Section 3; the **Shanghai Rooster 15-3 Fed #127H** (API No. 30-015-50094) well, horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 15, with a first take point in the SE/4 SE/4 (Unit P) of Section 15 and a last take point in Lot 1 (NE/4 NE/4 equivalent) of irregular Section 3; the **Shanghai Rooster 15-3 Fed #161H** (API No. 30-015-50046) well, horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 15, with a first take point in the SW/4 SW/4 (Unit M) of Section 15 and a last take point in Lot 4 (NW/4 NW/4 equivalent) of irregular Section 3; the **Shanghai Rooster 15-3 Fed #163H** (API No. 30-015-50027) well, horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 15, with a first take point in the SW/4 SW/4 (Unit M) of Section 15 and a last take point in Lot 4 (NW/4 NW/4 equivalent) of irregular Section 3; the **Shanghai Rooster 15-3 Fed #164H** (API No. 30-015-50028) well, horizontally

drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 15, with a first take point in the SE/4 SW/4 (Unit N) of Section 15 and a last take point in Lot 3 (NE/4 NW/4 equivalent) of irregular Section 3; the **Shanghai Rooster 15-3 Fed #165H** (API No. 30-015-50092) well, horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 15, with a first take point in the SE/4 SW/4 (Unit N) of Section 15 and a last take point in Lot 3 (NE/4 NW/4 equivalent) of irregular Section 3; the **Shanghai Rooster 15-3 Fed #166H** (API No. 30-015-50093) well, horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 15, with a first take point in the SW/4 SE/4 (Unit O) of Section 15 and a last take point in Lot 2 (NW/4 NE/4 equivalent) of irregular Section 3; the **Shanghai Rooster 15-3 Fed #801H** (API No. 30-015-50029) well, horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 15, with a first take point in the SW/4 SW/4 (Unit M) of Section 15 and a last take point in Lot 4 (NW/4 NW/4 equivalent) of irregular Section 3; the **Shanghai Rooster 15-3 Fed #802H** (API No. 30-015-50039) well, horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 15, with a first take point in the SE/4 SW/4 (Unit N) of Section 15 and a last take point in Lot 3 (NE/4 NW/4 equivalent) of irregular Section 3; the **Shanghai Rooster 15-3 Fed #803H** (API No. 30-015-50048) well, horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 15, with a first take point in the SW/4 SE/4 (Unit O) of Section 15 and a last take point in Lot 2 (NW/4 NE/4 equivalent) of irregular Section 3; and the **Shanghai Rooster 15-3 Fed #805H** (API No. 30-015-50099) well, horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 15, with a first

take point in the SW/4 SE/4 (Unit O) of Section 15 and a last take point in Lot 2 (NW/4 NE/4 equivalent) of irregular Section 3.

The completed interval of the **Shanghai Rooster 15-3 Fed #107H** and **Shanghai Rooster 15-3 Fed #103H** are each within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. The completed interval of the **Shanghai Rooster 15-3 Fed #165H** is within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the horizontal spacing unit under 19.15.16.15.B(3)(b) NMAC.

4. XTO has an approved non-standard well location (“NSL”) order for the **Shanghai Rooster 15-3 Fed #125H**. See NSL-8488. The completed interval for all of the other wells comply with statewide setbacks for oil wells for the Bone Spring wells and the Special Pool Rules for the Purple Sage Gas Pool for the Wolfcamp wells. XTO has sought and been unable to obtain the signatory approval on the federal communization agreements from all the record title owners.

APPLICANT’S PROPOSED EVIDENCE


WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Vincent Cuccerre, Landman	Self-Affirmed Statement	Approx. 4
Gary Ottinger, Geologist	Self-Affirmed Statement	Approx. 4

PROCEDURAL MATTERS

XTO requests that these matters be consolidated for hearing and intends to present these cases by self-affirmed statement if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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Santa Fe, NM 87505

QUESTIONS

Action 381003

QUESTIONS

Operator: XTO ENERGY, INC 6401 Holiday Hill Road Midland, TX 79707	OGRID: 5380
	Action Number: 381003
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>