

**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,
LEA COUNTY, NEW MEXICO.**

**CASE NOS. 15206, 15207,
15208, AND 15209**

XTO's PRE-HEARING STATEMENT

XTO Energy, Inc. (XTO), the applicant in the above referenced matter, 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 orders from the Division creating the following non-standard spacing and proration units on federal lands in Section 31, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico:

- (a) the W/2 W/2 to be dedicated to its proposed **Perla Verde 31 State 1H Well**, which will be horizontally drilled from a surface location in the NW/4NW/4 (Unit D) to a bottom hole location in the SW/4SW/4 (Unit M);
- (b) the W/2 E/2 to be dedicated to its proposed **Perla Verde 31 State 2H Well**, which will be horizontally drilled from a surface location in the SW/4SE/4 (Unit O) to a bottom hole location in the NW/4NE/4 (Unit B);
- (c) the E/2 W/2 to be dedicated its proposed **Perla Verde 31 State 3H Well**, which will be horizontally drilled from a surface location in the SE/4SW/4 (Unit N) to a bottom hole location in the NE/4NW/4 (Unit C); and
- (d) the E/2 E/2 to be dedicated to its proposed **Perla Verde 31 State 4H Well**, which will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) to a bottom hole location in the NE/4NE/4 (Unit A) of Section 31.

In each of these cases, XTO also seeks to pool the uncommitted interest owners in the Bone Spring formation underlying these standup spacing units.

APPLICANT'S PROPOSED EVIDENCE

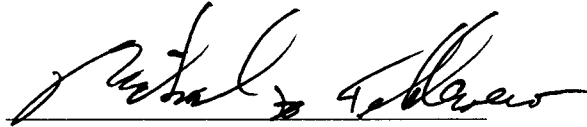
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Keith Sawyer, Landman	Approx. 10	Approx. 12
Tom Anderson, Petroleum Geologist	Approx. 10	Approx. 4

PROCEDURAL MATTERS

XTO requests that Case Nos. 15206, 15207, 15208 and 15209 be consolidated for hearing.

Respectfully submitted,

HOLLAND & HART, LLP

A handwritten signature in black ink, appearing to read "Michael H. Feldewert", is written over a horizontal line.

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