

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

**IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF LYNX PETROLEUM  
CONSULTANTS, INC. FOR COMPULSORY  
POOLING COUNTY, LEA NEW MEXICO.**

Case No. 13,578

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by XTO Energy Inc. as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Lynx Petroleum Consultants, Inc.

**APPLICANT'S ATTORNEY**

Charles N. Lakins  
Domenici Law Firm, P.C.  
Suite 1000  
320 Gold Avenue S.W.  
Albuquerque, New Mexico 87102  
(505) 883-6250

**OPPONENT**

XTO Energy Inc.  
Suite 2000  
810 Houston Street  
Fort Worth, Texas 76102

**OPPONENT'S ATTORNEY**

James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attention: Mark S. Dale  
(817) 885-2952

**STATEMENT OF THE CASE**

**APPLICANT**

Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 8, Township 18 South, Range 32 East, NMPM, to form a 40-acre oil spacing unit. The unit is to be dedicated to the existing Fed. DM

NOV 10 3 00 PM '05

Well No. 1, to be re-entered at a surface location 760 feet from the North line and 960 feet from the East line of Section 8.

OPPONENT

XTO Energy Inc. proposes to re-enter the Fed. DM Well No. 1, to be re-designated the Amoco Fed. DM Well No. 1H, and drill horizontally in the Bone Spring formation to a terminus in the SE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 8. The lateral will be located in the E $\frac{1}{2}$ NE $\frac{1}{4}$  of Section 8. XTO Energy Inc. has proposed the horizontal well to applicant, and will file a pooling application.

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

Charles Wayes  
(geologist)

20 min.

Approx. 6

Kameron Fivecoat  
(engineer)

20 min.

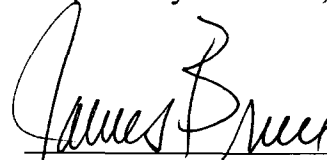
Approx. 6

The evidence presented by XTO Energy Inc. will show that the Bone Spring re-entry proposed by it is more prospective than the zones proposed to be tested by applicant, and will prevent waste and protect correlative rights.

**PROCEDURAL MATTERS**

XTO Energy has informally requested applicant to continue this case to the December 15<sup>th</sup> hearing, so that it can be consolidated with the pooling application to be filed by XTO Energy Inc.

Respectfully submitted,



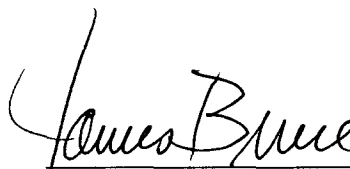
James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for XTO Energy Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 9<sup>th</sup> day of November, 2005 by facsimile transmission:

Charles N. Lakins  
Domenici Law Firm, P.C.  
Suite 1000  
320 Gold Avenue S.W.  
Albuquerque, New Mexico 87102  
Fax: (505) 884-3424

  
\_\_\_\_\_  
James Bruce