

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

**APPLICATION OF PERMIAN RESOURCES
OPERATING, LLC FOR COMPULSORY
POOLING AND OVERLAPPING SPACING
UNIT, LEA COUNTY, NEW MEXICO.**

CASE NO. 25156

EXHIBIT INDEX

Compulsory Pooling Checklist

| | |
|------------------|--|
| Exhibit A | Self-Affirmed Statement of Reagan Armstrong |
| A-1 | Resume of Reagan Armstrong |
| A-2 | Application & Proposed Notice of Hearing |
| A-3 | C-102 |
| A-4 | Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties |
| A-5 | Sample Well Proposal Letter & AFE |
| A-6 | Chronology of Contact |
| Exhibit B | Self-Affirmed Statement of Chris Reudelhuber |
| B-1 | Regional Locator Map |
| B-2 | Cross-Section Location Map |
| B-3 | Subsea Structure Map - Wolfcamp |
| B-4 | Stratigraphic Cross-Section |
| B-5 | Gun Barrel Development Plan |
| Exhibit C | Self-Affirmed Statement of Dana S. Hardy |
| C-1 | Notice Letter to All Interested Parties Sent January 16, 2025 |
| C-2 | Chart of Notice to All Interested Parties |
| C-3 | Copies of Certified Mail Receipts and Returns |
| C-4 | Affidavit of Publication for January 22, 2025 |

| COMPULSORY POOLING APPLICATION CHECKLIST | |
|--|---|
| ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS | |
| Case: 25156 | APPLICANT'S RESPONSE |
| Date: March 13, 2025 | |
| Applicant | Permian Resources Operating, LLC |
| Designated Operator & OGRID (affiliation if applicable) | Permian Resources Operating, LLC (OGRID No. 372165) |
| Applicant's Counsel: | Hardy McLean LLC |
| Case Title: | Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. |
| Entries of Appearance/Intervenors: | XTO Energy Inc. |
| Well Family | Casa Bonita |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Bone Spring |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | First Bone Spring Interval of the Bone Spring Formation |
| Pool Name and Pool Code: | WC-025 G-07 S223505N; Bone Spring (98136) & Rock Lake; Bone Spring (52766) |
| Well Location Setback Rules: | Statewide |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 482.26 |
| Building Blocks: | quarter-quarter |
| Orientation: | North to South |
| Description: TRS/County | W/2 W/2 of irregular Section 5 and the W/2 W/2 of Sections 8 and 17, Township 22 South, Range 35 East, Lea County |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe and 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 Bone Spring formation to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,522' TVD as observed on the San Simon 5 State #002 well log (API No. 30-025-28480). |
| 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 |
| Well #1 | Casa Bonita 5 State Com 301H (API # pending) SHL: 316' FSL & 1,420' FWL (Unit N), Section 32, T21S-R35E BHL: 100' FSL & 660' FWL (Unit M), Section 17, T22S-R35E Completion Target: First Bone Spring (Approx. 9,340' TVD) |
| AFE Capex and Operating Costs | |
| Drilling Supervision/Month \$ | \$10,000 |
| Production Supervision/Month \$ | \$1,000 |
| Justification for Supervision Costs | Exhibit A-5 |
| 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-4 |
| Tract List (including lease numbers and owners) | Exhibit A-4 |

| | |
|--|-------------------|
| 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-4 |
| Unlocatable Parties to be Pooled | N/A |
| Ownership Depth Severance (including percentage above & below) | Exhibit A-4 |
| Joinder | |
| Sample Copy of Proposal Letter | Exhibit A-5 |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit A-4 |
| Chronology of Contact with Non-Joined Working Interests | Exhibit A-6 |
| Overhead Rates In Proposal Letter | Exhibit A-5 |
| Cost Estimate to Drill and Complete | Exhibit A-5 |
| Cost Estimate to Equip Well | Exhibit A-5 |
| Cost Estimate for Production Facilities | Exhibit A-5 |
| Geology | |
| Summary (including special considerations) | Exhibit B |
| Spacing Unit Schematic | Exhibit B-1 |
| Gunbarrel/Lateral Trajectory Schematic | Exhibit B-5 |
| Well Orientation (with rationale) | Exhibit B |
| Target Formation | Exhibit B |
| HSU Cross Section | Exhibit B-2 |
| Depth Severance Discussion | Exhibit A |
| Forms, Figures and Tables | |
| C-102 | Exhibit A-3 |
| Tracts | Exhibit A-4 |
| Summary of Interests, Unit Recapitulation (Tracts) | Exhibit A-4 |
| General Location Map (including basin) | Exhibit B-1 |
| Well Bore Location Map | Exhibit B-2 |
| Structure Contour Map - Subsea Depth | Exhibits B-3 |
| Cross Section Location Map (including wells) | Exhibit B-2 |
| Cross Section (including Landing Zone) | Exhibit B-4 |
| Additional Information | |
| Special Provisions/Stipulations | N/A |
| CERTIFICATION: I hereby certify that the information provided 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: | 3/3/2025 |

