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

APPLICATION OF PERMIAN RESOURCES OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-23594, LEA COUNTY, NEW MEXICO.

CASE NO. 25130 ORDER NO. R-23594

HEARING EXHIBITS

Exhibit A Self-Affirmed Statement of Travis Macha

- A-1 Application & Proposed Notice
- A-2 Order No. R-23594
- A-3 Plat of Tracts, Tract Ownership, Pooled Parties, Unit Recapitulation
- A-4 Sample Well Proposal Letter & AFEs
- A-5 Summary of Communications

Exhibit B Self-Affirmed Statement of Dana S. Hardy

- B-1 Sample of Notice Letter Sent January 14, 2025
- B-2 Notice Letter Chart
- B-3 Copy of Certified Mail Receipts and Returns
- B-4 Affidavit of Publication for January 17, 2025

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

APPLICATION OF PERMIAN RESOURCES OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-23594, LEA COUNTY, NEW MEXICO.

CASE NO. 25130 ORDER NO. R-23594

SELF-AFFIRMED STATEMENT OF TRAVIS MACHA

1. I am employed by Permian Resources Operating, LLC ("Permian Resources") ("Applicant") as the New Mexico Land Manager. I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division") and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. I am familiar with the land matters involved in the above-referenced case. Copies of Permian Resources' (OGRID No. 372165) application and proposed hearing notice are attached as **Exhibit A-1**.

3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.

4. On December 12, 2024, the Division entered Order No. R-23594 ("Order") in Case No. 24856, which pooled uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a standard, overlapping, horizontal spacing unit comprised of the W/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico ("Unit"). The Order further dedicated the Unit to the Tour Bus 23 Fed Com 303H well ("Well") and designated Permian Resources as operator of the Unit and Well.

5. A copy of the Order is attached as **Exhibit A-2**.

Permian Resources Operating, LLC Case No. 25130 Exhibit A 6. Since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that have not been pooled under the terms of the Order.

7. **Exhibit A-3** provides a plat of the tracts included in the Unit, identifies the interests in each tract, and identifies the additional uncommitted interests to be pooled under the terms of the Order, which are highlighted in yellow.

8. **Exhibit A-4** is a sample well proposal letter and AFEs that I sent to the additional parties to be pooled under the terms of the Order.

9. Applicant has conducted a diligent search of county public records, including phone directories, computer databases, and internet searches, to identify addresses and contact information for each interest owner it seeks to pool.

10. In my opinion, Applicant has made a good-faith effort to reach voluntary joinder as indicated by the chronology of contact described in **Exhibit A-5**.

11. Applicant requests the additional uncommitted interests be pooled under the terms of the Order.

12. In my opinion, the granting of Permian Resources' application would serve the interests of conservation and prevention of waste.

13. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

14. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and it made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date next to my signature below.

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Travis Macha

2/2/2025

Date

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

APPLICATION OF PERMIAN RESOURCES OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-23594, LEA COUNTY, NEW MEXICO.

CASE NO. 25130 ORDER NO. R-23594

APPLICATION

Pursuant to NMSA § 70-2-17, Permian Resources Operating, LLC ("Applicant") files this application with the Oil Conservation Division ("Division") for the limited purpose of pooling additional uncommitted interests under the terms of Division Order No. R-23594. Applicant states the following in support of its application.

1. On December 12, 2024, the Division entered Order No. R-23594 ("Order") in Case No. 24856, which pooled uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a standard, overlapping, horizontal spacing unit comprised of the W/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico ("Unit"). The Order further dedicated the Unit to the Tour Bus 23 Fed Com 303H well ("Well") and designated Permian Resources Operating, LLC (OGRID No. 372165) as operator of the Unit and Well.

2. Since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that have not been pooled under the terms of the Order.

3. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from the additional interest owners but has been unable to obtain voluntary agreements from the owners.

4. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interests should be pooled into the Unit pursuant to the terms of the Order.

