State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan-Grisham

Governor

Melanie A. Kenderdine Cabinent Secretary

Albert C.S. Chang Division Director Oil Conservation Division



Ben SheltonDeputy Secretary

Erin Taylor
Deputy Secretary

Jaclyn M. McLean jmclean@hardlymclean.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 9019

Permian Resources Operating, LLC [OGRID 372165] Ocotillo State Com Well No. 213H API No. 30-015-55836

Reference is made to your application received on June 24th, 2025.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	324 FSL & 1294 FEL	O	06	23S	26E	Eddy
First Take Point	100 FSL & 2169 FEL	O	06	23S	26E	Eddy
Last Take Point/	100 FNL & 2169 FEL	В	31	22S	26E	Eddy
Terminus						

Proposed Horizontal Gas Units

Description	Acre	Pool	Pool Code
E/2 Section 06, T23S, R26E	640.31	Purple Sage; Wolfcamp, Gas	98220
E/2 Section 31, T22S, R26E			

You have requested to complete this horizontal well described above in the referenced pool or formation. This well is governed by special rules R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and governs wells to be located at least 330 feet from the unit outer boundary of a spacing unit and no closer than 10 feet to any quarter – quarter section line. The completed intervals of

Administrative Order NSL - 9019 Permian Resources Operating, LLC Page 2 of 2

horizontal wells are to be located no closer than 330 feet to the exterior boundary of a standard 320 - acre spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of First and Last Take Points referenced above within the described Horizontal Spacing Unit.

The well's completed interval is as close as 100 feet to the northern and southern boundary of the horizontal spacing unit. Encroachment will impact the following tract(s).

Section 30, T22S, R26E, encroachment to the SE/4 Section 07, T23S, R26E encroachment to the NE/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location in order to maintain optimal spacing of the development of wells in this section within the Wolfcamp formation underlying the E/2 of Section 06, T23S, R26E and the E/2 of Section 31, T22S, R26E, thereby preventing waste.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.

Albert C.S. Chang, PE

Albert Chang

Division Director

AC/lrl

Date: 7/25/2025

ID NO. 478155	NS	L - 9019		Revised March 23, 2017
RECEIVED: 06/24/25	REVIEWER:	TYPE:	APP NO:	

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION



INLW WILKICO OIL CONSI	
- Geological & Enginee 1220 South St. Francis Drive, S	
	PATION CUECKUCT
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE AF	PPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
REGULATIONS WHICH REQUIRE PROCESSING A	at the division level in Santa Fe
Applicant: Permian Resources Operating, LLC	OGRID Number: 372165
Well Name: Ocotillo State Com 213H	API: 30-015-55836
Pool: Purple Sage; Wolfcamp	Pool Code: 98220
SUBMIT ACCURATE AND COMPLETE INFORMATION RE INDICATED I	
1) TYPE OF APPLICATION: Check those which apply for A. Location – Spacing Unit – Simultaneous Dedice NSL NSP(PROJECT AREA)	
B. Check one only for [1] or [1] [1] Commingling - Storage - Measurement DHC CTB PLC PC [11] Injection - Disposal - Pressure Increase - I WFX PMX SWD IPI	□EOR □PPR
2) NOTIFICATION REQUIRED TO: Check those which a A. Offset operators or lease holders B. Royalty, overriding royalty owners, revenue C. Application requires published notice D. Notification and/or concurrent approval be Notification and/or concurrent approval be Surface owner G. For all of the above, proof of notification of No notice required	e owners Dy SLO Dy BLM Notice Complete Application Content Complete
3) CERTIFICATION: I hereby certify that the information administrative approval is accurate and complete understand that no action will be taken on this approval in the complete and the complete are submitted to the Division.	to the best of my knowledge. I also
Note: Statement must be completed by an individua	al with managerial and/or supervisory capacity.
	6/24/2025
Jaclyn M. McLean	Date
Print or Type Name	505-230-4410
	Phone Number
Jaclyn M. McLean Digitally signed by Jaclyn M. McLean Date: 2025.06.24 06:30.47 - 06:00	
Date: 2025.06.24 06:30:47 - 0600' Signature	jmclean@hardymclean.com e-mail Address
Juliatule	CTHOLESO



June 24, 2025

VIA ONLINE FILING

Gerasimos Razatos Acting Division Director Oil Conservation Division Energy, Minerals and Natural Resources Department 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Permian Resources Operating, LLC
Request for Administrative Approval of Unorthodox Well Location