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

**APPLICATION OF PERMIAN RESOURCES
OPERATING, LLC FOR COMPULSORY
POOLING AND OVERLAPPING SPACING
UNIT, LEA COUNTY, NEW MEXICO.**

CASE NO. 25156

**SELF-AFFIRMED STATEMENT
OF REAGAN ARMSTRONG**

1. I am a Landman with Permian Resources Operating, LLC (“Permian Resources”). 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 not previously testified before the New Mexico Oil Conservation Division (“Division”). I have a bachelor’s degree from Texas Tech University. I have been working as a landman since May 2023. A copy of my resume is attached as **Exhibit A-1**.

2. Copies of Permian Resources’ application and proposed hearing notice are attached as **Exhibit A-2**.

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. Permian Resources seeks an order pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 480-acre, more or less, standard, overlapping, horizontal spacing unit comprised of the W/2 W/2 of irregular Section 5 and the W/2 W/2 of Sections 8 and 17, Township 22 South, Range 35 East, Lea County, New Mexico (“Unit”).

5. The Unit will be dedicated to the **Casa Bonita 5-17 State Com 301H** well (“Well”), which will produce from a first take point in Lot 4 (NW/4 NW/4 equivalent) of Section 5 to a last take point in the SW/4 SW/4 (Unit M) of Section 17.

**Permian Resources Operating, LLC
Case No. 25156
Exhibit A**

6. The completed interval of the Well will be orthodox.
7. Due to a depth severance in the Bone Spring Formation within the Unit, Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,522' TVD as observed on the San Simon 5 State #002 well log (API No. 30-025-28480).
8. The Unit will partially overlap with the spacing unit for the Casa Bonita 32 State Com #121H (API No. 30-025-52199), which produces from the WC-025 G-07 S223505N; Bone Spring pool (Code 98136), and the spacing units for the Anter 17 State 1BS #002H (API No. 30-025-44142) and Antler 17 State 2BS #003H (API No. 30-025-44143), which produce from the Rock Lake; Bone Spring pool (Code 52766).
9. **Exhibit A-3** contains the C-102 for the Well.
10. **Exhibit A-4** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Permian Resources seeks to pool highlighted in yellow.
11. Exhibit A-3 also depicts the overlapping spacing units.
12. Permian Resources has conducted a diligent search of all county public records, including phone directories and computer databases, as well as internet searches, to locate the interest owners it seeks to pool.
13. **Exhibit A-5** contains a sample well proposal letter and AFE sent to working interest owners for the Well. The estimated costs reflected on the AFE are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

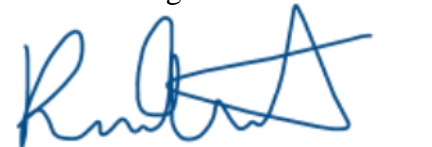
14. In my opinion, Permian Resources made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as indicated by the chronology of contact described in **Exhibit A-6**.

15. Permian Resources requests overhead and administrative rates of \$10,000 per month while the Well is being drilled and \$1,000 per month while the Well is producing. These rates are fair and are comparable to the rates charged by Permian Resources and other operators in the vicinity.

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

17. In my opinion, the granting of Permian Resources' application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

18. 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 is 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 electronic signature below.



Reagan Armstrong

01/30/2025

Date

Reagan Armstrong

Midland, TX | (806)-407-4595 | Reagan.armstrong@permianres.com

Professional Experience**Permian Resources****Contract Landman** | November 2024 – Present

- Draft well proposals, land-related contracts, and state and federal regulatory forms to support compliance and operational requirements.
- Evaluated title opinions and collaborated with attorneys and brokers to establish working interest ownership in three drilling units, ensuring accurate and efficient title management.
- Assist Senior landman with approval of pertinent documents such as plats, pooling applications, and JIB summaries.