Permian Resources Operating, LLC Case No. 25130 Exhibit A-1 WHEREFORE, Applicant requests this application be set for hearing before an Examiner of

the Division on February 13, 2025, and, after notice and hearing, the Division pool the additional

uncommitted interests into the Unit pursuant to the terms of Division Order No. R-23594.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy Dana S. Hardy Jaclyn M. McLean Dylan M. Villescas P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com dvillescas@hinklelawfirm.com *Counsel for Permian Resources Operating, LLC* Application of Permian Resources Operating, LLC to Pool Additional Interests Under Order No. R-23594, Lea County, New Mexico. Permian Resources Operating, LLC ("Applicant") seeks to pool additional uncommitted interests under the terms of Division Order No. R-23594 ("Order"). The Order: (1) pooled uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a standard, overlapping, horizontal spacing unit comprised of the W/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico ("Unit"); (2) dedicated the Unit to the Tour Bus 23 Fed Com 303H well ("Well"); and (3) designated Permian Resources Operating, LLC (OGRID No. 372165) as operator of the Unit and Well. Since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that should be pooled under the terms of the Order. The Well is located approximately 17 miles southwest of Eunice, New Mexico.

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY PERMIAN RESOURCES OPERATING, LLC

CASE NO. 24856 ORDER NO. R-23594

<u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on October 10, 2024, and after considering the testimony, evidence, and recommendation of the Hearing and Technical Examiners, issues the following Order.

FINDINGS OF FACT

- 1. Permian Resources Operating, LLC ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the

Permian Resources Operating, LLC Case No. 25130 Exhibit A-2 depth(s) and location(s) in the Unit described in Exhibit A.

- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

<u>ORDER</u>

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
- 20. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 21. This Order shall terminate automatically if the Operator fails to comply with the preceding paragraph unless the Operator requests an extension by notifying the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the extension is automatically granted up to one year. If a protest is received the extension is not granted and the Operator must set the case for a hearing.
- 22. Operator may propose reasonable deviations from the development plan via notice to the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the deviation is automatically granted. If a protest is received the deviation is not granted and the Operator must set the case for a hearing.

CASE NO. 24856 ORDER NO. R-23594

- 23. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 24. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 25. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who elects to pay its share of the Actual Well Costs out of production from the well costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 26. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 27. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs that exceed the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 28. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 29. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include

CASE NO. 24856 ORDER NO. R-23594 the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.

- 30. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 31. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 32. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to the preceding paragraph to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 33. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 34. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 35. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 36. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 37. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

CASE NO. 24856 ORDER NO. R-23594 GR/dm

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

tratos

GERASIMOS RAZATOS DIRECTOR (Acting) Date: <u>12/12/2024</u>

CASE NO. 24856 ORDER NO. R-23594

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24856	APPLICANT'S RESPONSE		
Hearing Date: October 10, 2024			
Applicant	Permian Resources Operating, LLC		
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (OGRID No. 372165)		
Applicant's Counsel:	Hinkle Shanor LLP		
Case Title:	Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Lea County, New Mexico.		
Entries of Appearance/Intervenors:	Northern Oll & Gas Inc.		
Well Family	Tour Bus		
Formation/Pool			
Formation Name(s) or Vertical Extent:	Bone Spring		
Primary Product (Oil or Gas):	Oil		
Pooling this vertical extent:	First Bone Spring		
Pool Name and Pool Code:	Ojo Chiso; Bone Spring pool (Code 96553)		
Well Location Setback Rules:	Statewide		
Spacing Unit			
Type (Horizontal/Vertical)	Horizontal		
Size (Acres)	320 acres		
Building Blocks:	quarter-quarter		
Orientation:	North to South		
Description: TRS/County	W/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico		
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes.		
Other Situations			
Depth Severance: Y/N. If yes, description	Yes. Applicant seeks to pool uncommitted interests from the top of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,674' TVD to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,867' TVD as shown on the Ojo Chiso Federal #003 (API #30-025-30733) well log.		
Proximity Tracts: If yes, description	No.		
Proximity Defining Well: if yes, description	N/A		
Applicant's Ownership in Each Tract	Exhibit A-3		
Well(s)			
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed		

R-23594 EXHIBIT A

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Well #1	Tour Bus 23 Fed Com 303H (API # pending) SHL: 529' FNL & 1262' FEL (Unit A), Section 23, T22S, R34E BHL: 100' FSL & 2296' FEL (Unit O), Section 26, T22S, R34E Completion Target: Bone Spring (Approx. TVD: 9,600')
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits C-1, C-2, C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled Ownership Depth Severance (including percentage above & below)	N/A Exhibit A-3
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-6
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	Exhibit B

R-23594 EXHIBIT A

Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-5
Additional Information	N/A
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pro	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	10/3/2024