Ocotillo State Com 213H (API No. 30-015-55836) E/2 of Section 6, Township 23 South, Range 26 East and the E/2 of Section 31, Township 22 South, Range 26 East, Eddy County, New Mexico Purple Sage; Wolfcamp (Code 98220)

Dear Mr. Razatos,

In accordance with Division Rules 19.15.16.15(C)(6), Permian Resources Operating, LLC ("Permian Resources") (OGRID No. 372165) seeks administrative approval of an unorthodox well location for the Ocotillo State Com 213H well, in a 640.31 acre, more or less, standard horizontal spacing unit, comprised of the E/2 of Section 6, Township 23 South, Range 26 East and the E/2 of Section 31, Township 22 South, Range 26 East, Eddy County, New Mexico.

The location for the **Ocotillo State Com 213H** well is as follows:

- <u>Surface Hole Location</u>: 324' FSL and 1,294' FEL, Section 6, Township 23 South, Range 26 East
- <u>First Take Point</u>: 100' FSL and 2,169' FEL, Section 6, Township 23 South, Range 26 East
- <u>Last Take Point</u>: 100' FNL and 2,269' FEL, Section 31, Township 22 South, Range 26 East

Writer:

125 Lincoln Avenue, Suite 223 Santa Fe, NM 87501 505-230-4410

HardyMclean.com

Jaclyn M. McLean Managing Partner jmclean@hardymclean.com Hardy McLean LLC June 24, 2025 Page 2

 Bottom Hole Location: 100' FNL and 2,269' FEL, Section 31, Township 22 South, Range 26 East

The completed interval of the well will be unorthodox because it is located less than 330' from the north and south boundary line of the spacing unit. As explained in the engineering statement, included as **Exhibit A**, approval of the unorthodox, completed interval is necessary to allow Permian Resources to properly place stimulation energy, optimize pressure drawdown, and improve overall productivity of the wells. This will prevent waste and protect correlative rights.

Exhibit B is a Form C-102 showing the location of the Ocotillo State Com 213H well in relation to the offset tracts.

Exhibit C is a plat for Section 6, Township 23 South, and Section 31, Township 22 South, that shows the Ocotillo State Com 213H well in relation to the adjoining tracts/proposed spacing units. Permian Resources is the offset operator of all adjoining tracts and spacing units.

Exhibit D is a list that identifies all affected persons who were sent a copy of this application and attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application, along with the date notice was sent, and a copy of the notice letter to affected persons.

Thank you for your attention to this matter. Please let me know if you require additional information.

Very truly yours,

HARDY MCLEAN LLC

/s/ Jaclyn M. McLean Jaclyn M. McLean

ATTORNEYS FOR PERMIAN RESOURCES OPERATING, LLC



300 N. MARIENFELD STREET, SUITE 1000 MIDLAND, TX 79701

OFFICE 432.695.4222 **FAX** 432.695.4063

4/14/2025

Re: OCOTILLO STATE COM 213H

SHL: 1,294' FEL, 324' FSL of Section 6, T23S-R26E **FTP:** 2,169' FEL, 100' FSL of Section 6, T23S-R26E **LTP:** 2,269' FEL, 100' FNL of Section 31, T22S-R26E **BHL:** 2,269' FEL, 100' FNL of Section 31, T22S-R26E

Eddy County, New Mexico

To Whom It May Concern,

Permian Resources Operating, LLC ("Permian") respectfully requests administrative approval on a non-standard location for the Ocotillo State Com 213H. The Ocotillo State Com 213H well is located in the Purple Sage; Wolfcamp (Gas) pool (98220) and has a First Take Point and Last Take Point 100' from the North and South line of the spacing unit so that Permian can maintain optimal well spacing of the development of the wells in this section. Placing the wells within the 330' setback required for Purple Sage; Wolfcamp (Gas) pool (98220) wells is necessary for Permian to properly place stimulation energy, and optimize pressure drawdown. Therefore, Permian respectfully requests approval of this non-standard location as it will create cost efficiencies, prevent waste, and protect correlative rights.

