

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

**APPLICATION OF XTO ENERGY INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 20687 & 20695

XTO'S CONSOLIDATED PRE-HEARING STATEMENT

XTO Energy Inc. ("XTO") (OGRID No. 5380), the applicant in the above-referenced cases, submits this Pre-Hearing Statement, pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

XTO Energy Inc.

ATTORNEY

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile

APPLICANT'S STATEMENT OF CASE

In these consolidated cases, XTO seeks an order pooling all uncommitted interests in the Bone Spring and Wolfcamp formations underlying standard 640-acre horizontal spacing units comprised of the S/2 of Sections 13 and 14, Township 20 South, Range 31 East, NMPM, Eddy County, New Mexico.

In Case No. 20687, the 640-acre horizontal spacing unit in the Bone Spring formation has been placed in the WC Williams Sink; Bone Spring Pool (97650) and will be initially dedicated to the following proposed wells:

- The **Big Eddy Unit 30E Rey #102H Well** and the **Big Eddy Unit 30E Qui-Gon #102H Well**, both which will be horizontally drilled from surface locations in the SW/4 SW/4 (Unit M) of Section 14 to bottom hole locations in the NE/4 SE/4 (Unit I) of Section 13.
- The **Big Eddy Unit 30E Obi-Wan #102H Well**, which will be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 14 to bottom hole location in the NE/4 SE/4 (Unit I) of Section 13.
- The **Big Eddy Unit 30E Anakin #203H Well**, which will be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 14 to bottom hole location in the SE/4 SE/4 (Unit P) of Section 13.

The completed interval for the Big Eddy Unit 30E Anakin #203H Well will be within 330' of the quarter-quarter line separating the N/2 S/2 and the S/2 S/2 of Sections 13 and 14 to allow inclusion of this acreage into a standard 640-acre horizontal well spacing unit.

In Case No. 20695, the 640-acre horizontal spacing unit in the Wolfcamp formation (Wildcat Pool) will be initially dedicated to the proposed **Big Eddy Unit 30E Jedi #102H Well**, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 14 to bottom hole location in the SE/4 SE/4 (Unit P) of Section 13. The completed interval for this well will be within 330' of the quarter-quarter line separating the N/2 S/2 and the S/2 N/2 of Sections 13 and 14 to allow inclusion of this acreage into a standard 640-acre horizontal well spacing unit.

APPLICANT'S PROPOSED EVIDENCE

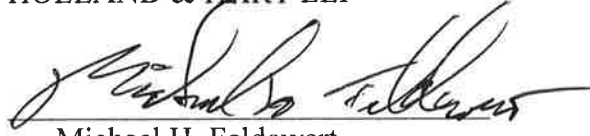
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
W. Gregg Davis, Landman	Approx. 10	Approx. 5
Michael Williams, Geologist	Approx. 10	Approx. 3

PROCEDURAL MATTERS

XTO intends to present these consolidated cases by affidavits if it remains unopposed at the time of the hearing.

Respectfully submitted,

HOLLAND & HART LLP

Handwritten signatures of Michael H. Feldewert and Adam G. Rankin.

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Kaitlyn A. Luck

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Santa Fe, New Mexico 87504-2208

(505) 988-4421

mfeldewert@hollandhart.com

agrarkin@hollandhart.com

jbroggi@hollandhart.com

kaluck@hollandhart.com

ATTORNEYS FOR XTO ENERGY INC.