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Permian Resources Operating, LLC Case No. 25130 Exhibit A-3



Case 25130 – Tour Bus 23-26 Federal Com 303H

Treat Conitul													
Tract Capitul				Unit Capitulation (All Tour Bus Wells) Owner WI			с	в					
Owner		egal	WI	Permian Resources Operating LLC	50.000%	NWNW	NENW	NWNE	A NENE				
Permian Resources Operating LLC			1		31.406%								
BTA Oil Producers, LLC	Sec 2	6: All	0.628106	COG Operating LLC	12.500%						BC	മ	80
COG Operating LLC	Sec 2	6: All	0.25	Northern Oil and Gas, Inc.	5.011%	E SWNW	F SENW	G SWNE	H SENE		Ci	CI	ci n
Northern Oil and Gas, Inc.	Sec 2	6: All	0.100223	Ryan A. Pace Management Trust	0.271%	SWNW	SENW	SWINE	SEIVE		Spacing	Spacing)a(
Ryan A. Pace Management Trus	t Sec 2	6: All	0.005417	Clinton Pace	0.271%						S	S	Spacing
Clinton Pace (Estate)	Sec 2	6: All	0.005417		0.271%					3H 2H 2	ЗН	프	
Tara N. Pace	Sec 2	6: All	0.005417		0.271%	L NWSW	K NESW	J NWSE	I NESE		602H	603H	604H
Aleyna N. Pace	Sec 2		0.005417		100.000%						ø	ø	& 6
					100.00070							I	
Owner	Pooling	Owner	Туре	Comments		M SWSW	N SESW	O SWSE	P SESE		302H	303H	H707H
Permian Resources Operating LLC	N/A	WI/							23		8	3	m 23
BTA Oil Producers, LLC	Ν	W	1				225-3	-34E				Con	<u> </u>
COG Operating LLC	Ν	WI/	RT			D	c	в	A		CO		Con
Northern Oil and Gas, Inc.	Ν	W	I			D NWNW	C NENW	B NWNE	A NENE		Fed	Fed	Fed
Ryan A. Pace Management Trust	Ν	WI/	RT								ц Ц		
Clinton Pace (Estate)	Ν	WI/	RT								-26	-26	-26
Tara N. Pace	Ν	WI/	RT			E SWNW	F SENW	G SWNE	H SENE		23	23	m
Aleyna N. Pace	Ν	WI/	RT								sn		s 2
Hunt Oil Co	Y	RT	Seel	king Com Signatures - expecting signat	ure soon						m	Bus	Bus
Devon Energy Prod. Co LP	Ν	RT	Sign	ed Com		L	к				n	7	5
Samson Resources Co	Y	RT	Seel	eking Com Signatures		NWSW	NESW	NWSE	I NESE		Tour	Tour	Tour
Axis Energy Corp	Ν	RT	- Sign	led Com									F
Alpha Energy Partners, LLC	Y	RT	Inte	entfully unresponsive to signature request									
						M SWSW	N SESW	O SWSE	P SESE				
*Parties to be pooled are highlig	ghted in	yellow.							26				26

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

OFFICE 432.695.4222 **FAX** 432.695.4063

August 7, 2024

Via Certified Mail

Northern Oil & Gas, Inc 4350 Baker Rd., Suite 400 Minnetonka, MN 55343

Tour Bus 23-26 Federal Com – Well Proposals All of Sections 23 and 26, T22S-R34E Lea County, New Mexico

To Whom It May Concern:

Permian Resources Operating, LLC ("Permian"), hereby proposes the drilling and completion of the following six (6) wells, the Tour Bus 23-26 Federal Com wells at the following approximate location within Township 22 South, Range 34 East:

 Tour Bus 23-26 Federal Com 302H – Existing Pad SHL: 527' FNL & 1,295' FEL of Section 23 (or at a legal location in Unit A) BHL: 100' FSL & 1,656' FWL of Section 26 FTP: 100' FNL & 1,656' FWL of Section 23 LTP: 100' FSL & 1,656' FWL of Section 26 TVD: Approximately 9,600' TMD: Approximately 19,960' Proration Unit: E2W2 of Sections 23 & 26, T22S-R34E Targeted Interval: 1st Bone Spring Total Cost: See attached AFE

