

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

**APPLICATIONS OF PERMIAN RESOURCES
OPERATING, LLC FOR COMPULSORY
POOLING AND OVERLAPPING SPACING
UNITS, EDDY COUNTY, NEW MEXICO.**

**CASE NOS. 24964, 24965
24966**

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

**CASE NOS. 24967, 24968
24969, 24970
24971**

CONDOLIDATED PRE-HEARING STATEMENT

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

APPLICANT

Permian Resources Operating, LLC

ATTORNEYS

Dana S. Hardy
Jaclyn M. McLean
Dylan M. Villescascas
Hinkle Shanor LLP
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
dhardy@hinklelawfirm.com
jmclean@hinklelawfirm.com
dvillescascas@hinklelawfirm.com

INTERESTED PARTY

None.

ATTORNEY

STATEMENT OF THE CASES

In Case No. 24964, Permian Resources applies for an order an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying a 400-acre, more or less, standard, overlapping horizontal spacing unit

comprised of the N/2 NW/4 of Section 14 and the N/2 N/2 of Sections 15 and 16, Township 20 South, Range 27 East, Eddy County, New Mexico. The unit will be dedicated to the **Bonneville 14 Fed Com #121H** well, which will be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 14 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 16. The completed interval of the well will be orthodox. Applicant seeks to pool interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log. The unit will partially overlap with the spacing unit for the Bonneville 16 State #301H (API No. 30-015-49816), Bonneville 16 State #302H (API No. 30-15-49806), and Bonneville 16 State #303H (API No. 30-015-49818) wells, which are located in the N/2 of Section 16, Township 20 South, Range 27 East, and produce from the Avalon; Bone Spring, North Pool (Code 3712).

In **Case No. 24965**, Permian Resources applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying a 400-acre, more or less, standard, overlapping horizontal spacing unit comprised of the S/2 NW/4 of Section 14 and the S/2 N/2 of Sections 15 and 16, Township 20 South, Range 27 East, Eddy County, New Mexico. The unit will be dedicated to the **Bonneville 14 Fed Com #122H** well, which will be drilled from a surface hole location in the SE/4 NW/4 (Unit F) of Section 14 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 16. The completed interval of the well will be orthodox. Applicant seeks to pool interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log. The unit will partially overlap with the spacing unit for the Bonneville 16 State #301H (API No. 30-015-49816),

Bonneville 16 State #302H (API No. 30-15-49806), and Bonneville 16 State #303H (API No. 30-015-49818) wells, which are located in the N/2 of Section 16, Township 20 South, Range 27 East, and produce from the Avalon; Bone Spring, North Pool (Code 3712).

In **Case No. 24966**, Permian Resources applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying a 400-acre, more or less, standard, overlapping horizontal spacing unit comprised of the N/2 SW/4 of Section 14 and the N/2 S/2 of Sections 15 and 16, Township 20 South, Range 27 East, Eddy County, New Mexico. The unit will be dedicated to the **Bonneville 14 Fed Com #123H** well, which will be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 14 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 16. The completed interval of the well will be orthodox. Applicant seeks to pool interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log. The unit will partially overlap with the spacing unit for the Bonneville 16 State #204H (API No. 30-015-53736), Bonneville 16 State #304H (API No. 30-15-53498), and Bonneville 16 State #305H (API No. 30-015-53499) wells, which are located in the S/2 of Section 16, Township 20 South, Range 27 East, and produce from the Avalon; Bone Spring, North Pool (Code 3712) and Avalon; Bone Spring Pool (Code 96381).

In **Case No. 24967**, Permian Resources applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 SW/4 of Section 14 and the S/2 S/2 of Section 15, Township 20 South, Range 27 East, Eddy County, New Mexico. The unit will be dedicated to the **Bonneville 14 Fed Com #124H** well, which will

be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 14 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 15. The completed interval of the well will be orthodox. Applicant seeks to pool interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log.

In **Case No. 24968**, Permian Resources applies for an order pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2 NW/4 of Section 14 and the N/2 N/2 of Section 15, Township 20 South, Range 27 East, Eddy County, New Mexico. The unit will be dedicated to the **Bonneville 14 Fed Com #131H** well, which will be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 14 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 15. The completed interval of the well will be orthodox. Applicant seeks to pool interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log to the base of the Bone Spring formation.

In **Case No. 24969**, Permian Resources applies for an order pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 NW/4 of Section 14 and the S/2 N/2 of Section 15, Township 20 South, Range 27 East, Eddy County, New Mexico. The unit will be dedicated to the **Bonneville 14 Fed Com #132H** well, which will be drilled from a surface hole location in the SE/4 NW/4 (Unit F) of Section 14 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 15. The completed interval of the well will be orthodox. Applicant seeks to pool interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of

approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log to the base of the Bone Spring formation.

In **Case No. 24970**, Permian Resources applies for an order pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2 SW/4 of Section 14 and the N/2 S/2 of Section 15, Township 20 South, Range 27 East, Eddy County, New Mexico. The unit will be dedicated to the **Bonneville 14 Fed Com #133H** well, which will be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 14 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 15. The completed interval of the well will be orthodox. Applicant seeks to pool interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log to the base of the Bone Spring formation.

In **Case No. 24971**, Permian Resources applies for an order pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 SW/4 of Section 14 and the S/2 S/2 of Section 15, Township 20 South, Range 27 East, Eddy County, New Mexico. The unit will be dedicated to the **Bonneville 14 Fed Com #134H** well, which will be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 14 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 15. The completed interval of the well will be orthodox. Applicant seeks to pool interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log to the base of the Bone Spring formation.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells are located approximately 10 miles North of Carlsbad, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Ryan Curry	Landman	Affidavit	Approx. 5
Christopher Cantin	Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

Applicant intends to consolidate these cases for hearing and will present the cases by affidavit if there is no opposition to its applications.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

Dylan M. Villescascas

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

dvillescascas@hinklelawfirm.com

Counsel for Permian Resources Operating, LLC

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

QUESTIONS

Action 406989

QUESTIONS

Operator: Permian Resources Operating, LLC 300 N. Marienfeld St Ste 1000 Midland, TX 79701	OGRID: 372165
	Action Number: 406989
	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.