Endeavor Energy Resources, L.P.**Associate Landman** | June 2023-September 2024

- Prepared in-depth analysis of leasehold status to provide the asset team with an accurate depiction of company ownership, potential critical dates, and lease obligations prior to spud – *final analyses involved 3rd party broker/title attorney management and included the Land Summary Sheet, Title Clearance Memos, and Adjacent Offset Tracker.*
- Assisted with Working Interest acquisition in Reagan County – *confirmed title ownership associated with targeted depths in 16 sections and worked to complete curative items to ensure parties' ownership.*
- Supported in review of Endeavor's ability to plug poorly producing vertical wells while leveraging various data sources such as the TX-RRC website, Enverus, internal cessation of production reports, leases, and further contracts – *successfully approved plugging for 43 wells.*
- Advised land administration department on acquisitions and ensure the obligations/critical provisions were accurately setup in Enertia for maintenance, reporting, and accounting purposes.
- Actively initiate AFE routing processes, as well as track partner ballots for P&A's and workovers.

Optima Land Services**Intern** | May 2022-August 2022

- Completed run sheets and ran title in local abstract and county clerk's offices for three sections in Pecos County.
- Conducted research on the Federal Leasing process and presented said research to company executives.
- Participated in weekly training sessions led by Senior Landman, which included topics such as, but not limited to, NRI calculations, Texas Oil and Gas Law, locating complex gaps in title, and lease negotiation.

Core Competencies*Project Management | Cross-Department Collaboration | Workflow Optimization | Data Analysis | Communication***Proficiencies***Spotfire | QuickBase | Microsoft Office Suite | ArcGIS | Document Intelligence | Enertia | Execute***Education****Texas Tech University****Bachelor of Business Administration, Energy Commerce** | August 2019-May 2023

- TTU Scholastic Success Scholarship Recipient
- Frankie & Kassandra Barela Scholarship from the Center of Energy Commerce

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

**APPLICATION OF PERMIAN RESOURCES
OPERATING, LLC FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

CASE NO. 25156

APPLICATION

Pursuant to NMSA § 70-2-17, Permian Resources Operating, LLC (“Applicant”) (OGRID No. 372165) applies for an order pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 480-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of irregular Section 5 and the W/2 W/2 of Sections 8 and 17, Township 22 South, Range 35 East, Lea County, New Mexico (“Unit”). In support of its application, Applicant states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
2. The Unit will be dedicated to the **Casa Bonita 5-17 State Com 301H** well (“Well”), which will produce from a first take point in Lot 4 (NW/4 NW/4 equivalent) of Section 5 to a last take point in the SW/4 SW/4 (Unit M) of Section 17.
3. The completed interval of the Well will be orthodox.
4. A depth severance exists in the Bone Spring Formation within the Unit. Accordingly, Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,522’ TVD as observed on the San Simon 5 State #002 well log (API No. 30-025-28480).

**Permian Resources Operating, LLC
Case No. 25156
Exhibit A-2**

5. The Unit will partially overlap with the spacing unit for the Casa Bonita 32 State Com #121H (API No. 30-025-52199), which produces from the WC-025 G-07 S223505N; Bone Spring pool (Code 98136), and the spacing units for the Antler 17 State 1BS #002H (API No. 30-025-44142) and Antler 17 State 2BS #003H (API No. 30-025-44143), which produce from the Rock Lake; Bone Spring pool (Code 52766).

6. Applicant has undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.

7. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

8. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the Well and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on February 13, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Well in the Unit;
- C. Designating Permian Resources Operating, LLC as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Permian Resources Operating, LLC to recover its costs of drilling, equipping, and completing the Well;

- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Permian Resources Operating, LLC in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.

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

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

dvillescascas@hinklelawfirm.com

*Counsel for Permian Resources Operating,
LLC*

is located in the E/2 W/2 of Section 22, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475); and Lowell Federal #001 (API No. 30-025-31008), which is located in the NE/4 SW/4 of Section 15, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475). Due to a depth severance within the Unit, Applicant seeks to pool uncommitted interests in the First Bone Spring interval of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,115' and 9,244' TVD, as shown on the Lowell Federal #001 (API No. 30-025-31008) well log. 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 29.8 miles west of Hobbs, New Mexico.