Sincerely,

Dutin Van Brut

Dustin Van Brunt

Sr. Staff Reservoir Engineer Permian Resources Operating, LLC

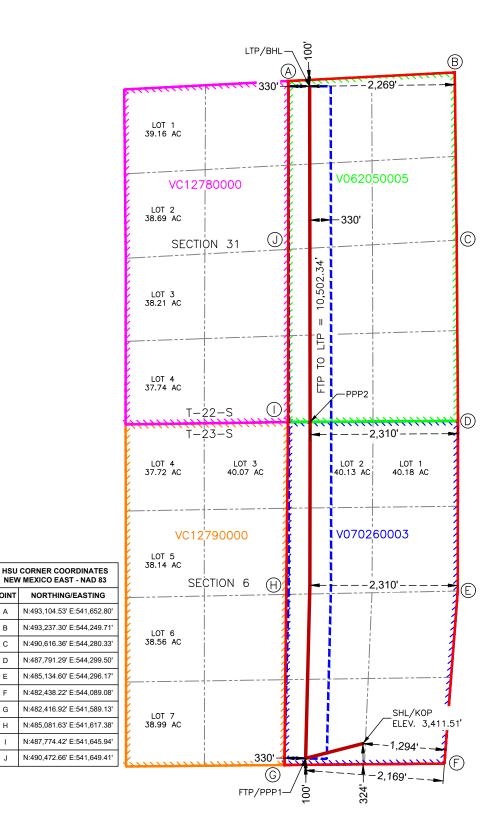
EXHIBIT B

	<u>12</u> Electronically Dermitting	y	En	0,	nerals & Nat	lew Mexico ural Resources Depa ATION DIVISION	artment	Submittal Type:	☑ Initial Su	
									☐ As Drille	ed
API Nu	ımbor oo	0.45 55000	Pool Code		i	Pool Name				
		015-55836		90220		Purple Sa	age; Wolfcan	np	+	
Proper	ty Code		Property N	ame	осоті	LLO STATE COM			Well Numb	er 213H
OGRIE	No. 37216	5	Operator N			URCES OPERATING,	, LLC			vel Elevation ,411.51'
	Surface O	wner: 🇹 Stat	e 🗆 Fee 🗆	Tribal □	Federal	Mineral Own	ner: 🇹 State	e 🗆 Fee 🛭	☐ Tribal ☐ F	ederal
					Surf	ace Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	L	ongitude	County
0	6	238	26E		324' FSL	1,294' FEL	32.327		04.328549°	EDDY
	1	l	<u> </u>	<u> </u>	I Bottoi	I m Hole Location	I			
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	L	ongitude	County
В	31	228	26E		100' FNL	2,269' FEL	32.355	386° -1	04.331244°	EDDY
64	ated Acres	Infill or Defin	ing Well	Defining	Well API	Overlapping Spacing		Consolida		
Order	Numbers.					Well setbacks are u	inder Comm	on Ownersh	nip: □Yes □I	No
					Kick (Off Point (KOP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	L	ongitude	County
0	6	23S	26E		324' FSL	1,294' FEL	32.327	155° -1	04.328549°	EDDY
	1		_	•)	ake Point (FTP)				-
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W 2,169' FEL	Latitude	1	ongitude	County
0	6	23S	26E		100' FSL		32.326	519 -1	04.331447°	EDDY
UL	Section	Township	Range	Lot	Ft. from N/S	Take Point (LTP) Ft. from E/W	Latitude	L	ongitude	County
В	31	228	26E		100' FNL	2,269' FEL	32.355		04.331244°	EDDY
								1		
Unitized Area or Area of Uniform Interest Spacing Unit Type Ho					lorizontal 🗆 Vertical	Grou	nd Floor Ele	evation:		
		TIFICATIONS				SURVEYOR CERTIFIC				
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.					THE COUNTY OF TH	the elimination of the second	y supervision Date: 6/23	, and that the s	from field notes of ame is true and	
Signatu	re		D	ate		Signature and Seal of Pro	ofessional Sur	veyor		
Printed	Name					Certificate Number 12177	Date of Sur	-	/23/2025	
Email A	ddress					have been consolidated o				

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



SURFACE HOLE LOCATION & KICK-OFF POINT 324' FSL & 1.294' FEL ELEV. = 3.411.51'

NAD 83 X = 542,815.34' NAD 83 Y = 482,751.14' NAD 83 LAT = 32.327155 NAD 83 LONG = -104.328549° NAD 27 X = 501,633.97' NAD 27 Y = 482,692.82' NAD 27 LAT = 32.327039° NAD 27 LONG = -104.328044°

> FIRST TAKE POINT & PENETRATION POINT 1 100' FSL & 2,169' FEL

NAD 83 X = 541,920.24' NAD 83 Y = 482.519.75 NAD 83 LAT = 32.326519° NAD 83 LONG = -104.331447° NAD 27 X = 500,738.88' NAD 27 Y = 482,461.45' NAD 27 LAT = 32.326403° NAD 27 LONG = -104.330941°

