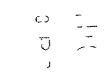
STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

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



CASE NO 15703

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

Michael H Feldewert, Esq Jordan L Kessler, Esq Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504 2208 (505) 988 4421 (505) 983 6043 Facsimile mfeldewert@hollandhart.com ilkessler@hollandhart.com

APPLICANT'S STATEMENT OF CASE

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

the proposed **Corral Canyon Federal Com No 15H Well,** which will be horizontally drilled from a surface location in the SW/4 SE/4 of Section 5 (Unit O) to a bottom hole location in the SW/4 SE/4 (Unit O) 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

Michael H Feldewert, Esq

Jordan L Kessler Esq

Post Office Box 2208

Santa Fe New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile

mfeldewert@hollandhart com

jlkessler@hollandhart com

ATTORNEY FOR XTO ENERGY INC