35. Case No. 25156: Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 480-acre, more or less, standard, horizontal spacing unit comprised of the W/2 W/2 of irregular Section 5 and the W/2 W/2 of Sections 8 and 17, Township 22 South, Range 35 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Casa Bonita 5-17 State Com 301H well ("Well"), which will produce from a first take point in Lot 4 (NW/4 NW/4 equivalent) of Section 5 to a last take point in the SW/4 SW/4 (Unit M) of Section 17. The completed interval of the Well will be orthodox. Due to a depth severance in the Bone Spring Formation within the Unit, Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,522' TVD as observed on the San Simon 5 State #002 well log (API No. 30-025-28480). The Unit will partially overlap with the spacing unit for the Casa Bonita 32 State Com #121H (API No. 30-025-52199), which produces from the WC-025 G-07 S223505N; Bone Spring pool (Code 98136), and the spacing units for the Antler 17 State 1BS #002H (API No. 30-025-44142) and Antler 17 State 2BS #003H (API No. 30-025-44143), which produce from the Rock Lake; Bone Spring pool (Code 52766). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 13.3 miles southwest of Eunice, New Mexico.

36. Case No. 25157: Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Lea County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the in the First Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard, overlapping, horizontal spacing unit comprised of the E/2 W/2 of irregular Section 5 and the W/2 W/2 of Section 8, Township 22 South, Range 35 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Casa Bonita 5-8 State Com 302H well ("Well"), which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section 5 to a last take point in the SE/4 SW/4 (Unit N) of Section 8. The completed interval of the Well will be orthodox. Due to a depth severance in the Bone Spring Formation within the Unit, Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,522' TVD as observed on the San Simon 5 State #002 well log (API No. 30-025-28480). The Unit will partially overlap with the spacing units for the Butter Stoch 17 State Com #122H well (API No. 30-025-52196), which produces from the WC-025 G-07 S223505N, Bone Spring (Code 98136) and Rock Lake; Bone Spring (Code 52766) pools. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 13.3 miles southwest of Eunice, New Mexico.

37. Case No. 25158: Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Lea County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the in the First Bone Spring interval of the Bone Spring formation underlying a 480-acre, more or less, standard, overlapping horizontal spacing unit comprised of the W/2 E/2 of irregular Section 5 and the W/2 E/2 of Sections 8 and 17, Township 22 South, Range 35 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Casa Bonita 5-17 State Com 303H well ("Well"), which will produce from a first take point in the NW/4 NE/4 (Unit B) of Section 5 to a last take point in the SW/4 SE/4 (Unit O) of Section 17. The completed interval of the Well will be orthodox. Due to a depth severance in the Bone Spring Formation within the Unit, Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,522' TVD as observed on the San Simon 5 State #002 well log (API No. 30-025-28480). The Unit will partially overlap with the spacing units for the Casa Bonita 8 State Com #123H (API No. 30-025-52486) and the Butter Stoch 8 State Com #123H (API No. 30-025-52484) wells, which produce from the WC-025 G-07 S223505N Pool (Code 98136). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 13.3 miles southwest of Eunice, New Mexico.

| | | | |
|---|--|---|---|
| C-102 Submit Electronically Via OCD Permitting | State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION | Exhibit A-3 Revised July 9, 2024 | |
| | | Submittal Type: | <input checked="" type="checkbox"/> Initial Submittal |
| | | | <input type="checkbox"/> Amended Report |
| | | | <input type="checkbox"/> As Drilled |

WELL LOCATION INFORMATION

| | | |
|--|--|---|
| API Number | Pool Code 98136 | Pool Name WC-025 G-07 S223505N; Bone Spring |
| Property Code | Property Name CASA BONITA 5 STATE COM | Well Number 301H |
| OGRID No. 372165 | Operator Name PERMIAN RESOURCES OPERATING, LLC | Ground Level Elevation 3,639.00' |
| Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal | | Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal |

Surface Location

| | | | | | | | | | |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|-----------------------------------|-------------------------------|----------------------------------|----------------------|
| UL N | Section 32 | Township 21S | Range 35E | Lot | Ft. from N/S 316' FSL | Ft. from E/W 1,420' FWL | Latitude 32.429082° | Longitude -103.393650° | County LEA |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|-----------------------------------|-------------------------------|----------------------------------|----------------------|

Bottom Hole Location

| | | | | | | | | | |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|-------------------------------|----------------------------------|----------------------|
| UL M | Section 17 | Township 22S | Range 35E | Lot | Ft. from N/S 100' FSL | Ft. from E/W 660' FWL | Latitude 32.384742° | Longitude -103.396076° | County LEA |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|-------------------------------|----------------------------------|----------------------|

| | | | | |
|----------------------------------|--|-------------------|---|--------------------|
| Dedicated Acres 482.26 | Infill or Defining Well Defining | Defining Well API | Overlapping Spacing Unit (Y/N) N | Consolidation Code |
| Order Numbers. | | | Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |

