

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

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

**CASE NO. 26089**

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

XTO Permian Operating, LLC (“XTO”), 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**

None

**APPLICANT’S STATEMENT OF CASE**

In this case, XTO seeks orders to approve standard 2,240-acre, more or less, non-standard horizontal well spacing unit (the “Unit” or “NSHSU”) comprised all of Sections 33, 34, and 35,

and the W/2 of Section 36, Township 22 South, Range 30 East, N.M.P.M., Eddy County, New Mexico (the “Application Lands”).

Under **Case 26089**, XTO seeks to dedicate the NSHSU to the following proposed wells:

- A. **James Ranch Unit DI 8 Fed Com 701H** (API No. 30-015-Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 36, Township 22 South, Range 30 East, to a bottom hole location in the Los Medanos; Bone Spring formation [Pool Code: 40295] located in the NW/4 NW/4 (Unit D) of Section 33, Township 22 South, Range 30 East;
- B. **James Ranch Unit DI 8 Fed Com 702H** (API No. 30-015-Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 36, Township 22 South, Range 30 East, to a bottom hole location in the Los Medanos; Bone Spring formation [Pool Code: 40295] located in the SW/4 NW/4 (Unit E) of Section 33, Township 22 South, Range 30 East;
- C. **James Ranch Unit DI 8 Fed Com 703H** (API No. 30-015-Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 36, Township 22 South, Range 30 East, to a bottom hole location in the Los Medanos; Bone Spring formation [Pool Code: 40295] located in the NW/4 SW/4 (Unit L) of Section 33, Township 22 South, Range 30 East;
- D. **James Ranch Unit DI 8 Fed Com 706H** (API No. 30-015-Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 36, Township 22 South, Range 30 East, to a bottom hole location in the Los Medanos; Bone Spring formation [Pool Code: 40295] located in the NW/4 SW/4 (Unit L) of Section 33, Township 22 South, Range 30 East;

- E. **James Ranch Unit DI 8 Fed Com 708H** (API No. 30-015-Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 36, Township 22 South, Range 30 East, to a bottom hole location in the Los Medanos; Bone Spring formation [Pool Code: 40295] located in the SW/SW (Unit M) of Section 33, Township 22 South, Range 30 East;
- F. **James Ranch Unit DI 8 Fed Com 801H** (API No. 30-015-Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 36, Township 22 South, Range 30 East, to a bottom hole location in the Los Medanos; Bone Spring formation [Pool Code: 40295] located in the NW/4 NW/4 (Unit D) of Section 33, Township 22 South, Range 30 East;
- G. **James Ranch Unit DI 8 Fed Com 802** (API No. 30-015-Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 36, Township 22 South, Range 30 East, to a bottom hole location in the Los Medanos; Bone Spring formation [Pool Code: 40295] located in the SW/NW (Unit E) of Section 33, Township 22 South, Range 30 East;
- H. **James Ranch Unit DI 8 Fed Com 805H** (API No. 30-015-Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 36, Township 22 South, Range 30 East, to a bottom hole location in the Los Medanos; Bone Spring formation [Pool Code: 40295] located in the NW/4 SW/4 (Unit L) of Section 33, Township 22 South, Range 30 East;
- I. **James Ranch Unit DI 8 Fed Com 806H** (API No. 30-015-Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 36, Township 22 South, Range 30 East, to a bottom hole location in the

Los Medanos; Bone Spring formation [Pool Code: 40295] located in the SW/4 SW/4 (Unit M) of Section 33, Township 22 South, Range 30 East;

J. **James Ranch Unit DI 8 Fed Com 901H** (API No. 30-015-Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 36, Township 22 South, Range 30 East, to a bottom hole location in the Los Medanos; Bone Spring formation [Pool Code: 40295] located in the NW/4 NW/4 (Unit D) of Section 33, Township 22 South, Range 30 East;

K. **James Ranch Unit DI 8 Fed Com 902H** (API No. 30-015-Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 36, Township 22 South, Range 30 East, to a bottom hole location in the Los Medanos; Bone Spring formation [Pool Code: 40295] located in the SW/4 NW/4 (Unit E) of Section 33, Township 22 South, Range 30 East;

L. **James Ranch Unit DI 8 Fed Com 905H** (API No. 30-015-Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 36, Township 22 South, Range 30 East, to a bottom hole location in the Los Medanos; Bone Spring formation [Pool Code: 40295] located in the NW/4 SW/4 (Unit L) of Section 33, Township 22 South, Range 30 East, and;

M. **James Ranch Unit DI 8 Fed Com 906H** (API No. 30-015-Pending), which is an oil well that will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 36, Township 22 South, Range 30 East, to a bottom hole location in the Los Medanos; Bone Spring formation [Pool Code: 40295] located in the SW/4 SW/4 (Unit M) of Section 33, Township 22 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 23 miles east of Carlsbad, New Mexico.

**APPLICANT’S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Andrea Bosworth, Commercial and Land Advisor	Affidavit	Approx. 5
Ashley Heath, Geoscientist	Affidavit	Approx. 5

**PROCEDURAL MATTERS**

If uncontested at the hearing, XTO intends to present these cases by affidavit.

Dated this 30<sup>th</sup> day of April, 2026.

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 580953

**QUESTIONS**

Operator: XTO PERMIAN OPERATING LLC. 3617 Big Spring St. MIDLAND, TX 79705	OGRID: 373075
	Action Number: 580953
	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)	10