PENETRATION POINT 2 0' FSL & 2,310' FEL

NAD 83 X = 541,989.54' NAD 83 Y = 487,776.61' NAD 83 LAT = 32.340969° NAD 83 LONG = -104.331222° NAD 27 X = 500,808.30' NAD 27 Y = 487,718.16' NAD 27 LAT = 32.340853 NAD 27 LONG = -104.330716°

LAST TAKE POINT & BOTTOM HOLE LOCATION 100' FNL & 2,269' FEL

NAD 83 X = 541,982.70' NAD 83 Y = 493,021.27' NAD 83 LAT = 32.355386° NAD 83 LONG = -104.331244° NAD 27 X = 500,801.58' NAD 27 Y = 492,962.66' NAD 27 LAT = 32.355270° NAD 27 LONG = -104.330737°

POIN1

Α

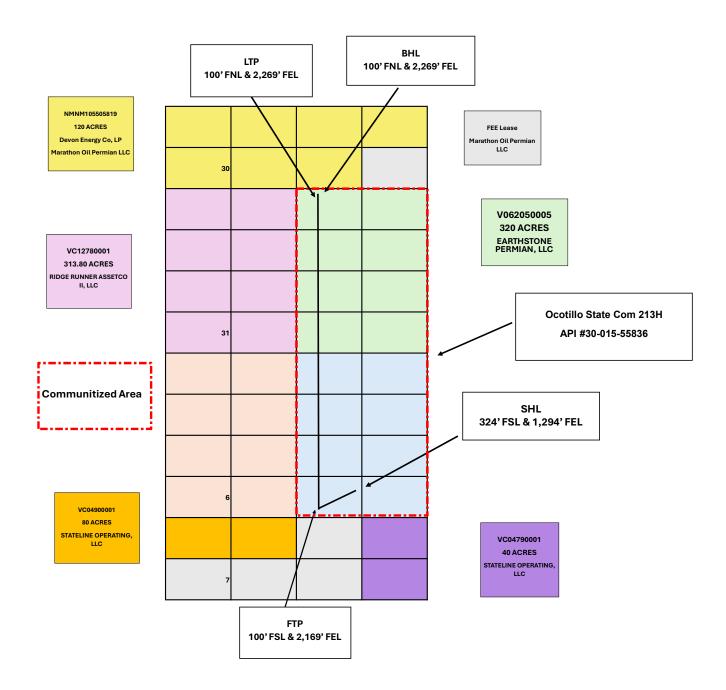
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Notice List - Ocotillo State Com 213H:

Stateline Operating, LLC 777 Main Street, Suite 3600 Fort Worth, TX 76102

Date Notice Sent: 6/24/2025

Tracking Number: 9414836208551284084165

Marathon Oil Permian, LLC 990 Town and Country Blvd Houston, TX 77024

Date Notice Sent: 6/24/2025

Tracking Number: 9414836208551284084196

Ridge Runner Assetco II, LLC 20405 State Hwy 249, Suite 820 Houston, TX 77070

Date Notice Sent: 6/24/2025

Tracking Number: 9414836208551284084219

Devon Energy Co, LP 333 West Sheridan Avenue Oklahoma City, OK 73102 Date Notice Sent: 6/24/2025

Tracking Number: 9414836208551284084233

New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87504

Date Notice Sent: 6/24/2025

Tracking Number: 9414836208551284084288



June 24, 2025

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: Permian Resources Operating, LLC

Request for Administrative Approval of Unorthodox Well Locations

Enclosed are copies of administrative applications requesting approval of unorthodox well locations for Permian Resources Operating, LLC's ("Permian Resources") Ocotillo State Com 214H and 213H wells. Administrative applications for the unorthodox well locations were filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty (20) days from the date this application is received by the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about these applications, please contact Daniel Koury, Senior Landman at Permian Resources – Daniel.Koury@permianres.com.

Sincerely,

HARDY MCLEAN LLC

/s/ Jaclyn M. McLean
Jaclyn M. McLean

ATTORNEYS FOR PERMIAN RESOURCES OPERATING, LLC

125 Lincoln Avenue, Suite 223 Santa Fe, NM 87501 505-230-4410

HardyMclean.com

Writer:
Jaclyn M. McLean
Managing Partner
jmclean@hardymclean.com

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Action 478155

CONDITIONS

Operator:	OGRID:
Permian Resources Operating, LLC	372165
300 N. Marienfeld St Ste 1000	Action Number:
Midland, TX 79701	478155
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	6/24/2025