Kick Off Point (KOP)

| | | | | | | | | | |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|-----------------------------------|-------------------------------|----------------------------------|----------------------|
| UL N | Section 32 | Township 21S | Range 35E | Lot | Ft. from N/S 316' FSL | Ft. from E/W 1,420' FWL | Latitude 32.429082° | Longitude -103.393650° | County LEA |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|-----------------------------------|-------------------------------|----------------------------------|----------------------|

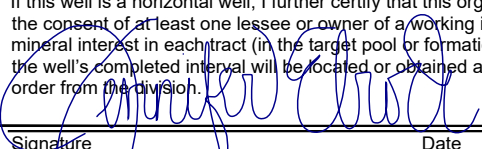
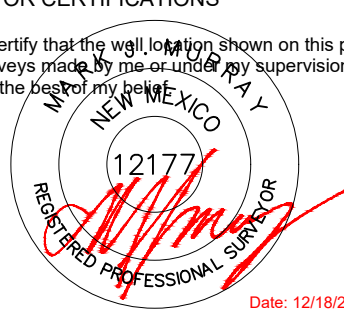
First Take Point (FTP)

| | | | | | | | | | |
|--------------------|---------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|-------------------------------|----------------------------------|----------------------|
| UL LOT 4 | Section 5 | Township 22S | Range 35E | Lot | Ft. from N/S 100' FNL | Ft. from E/W 660' FWL | Latitude 32.427935° | Longitude -103.396118° | County LEA |
|--------------------|---------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|-------------------------------|----------------------------------|----------------------|

Last Take Point (LTP)

| | | | | | | | | | |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|-------------------------------|----------------------------------|----------------------|
| UL M | Section 17 | Township 22S | Range 35E | Lot | Ft. from N/S 100' FSL | Ft. from E/W 660' FWL | Latitude 32.384742° | Longitude -103.396076° | County LEA |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|-------------------------------|----------------------------------|----------------------|

| | | |
|---|--|-------------------------|
| Unitized Area or Area of Uniform Interest | Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical | Ground Floor Elevation: |
|---|--|-------------------------|

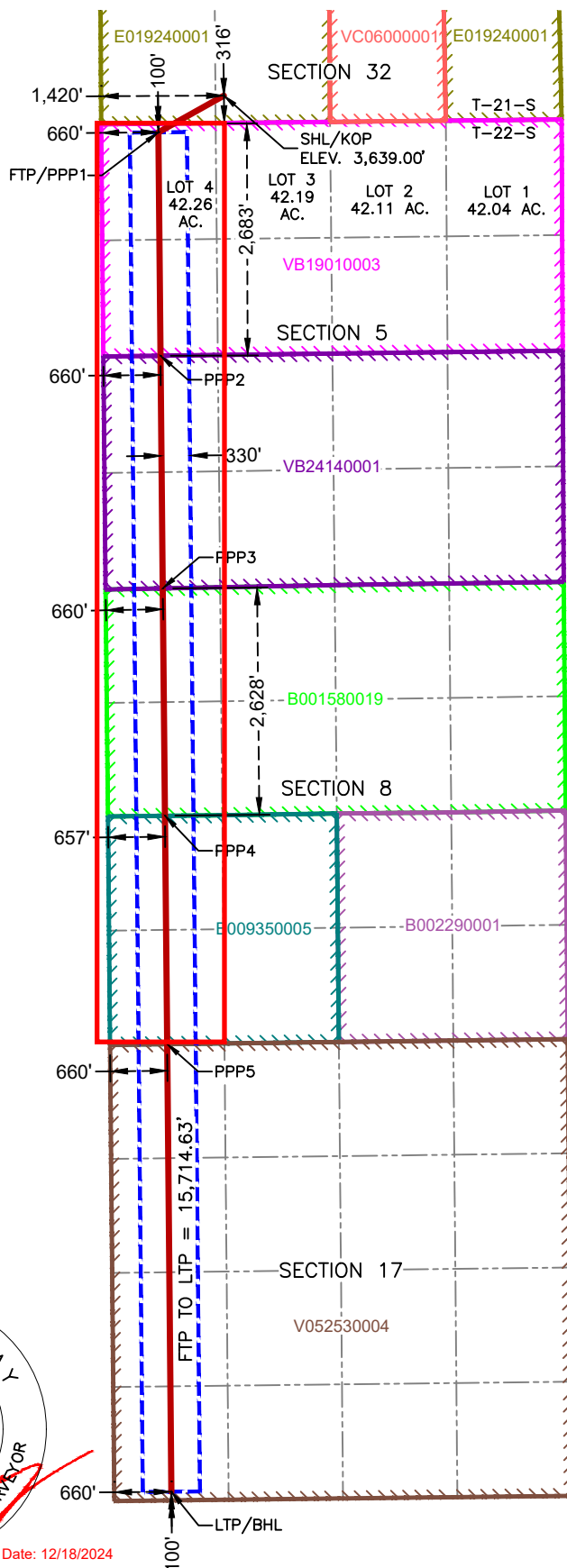
| | | | |
|--|--|---|--|
| OPERATOR CERTIFICATIONS I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest 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.  Signature _____ Date 12/19/2024 Jennifer Elrod Printed Name jennifer.elrod@permianres.com Email Address | | SURVEYOR CERTIFICATIONS I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Date: 12/18/2024 Signature and Seal of Professional Surveyor Certificate Number 12177 Date of Survey 12/18/2024 | |
|--|--|---|--|