2. Tour Bus 23-26 Federal Com 303H – Existing Pad SHL: 529' FNL & 1,262' FEL of Section 23 (or at a legal location in Unit A) BHL: 100' FSL & 2,296' FEL of Section 26 FTP: 100' FNL & 2,296' FEL of Section 23 LTP: 100' FSL & 2,296' FEL of Section 26 TVD: Approximately 9,600' TMD: Approximately 19,960' Proration Unit: W2E2 of Sections 23 & 26, T22S-R34E Targeted Interval: 1st Bone Spring Total Cost: See attached AFE

> Permian Resources Operating, LLC Case No. 25130 Exhibit A-4

3. Tour Bus 23-26 Federal Com 304H – Existing Pad SHL: 530' FNL & 1,229' FEL of Section 23 (or at a legal location in Unit A) BHL: 100' FSL & 990' FEL of Section 26 FTP: 100' FNL & 989' FEL of Section 23 LTP: 100' FSL & 990' FEL of Section 26 TVD: Approximately 9,600' TMD: Approximately 19,960' Proration Unit: E2E2 of Sections 23 & 26, T22S-R34E Targeted Interval: 1st Bone Spring Total Cost: See attached AFE 4. Tour Bus 23-26 Federal Com 602H – Existing Pad SHL: 397' FNL & 1,290' FEL of Section 23 (or at a legal location in Unit A) BHL: 100' FSL & 1,986' FWL of Section 26 FTP: 100' FNL & 1,986' FWL of Section 23 LTP: 100' FSL & 1,986' FWL of Section 26 TVD: Approximately 11,150' TMD: Approximately 21,685' Proration Unit: E2W2 of Sections 23 & 26, T22S-R34E Targeted Interval: 3rd Bone Spring Total Cost: See attached AFE 5. Tour Bus 23-26 Federal Com 603H – Existing Pad SHL: 399' FNL & 1,257' FEL of Section 23 (or at a legal location in Unit A) BHL: 100' FSL & 2,194' FEL of Section 26 FTP: 100' FNL & 2,194' FEL of Section 23 LTP: 100' FSL & 2,194' FEL of Section 26 TVD: Approximately 11,150' TMD: Approximately 21,685' Proration Unit: W2E2 of Sections 23 & 26, T22S-R34E Targeted Interval: 3rd Bone Spring Total Cost: See attached AFE 6. Tour Bus 23-26 Federal Com 604H – Existing Pad SHL: 400' FNL & 1,224' FEL of Section 23 (or at a legal location in Unit A) BHL: 100' FSL & 990' FEL of Section 26 FTP: 100' FNL & 990' FEL of Section 23 BHL: 100' FSL & 990' FEL of Section 26 TVD: Approximately 11,150' TMD: Approximately 21,685' Proration Unit: E2E2 of Sections 23 & 26, T22S-R34E Targeted Interval: 3rd Bone Spring Total Cost: See attached AFE

The locations, TVDs, and targets are approximate and subject to change dependent on surface or subsurface issues encountered. These locations do fall within an approved potash drill island, so any surface changes remain subject to BLM approval. Permian is proposing to drill these wells under the modified terms of the 1989 AAPL Operating Agreement and a form of said Operating Agreement is enclosed. The Operating Agreement has the following general provisions:

- -100%/300%/300% non-consent provisions
- \$8,000/\$800 drilling and producing rates
- Permian Resources Operating, LLC named as Operator

Please indicate your election to participate in the drilling and completion of the proposed wells in the space provided below. Please sign and return one copy of this letter, a signed copy of the proposed AFE, and your geologic well requirements.

In the interest of time, should we not reach an agreement within thirty (30) days of the date of your receipt of this letter, Permian will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well. If you do not wish to participate, Permian would be interested in acquiring your interest in the subject lands which is subject to further mutually agreeable negotiation.

Thank you for your time and consideration, if you have any questions at all, please don't hesitate to contact me at 432.400.0188 or by email at mason.maxwell@permianres.com

Respectfully,

Moory Mocunel

Mason Maxwell Landman

Enclosures

Elections on page to follow.

