

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

**ORDER NO. R-111-R  
OCC CASE NO. 25297**

**ORDER OF THE COMMISSION GRANTING EXCEPTION**

THIS MATTER came before the New Mexico Oil Conservation Commission (“Commission”) concerning XTO Permian Operating LLC’s (XTO) Application for Exception to the Well Casing Program Requirement under Order No. R-111-Q. Having considered the request, and being fully appraised in the matter:

**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

The Commission finds and concludes as follows:

1. On March 20, 2025, XTO filed an Application for Exception to the Well Casing Program Requirement under Order No. R-111-Q. The Application seeks an order approving an exception to the four-string wellbore design requirements in Commission Order No. R-111-Q, subsection C(5)(c)(iv), for three wells that encountered casing and cementing issues during drilling.
2. XTO is the designated operator of the James Ranch Unit in Eddy County, New Mexico.
3. The three wells at issue in this Application are as follows: (a) James Ranch Unit D1 7 Sawtooth #116H (API No. 30-015-54882); (b) James Ranch Unit D1 7 Sawtooth Federal C #117H (API No. 30-015-54883); (c) James Ranch Unit DI 7 Sawtooth #708H (API No. 30-015-54960).
4. XTO has proposed mitigation measures to make the wells equally protective as the Well Casing Program Requirement in Order No. R-111-Q. See Application, paragraph 16a, 16b; Pre-Hearing Statement, paragraph (a), (b); Exhibit A-5.
5. XTO notified the BLM, NM Oil Conservation Division, Joint Industry Technical Committee and affected potash operators of its proposed mitigation measures.
6. XTO did not receive any objections to its mitigation measures prior to hearing.
7. On July 17, 2025, the Commission held a hearing on this matter.
8. OCD Staff testified that OCD reviewed the Application and determined that the proposed mitigation measures were adequate to provide protection equal to the terms of R-111-Q.

9. XTO did not receive any objections to its mitigation measures at the hearing.

**FINAL ORDER**

THEREFORE, IT IS SO ORDERED THAT the mitigation measures proposed in the Application are deemed as equally protective as the Well Casing Program Requirement in Order No. R-111-Q and the Application for Exception to the Well Casing Program Requirement under Order No. R-111-Q is GRANTED.

DATED: 7/24/2025



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Albert C.S. Chang, Chairman  
New Mexico Oil Conservation Commission