

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

**APPLICATION OF XTO PERMIAN  
OPERATING, LLC FOR APPROVAL OF  
NON-STANDARD HORIZONTAL  
SPACING UNIT, EDDY COUNTY, NEW  
MEXICO**

**CASE NO. 25230**

**XTO PERMIAN OPERATING, LLC’S PRE-HEARING STATEMENT**

XTO Permian Operating, LLC (“XTO”), OGRID No. 5380 (“XTO” or Applicant”), submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

XTO Permian Operating, LLC

**ATTORNEY**

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**INTERESTED PARTY**

None

**ATTORNEY**

N/A

**APPLICANT’S STATEMENT OF CASE**

In this Case No. 25230, XTO seeks an order to create a 2,080.66-acre, more or less, non-standard horizontal spacing unit (“HSU”) composed of all of Sections 2, 11, 14, and the N/2 N/2 of Section 23, Township 24 South, Range 30 East, N.M.P.M., Eddy County, New Mexico (the

“Application Lands”). XTO seeks to dedicate the above-referenced HSU to the following proposed wells:

A. **Poker Lake Unit 23 DTD Fed State Com #171H** (API No. 30-015-54945), which is an oil well that will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 14, Township 24 South, Range 30 East, to a bottom hole location in the Bone Spring Formation in Lot 4 of Section 2, Township 24 South, Range 30 East;

B. **Poker Lake Unit 23 DTD Fed State Com #157H** (API No. 30-015-49650), an oil well that will be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 23, Township 24 South, Range 30 East, to a bottom hole location in Bone Spring Formation in Lot 2 of Section 2, Township 24 South, Range 30 East.

The wells are orthodox in their location as defined by 19.15.16.15.(C) NMAC, and the take points and laterals comply with Statewide Rules for setbacks under 19.15.16.15.(C) NMAC. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

The wells and lands are located approximately 26 miles from Carlsbad, New Mexico.

**APPLICANT’S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Greg Davis, Commercial Land Advisor	Affidavit	Approx. 9
Jennifer L. McHarge, Senior Geoscientist	Affidavit	Approx. 5

**PROCEDURAL MATTERS**

If uncontested at the hearing, XTO intends to present this case by affidavit.

Dated this 6<sup>th</sup> day of March, 2025.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By: 

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

QUESTIONS

Action 440055

**QUESTIONS**

Operator: XTO ENERGY, INC 6401 Holiday Hill Road Midland, TX 79707	OGRID: 5380
	Action Number: 440055
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	2
Testimony time (in minutes)	15