Tour Bus 23-26 Federal Com Elections:

Well Elections:					
(Please indicate your responses in the spaces below)					
Well(s) Elect to Participate Elect to <u>NOT</u> Partic					
Tour Bus 23-26 Federal Com 302H					
Tour Bus 23-26 Federal Com 303H					
Tour Bus 23-26 Federal Com 304H					
Tour Bus 23-26 Federal Com 602H					
Tour Bus 23-26 Federal Com 603H					
Tour Bus 23-26 Federal Com 604H					

Company Name (If Applicable):

Ву:	
Printed Name:	
Date:	

Participate / Rejection Declaration

Please return this page to Permian Resources Operating, LLC ("Permian") by the date specified in the letter, signed indicating your election to either participate in or reject this insurance program. If you reject the insurance coverage arranged by Permian, then, to the extent that Permian has an obligation to secure any such insurance on your behalf under any applicable agreements or otherwise, Permian will be relieved of such obligation, and Permian will assume that you maintain appropriate levels of insurance and will provide a current Certificate of Insurance upon request. If you fail to make an election within 30 days from receipt of this notice, you will be deemed a participant in the program as detailed on the attached and billed for your percentage participation as such.

- □ I hereby elect to participate in the insurance coverage arranged by Permian Resources Operating, LLC and understand that I will be charged for such participation.
- □ I hereby elect to reject the insurance coverage arranged by Permian Resources Operating, LLC.

Agreed this _____ day of _____, 2024 by:

Company Name (If Applicable)

By: _____

Printed Name: _____

Title:

Permian Resources Operating, LLC

300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

8.7.2024		AFE NO.:	1
Tour Bus 23-26 Federal Com 303H	_	FIELD:	Bone Spring
Section 23 & 26, T22S-R34E		MD/TVD:	19,960' / 9,600'
Lea County, New Mexico	L	ATERAL LENGTH:	10,000'
	—	DRILLING DAYS:	19.6
FBSG	со	MPLETION DAYS:	18.6
	Section 23 & 26, T22S-R34E Lea County, New Mexico	Section 23 & 26, T22S-R34E Lea County, New Mexico	Section 23 & 26, T22S-R34E MD/TVD: Lea County, New Mexico LATERAL LENGTH: DRILLING DAYS: DRILLING DAYS:

REMARKS:

Drill a horizontal FBSG well and complete with 44 stages. AFE includes drilling, completions, flowback and Initial AL install cost

	DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBLE COSTS	COSTS	COSTS	COSTS	COSTS
1 Land / Legal / Regulatory \$	48,916			\$ 48,916
2 Location, Surveys & Damages	241,634	15,154		256,789
4 Freight / Transportation	39,949	36,720	18,231	94,900
5 Rental - Surface Equipment	104,282	180,687	86,596	371,566
6 Rental - Downhole Equipment	172,305	50,163	-	222,468
7 Rental - Living Quarters	40,331	45,696	-	86,027
10 Directional Drilling, Surveys	360,291	-	-	360,291
11 Drilling	632,287		-	632,287
12 Drill Bits	84,025	-	-	84,025
13 Fuel & Power	158,474	608,165	-	766,639
14 Cementing & Float Equip 15 Completion Unit, Swab, CTU	204,071		13,673	204,071 13,673
16 Perforating, Wireline, Slickline	-	329,754	15,075	329,754
17 High Pressure Pump Truck	-	103,400		103,400
18 Completion Unit, Swab, CTU	-	122,867		122,867
20 Mud Circulation System	88,247	-		88,247
21 Mud Logging	14,703			14,703
22 Logging / Formation Evaluation	6,098	6,994		13,092
23 Mud & Chemicals	303,499	367,540	9,115	680,154
24 Water	36,452	554,956	227,885	819,293
25 Stimulation	-	682,793	-	682,793
26 Stimulation Flowback & Disp	-	102,001	136,731	238,732
28 Mud / Wastewater Disposal	161,971	51,292	-	213,263
30 Rig Supervision / Engineering	101,656	111,909	13,673	227,239
32 Drlg & Completion Overhead	8,743	-	-	8,743
35 Labor	128,633	58,286	13,673	200,592
54 Proppant 95 Insurance	- 12,296	1,052,856	-	1,052,856 12,296
97 Contingency	12,290	20,484		20,484
99 Plugging & Abandonment		-		-
TOTAL INTANGIBLES >	2,948,865	4,501,717	519,578	7,970,160
			,	
TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
60 Surface Casing \$	102,527	-	-	\$ 102,527
61 Intermediate Casing	305,581	-	-	305,581
62 Drilling Liner	-	-	-	-
63 Production Casing	576,273	-	-	576,273
64 Production Liner	-	-	-	-
65 Tubing	-	-	127,616	127,616
66 Wellhead	54,369	-	36,462	90,831
67 Packers, Liner Hangers	12,357	-	18,231	30,587
68 Tanks 69 Production Vessels	-	-	-	-
70 Flow Lines	-			
71 Rod string				
72 Artificial Lift Equipment			82,039	82,039
73 Compressor				-
74 Installation Costs	-		50,641	50,641
75 Surface Pumps			-	-
76 Downhole Pumps	-			-
77 Measurement & Meter Installation	-		27,346	27,346
78 Gas Conditioning / Dehydration	-			-
79 Interconnecting Facility Piping	-	-	18,231	18,231
80 Gathering / Bulk Lines	-		-	
81 Valves, Dumps, Controllers	-			-
82 Tank / Facility Containment	-	-	-	-
83 Flare Stack	-	-	15,192	15,192
84 Electrical / Grounding	-	-	35,449	35,449
85 Communications / SCADA	-	-	10,128	10,128
96 In standard to the station of the factor			5,064	5,064
86 Instrumentation / Safety	-			
86 Instrumentation / Safety TOTAL TANGIBLES > TOTAL COSTS >	- 1,051,107 3,999,972	4,501,717	426,399 945,977	1,477,506 9,447,666

