

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

**APPLICATION OF XTO ENERGY INC
FOR A NON-STANDARD SPACING AND
PRORATION UNIT, AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

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CASE NO 15718

XTO's PRE-HEARING STATEMENT

XTO Energy Inc (XTO) the applicant in the above-referenced case submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division

APPEARANCES

APPLICANT

XTO Energy Inc
810 Houston Street
Fort Worth TX 76102

ATTORNEY

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APPLICANT'S STATEMENT OF CASE

XTO seek an order from the Division (1) creating a 320-acre spacing and proration unit comprised of the E/2 E/2 of Section 8 and the E/2 E/2 of Section 17, Township 25 South, Range 29 East, NMPM, Eddy County New Mexico, and (2) pooling all uncommitted interests in the Bone Spring formation, Willow Lake, Bone Spring, Southeast (Pool Code 96217), underlying this acreage XTO will dedicate the proposed spacing and proration unit as the project area for

its proposed **Corral Canyon Federal Com No 16H Well**, which will be horizontally drilled from a surface location in the SE/4 SE/4 of Section 5 (Unit P) to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 17. The Division's district office has placed this acreage in the Willow Lake, Bone Spring Southeast (Pool Code 96217), which is subject to the general statewide rules. The completed intervals for this well will remain within the 330-foot standard offset required by the Statewide Rules.

APPLICANT'S PROPOSED EVIDENCE

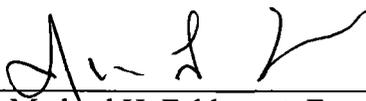
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Angie Repka, Landman	Approx 10	Approx 8
Shane Finegan, Petroleum Geologist	Approx 10	Approx 5

PROCEDURAL MATTERS

None at this time

Respectfully submitted,

HOLLAND & HART LLP



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