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

APPLICATION OF XTO PERMIAN OPERATING LLC FOR EXCEPTIONS TO THE WELL CASING PROGRAM REQUIREMENT UNDER ORDER NO. R-111-Q, EDDY COUNTY, NEW MEXICO.

CASE NO. 25297

OIL CONSERVATION DIVISION'S PRE-HEARING STATEMENT

The New Mexico Oil Conservation Division ("OCD") submits this Pre-Hearing Statement pursuant to 19.15.4.13(B) NMAC.

I. IDENTIFICATION OF PARTY AND COUNSEL

OCD has intervened in this matter and is represented by undersigned counsel.

II. STATEMENT OF THE CASE

XTO Permian Operating, LLC ("XTO") seeks approval of an exception to the four-string wellbore design requirements in Commission Order No. R-111-Q. XTO concluded construction of three wells in the James Ranch Unit in a manner that did not comply with Order R-111-Q, Section C(5)(c) at page 9, prior to seeking approval for a variance from either OCD or the Oil Conservation Commission ("OCC"). Upon notice of the need for exception to the well construction requirements, OCD determined that XTO must seek the exception from the OCC. The OCD has reviewed XTO's proposals to address the deficiencies and finds the proposals adequate to provide protection equal to the terms of R-111-Q, as applied to the specific factual circumstances of this project and application. OCD does not see XTO's proposals as necessarily acceptable and equally protective in all or future circumstances.

III. PROPOSED EVIDENCE

WITNESS:

ESTIMATED TIME:

1. Justin Wrinkle, Engineering Bureau Chief

< 20 minutes

Mr. Wrinkle is the Engineering Bureau Chief that manages the OCD's Engineering Bureau, including the Administrative Engineering group that reviews and approves well construction. He has served with OCD since 2023. Prior to joining OCD, Mr. Wrinkle has 19 years of oil and gas experience in the roles of Production Supervisor and Lead Field Operator for oil and gas operators. His qualifications are described in Exhibit 1. Mr. Wrinkle will be available to testify regarding OCD's assessment of XTO's proposed alternative safeguards.

EXHIBITS:

Exhibit 1 Resume of Justin Wrinkle

IV. PROCEDURAL MATTERS

The OCD has not identified any procedural matters to be resolved prior to the hearing.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that on July 10, 2025, I served this pleading by electronic mail on:

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Oil Conservation Commission Clerk

In The

Jesse Tremaine