PREPARED BY Permian Resources Operating, LLC:

Drilling Engineer:	PS			
Completions Engineer:	NH			
Production Engineer:	DC			
Permian Resources Operating, LI	LC APPROVAL:			
Co-CEO		Co-CEO	VP - Operations	
	WH	JW		CRM
VP - Land & Legal		VP - Geosciences	_	
	BG	SO		
NON OPERATING PARTNER A	PPROVAL:			
Company Name:		Working Interest (%)	: Tax ID:	
Signed by:		Date	:	
Title:		Approval	Yes N	Io (mark one)

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including, legal, curative, regulatory, tookerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and billed proportionately for Operator's well control and generative unless participant extensions carcinitate visionme in a monot acceptable to the Operator by the date of sput.

Tour Bus – Re-Open – Contact Chronology



December 2024: Original Orders issued (Record Title only owners went un-pooled)

December 2024-Present:

Hunt – Actively engaged, expecting Com Signatures soon Samson – Seems like general disinterest/confusion on what is needed, Samson sold most NM assets years ago Alpha – Actively ignoring Com Signature requests

> Permian Resources Operating, LLC Case No. 25130 Exhibit A-5

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

APPLICATION OF PERMIAN RESOURCES OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-23594, LEA COUNTY, NEW MEXICO.

CASE NO. 25130 ORDER NO. R-23594

SELF-AFFIRMED STATEMENT OF DANA S. HARDY

I am attorney in fact and authorized representative of Permian Resources Operating,
 LLC, the Applicant herein.

2. I am familiar with the Notice Letter attached as **Exhibit B-1** and caused the Notice Letter, along with the Application in this case, to be sent to the parties set out in the chart attached as **Exhibit B-2**.

3. Exhibit B-2 also provides the date each Notice Letter was sent and the date each return was received.

4. Copies of the certified mail green cards and white slips are attached as Exhibit B-3 as supporting documentation for proof of mailing and the information provided on Exhibit B-2.

5. On January 17, 2025, I caused a notice to be published to all interested parties in the Hobbs News - Sun. An Affidavit of Publication from the Legal Clerk of the Hobbs News – Sun along with a copy of the notice publication, is attached as **Exhibit B-4**.

6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

<u>/s/ Dana S. Hardy</u> Dana S. Hardy February 3, 2025 Date

> Permian Resources Operating, LLC Case No. 25130 Exhibit B



HINKLE SHANOR LLP

ATTORNEYS AT LAW P.O. BOX 2068 SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623

January 14, 2025

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

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

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case Nos. 25125, 25127, 25128, 25129, 25130 & 25131 – Applications of Permian Resources Operating, LLC to Extend Time to Pool Additional Interests Under Order Nos. R-23598, R-23597, R-23596, R-23595, R-23594 & R-23593, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed applications were filed with the New Mexico Oil Conservation Division. The hearing on these applications will be conducted on February 13, 2025, beginning at 9:00 a.m.

