

**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 HEARING:**

Tw. 5-8-08

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

CASE 14118

PRE-HEARING STATEMENT

**XTO Energy Inc. submits its pre-hearing statement as required by the New Mexico
Oil Conservation Division.**

APPEARANCES OF THE PARTIES

APPLICANT

**XTO Energy, Inc.
810 Houston Street
Houston, TX 76102
Attn: Chris Spencer
(817) 885-1954**

ATTORNEY

**Thomas Kellahin, Esq.
706 Gonzales Road
Santa Fe, NM 87501
Fax 505-982-2047
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OPPOSITION

None

ATTORNEY

STATEMENT OF THE CASE

APPLICANT:

1. XTO has a working interest ownership in the oil and gas minerals from the surface to the base of the Pictured Cliffs formation underlying the N/2 of Section 28, T29N, R11N, NMPM, San Juan County, New Mexico.

*↑
RHW*

2. XTO plans to drill its Masden Selby Well 2R in Unit G of Section 28, T29N R11W and dedicate the NE/4 of Sec 28 to any Pictured Cliffs production and the N/2 of Sec 28 to any Fruitland coal gas production. See
3. These gas spacing units are located within the boundaries of the Basin Fruitland Coal Gas Pool and the Fulcher Kutz Pictured Cliffs Gas Pool.
4. By letter dated March 10, 2008, XTO has proposed to the other working interest or mineral owners that this well be drilled and downhole completed in the Pictured Cliffs and Fruitland coalbed formations to be dedicated to a standard 320-acre gas spacing and proration unit consisting of the N/2 a standard 160-acre gas spacing and proration unit consisting of the NE/4 both in Section 28.
5. Despite its reasonable efforts, application has been unable to obtain a written voluntary agreement from a certain uncommitted working interest and/or mineral interest owner, including internet searches and notices to 15 different possible address for Douglas Kensaton, XTO was unable to located Douglas Kensaton aka Douglas A. Kensaton aka Douglas L. Kensaton.
6. Pursuant to Section 70-2-17.C NMSA (1978) and in order to obtain its just and equitable share of potential production underlying this spacing unit, XTO needs an order of the Division pooling the interest identified above in order to protect correlative rights and prevent waste.

PROPOSED EVIDENCE

OPPONENT

WITNESSES

EST. TIME

EST. EXHIBITS

By affidavit of Aaron Austin
landman


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PROCEDURAL MATTERS

None anticipated

KELLAHIN & KELLAHIN


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