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

APPLICATIONS OF PERMIAN RESOURCES OPERATING, LLC, FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NOS. 23432 - 23434

CONSOLIDATED PRE-HEARING STATEMENT

Permian Resources Operating, LLC ("Applicant") submits its Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT ATTORNEYS

Permian Resources Operating, LLC Dana S. Hardy

Jaclyn McLean Yarithza Peña Hinkle Shanor LLP P.O. Box 2068

Santa Fe, NM 87504-2068 Phone: (505) 982-4554 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com ypena@hinklelawfirm.com

INTERESTED PARTY ATTORNEYS

None.

STATEMENT OF THE CASE

In Case No. 23432, Applicant applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2 N/2 of Section 18, Township 19 South, Range 28 East, and the N/2 NE/4 of Section 13, Township 19 South, Range 27 East, Eddy County, New Mexico. The spacing unit will be dedicated to the following wells:

- Red Eagle 18 State Com 121H well, to be drilled from a surface hole location in the SE/4 NE/4 (Unit H) of Section 18, Township 19 South, Range 28 East, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 13, Township 19 South, Range 27 East; and
- Red Eagle 18 State Com 131H well, to be drilled from a surface hole location in the SE/4 NE/4 (Unit H) of Section 18, Township 19 South, Range 28 East, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 13, Township 19 South, Range 27 East.

In Case No. 23433, Applicant applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 of Section 18, Township 19 South, Range 28 East, and the S/2 NE/4 of Section 13, Township 19 South, Range 27 East, Eddy County, New Mexico. The spacing unit will be dedicated to the following wells:

- Red Eagle 18 State Com 122H well, to be drilled from a surface hole location in the SE/4 NE/4 (Unit H) of Section 18, Township 19 South, Range 28 East, to a bottom hole location in the SW/4 NE/4 (Unit G) of Section 13, Township 19 South, Range 27 East; and
- Red Eagle 18 State Com 132H well, to be drilled from a surface hole location in the SE/4 NE/4 (Unit H) of Section 18, Township 19 South, Range 28 East, to a bottom hole location in the SW/4 NE/4 (Unit G) of Section 13, Township 19 South, Range 27 East.

In Case No. 23434, Applicant applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit

comprised of the S/2 S/2 of Section 18, Township 19 South, Range 28 East, and the S/2 SE/4 of Section 13, Township 19 South, Range 27 East, Eddy County, New Mexico. The spacing unit will be dedicated to the following wells:

- Red Eagle 18 State Com 124H well, to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 18, Township 19 South, Range 28 East, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 13, Township 19 South, Range 27 East; and
- Red Eagle 18 State Com 134H well, to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 18, Township 19 South, Range 28 East, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 13, Township 19 South, Range 27 East.

The completed intervals of the Red Eagle 18 State Com wells (hereinafter collectively referred to as "Wells") will be orthodox. Also to be considered in each case will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

The Wells are located approximately 18 miles northeast of Carlsbad, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Mark Hajdik	Landman	Affidavit	Approx. 5
Christopher Cantin	Geologist	Affidavit	Approx. 7

PROCEDURAL MATTERS

Applicant intends to consolidate these cases for hearing and will present this matter by affidavit if there is no opposition.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

Dana S. Hardy Jaclyn McLean Yarithza Peña P.O. Box 2068

Santa Fe, NM 87504-2068 Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com ypena@hinklelawfirm.com

Counsel for Permian Resources Operating, LLC

District III

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Action 207509

QUESTIONS

Operator:	OGRID:
COLGATE OPERATING, LLC	371449
300 North Marienfeld Street	Action Number:
Midland, TX 79701	207509
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	Not answered.	
Testimony time (in minutes)	Not answered.	