The hearings will be conducted in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website: <u>https://www.emnrd.nm.gov/ocd/hearing-info/</u>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (https://wwwapps.emnrd.nm.gov/ocd/ocdpermitting/) or via e-mail to ocd.hearings@emnrd.nm.gov and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

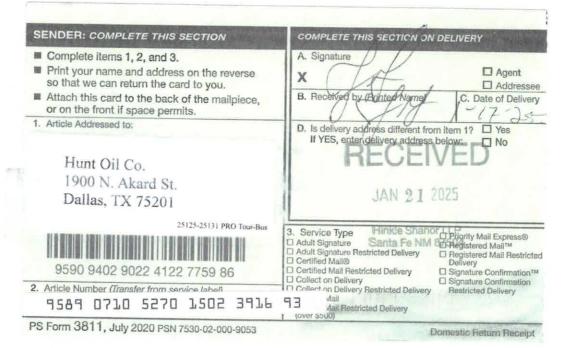
If you have any questions about this application, please contact Travis Macha, Land Manager at Permian Resources Operating, LLC, via e-mail at Travis.Macha@permianres.com.

	Sincerely, /s/ Dana S. Hardy	Permian Resources Operating, LLC
	Dana S. Hardy	<u>Case N</u> o. 25130 Exhibit B-1
PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332	7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321	PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Alpha Energy Partners LLC	1-14-2025	Per USPS Tracking
PO Box 10701	9589071052701502391686	2-3-2025: Item in
Midland, TX 79702-7701		transit.
Hunt Oil Co.	1-14-2025	1-21-2025
1900 N. Akard St.	9589071052701502391716	
Dallas, TX 75201		
Samson Resources Co.	1-14-2025	Per USPS Tracking
2 W 2nd St.	9589071052701502391709	2-3-2025:
Tulsa, OK 74103-3123		Forward Expired/
		Return to Sender.
Nuray K. Pace, Guardian for Aleyna	1-14-2025	1-21-2025
N. Pace, a minor	9589071052701502391693	
15 Maroon Creek Ct.		
Spring, TX 77389		
Nuray K. Pace, Guardian for Tara N.	1-14-2025	1-21-2025
Pace, a minor	9589071052701502391723	
15 Maroon Creek Ct.		
Spring, TX 77389		

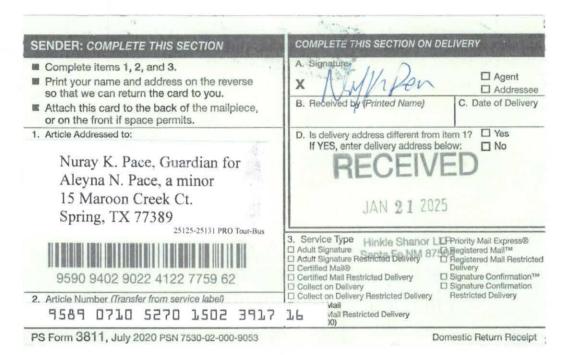
.



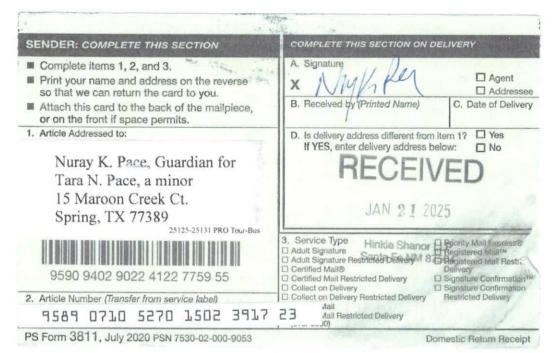


Permian Resources Operating, LLC Case No. 25130 Exhibit B-3











USPS Tracking[®]

FAQs >

Page 31 of 34

Remove X

Tracking Number: 9589071052701502391686

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Latest Update

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

Get More Out of USPS Tracking:

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Delivered

Out for Delivery

Preparing for Delivery

Moving Through Network In Transit to Next Facility

January 18, 2025

Departed USPS Facility

ALBUQUERQUE, NM 87101 January 14, 2025, 11:24 pm

See All Tracking History

What Do USPS Tracking Statuses Mean? (https://faq.usps.com/s/article/Where-is-my-package)

Text & Email Updates

Feedback



USPS Tracking[®]

FAQs >

Page 33 of 34

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Tracking Number: 9589071052701502391709

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Latest Update

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

Get More Out of USPS Tracking:

USPS Tracking Plus[®]

Moving Through Network In Transit to Next Facility

February 2, 2025

Departed USPS Regional Facility

OKLAHOMA CITY OK DISTRIBUTION CENTER January 28, 2025, 8:41 am

Arrived at USPS Regional Facility

OKLAHOMA CITY OK DISTRIBUTION CENTER January 27, 2025, 10:51 am

Forward Expired

TULSA, OK 74103 January 18, 2025, 6:17 am

Departed USPS Regional Facility

TULSA OK DISTRIBUTION CENTER January 16, 2025, 8:31 pm

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I. Wade Cavitt. Owner of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated January 17, 2025 and ending with the issue dated January 17, 2025.

Owner

Sworn and subscribed to before me this 17th day of January 2025.

esth Black

Business Manager

My commission expires January 20 POT NEW MEXICO NOTARY PUBLIC (Seal) GUSSIE RUTH BLACK COMMISSION # 1087526 COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL NOTICE January 17, 2025

This is to notify all interested parties, including Alpha Energy Partners LLC; Hunt Oil Co.; Samson Resources Co.; Nuray K. Pace, Guardian for Aleyna N. Pace, a minor; Nuray K. Pace, Guardian for Tara N. Pace, a minor; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on the applications submitted by Permian Resources Operating, LLC (Case Numbers 25125, 25127, 25128, 25129, 25130 and 25131). The hearing will be conducted on February 13, 2025, in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

In Case No. 25125, Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) seeks to pool additional uncommitted interests under the terms of Division Order No. R-23598. The Order: (1) pooled uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a standard, overlapping, horizontal spacing unit comprised of the E/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico; (2) dedicated the Unit to the Tour Bus 23 Fed Com 604H well: and (3) designated Applicant as operator of the Unit and Well. Since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that should be pooled under the terms of the Order.

In Case No. 25127, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-23597. The Order: (1) pooled uncommitted interests in the Third Bone Spring interval of the Bone Spring uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a standard, overlapping, horizontal spacing unit comprised of the W/2 E/2 of Sections 23 and 26. Township 22 South, Range 34 East, Lea County, New Mexico; (2) dedicated the Unit to the Tour Bus 23 Fed Com 603H well; and (3) designated Applicant as operator of the Unit and Well. Since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that should be pooled under the terms of the Order.

In Case No. 25128, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-23596. The Order: (1) pooled uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a standard, overlapping, horizontal spacing unit comprised of the E/2 W/2 of Sections 23 and 26. Township 22 South, Range 34 East, Lea County, New Mexico; (2) dedicated the Unit to the Tour Bus 23 Fed Com 602H well; and (3) designated Applicant as operator of the Unit and Well. Since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that should be pooled under the terms of the Order.

In Case No. 25129, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-23595. The Order: (1) pooled uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a standard, overlapping, horizontal spacing unit comprised of the E/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico; (2) dedicated the Unit to the Tour Bus 23 Fed Com 304H well; and (3) designated Applicant as operator of the Unit and Well. Since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that should be pooled under the terms of the Order. In Case No. 25130, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-23594. The Order: (1) pooled uncommitted interests in the First Bone Spring Interval of the Bone Spring formation underlying a standard, overlapping, horizontal spacing unit comprised of the W/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico; (2) dedicated the Unit to the Tour Bus 23 Fed Com 303H well; and (3) designated Applicant has identified additional uncommitted interests in the Unit to the Tour Bus 23 Fed Com 303H well; and (3) designated Applicant has identified additional uncommitted interests in the Unit to the Tour Bus 23 Fed Com 303H well; and (3) designated Applicant has identified additional uncommitted interests in the Unit that should be pooled under the terms of the Order.

In **Case No. 25131**, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-23593. The Order: (1) pooled uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a standard, overlapping, horizontal spacing unit comprised of the E/2 W/2 of Sections 23 and 26. Township 22 South, Range 34 East, Lea County, New Mexico; (2) dedicated the Unit to the Tour Bus 23 Fed Com 302H well; and (3) designated Applicant as operator of the Unit and Well. Since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that should be pooled under the terms of the Order. The Wells are located approximately 17 miles southwest of Eunice, New Mexico. #00297575

02107475

00297575

GILBERT HINKLE, SHANOR LLP PO BOX 2068 SANTA FE, NM 87504

Permian Resources Operating, LLC Case No. 25130 Exhibit B-4