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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**
316' FSL & 1,420' FWL
ELEV. = 3,639.00'

NAD 83 X = 831,268.86'
NAD 83 Y = 521,106.21'
NAD 83 LAT = 32.429082°
NAD 83 LONG = -103.393650°
NAD 27 X = 790,085.46'
NAD 27 Y = 521,045.05'
NAD 27 LAT = 32.428958°
NAD 27 LONG = -103.393173°

**FIRST TAKE POINT &
PENETRATION POINT 1**
100' FNL & 660' FWL
NAD 83 X = 830,511.23'
NAD 83 Y = 520,682.22'
NAD 83 LAT = 32.427935°
NAD 83 LONG = -103.396118°
NAD 27 X = 789,327.85'
NAD 27 Y = 520,621.08'
NAD 27 LAT = 32.427811°
NAD 27 LONG = -103.395640°

PENETRATION POINT 2
2,683' FNL & 660' FWL
NAD 83 X = 830,535.68'
NAD 83 Y = 518,099.54'
NAD 83 LAT = 32.420836°
NAD 83 LONG = -103.396112°
NAD 27 X = 789,352.25'
NAD 27 Y = 518,038.47'
NAD 27 LAT = 32.420712°
NAD 27 LONG = -103.395634°

PENETRATION POINT 3
0' FSL & 660' FWL
NAD 83 X = 830,561.14'
NAD 83 Y = 515,410.22'
NAD 83 LAT = 32.413444°
NAD 83 LONG = -103.396106°
NAD 27 X = 789,377.66'
NAD 27 Y = 515,349.22'
NAD 27 LAT = 32.413319°
NAD 27 LONG = -103.395628°

PENETRATION POINT 4
2,628' FNL & 657' FWL
NAD 83 X = 830,586.97'
NAD 83 Y = 512,782.52'
NAD 83 LAT = 32.406221°
NAD 83 LONG = -103.396097°
NAD 27 X = 789,403.43'
NAD 27 Y = 512,721.59'
NAD 27 LAT = 32.406097°
NAD 27 LONG = -103.395619°

PENETRATION POINT 5
0' FSL & 660' FWL
NAD 83 X = 830,612.91'
NAD 83 Y = 510,142.53'
NAD 83 LAT = 32.398965°
NAD 83 LONG = -103.396088°
NAD 27 X = 789,429.32'
NAD 27 Y = 510,081.68'
NAD 27 LAT = 32.398840°
NAD 27 LONG = -103.395611°

**LAST TAKE POINT &
BOTTOM HOLE LOCATION**
100' FSL & 660' FWL
NAD 83 X = 830,661.74'
NAD 83 Y = 504,968.31'
NAD 83 LAT = 32.384742°
NAD 83 LONG = -103.396076°
NAD 27 X = 789,478.05'
NAD 27 Y = 504,907.60'
NAD 27 LAT = 32.384618°
NAD 27 LONG = -103.395600°



Date: 12/18/2024

| | | | |
|---|--|----------------------|---|
| C-102 Submit Electronically Via OCD Permitting | State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION | Revised July 9, 2024 | |
| | | Submittal Type: | <input checked="" type="checkbox"/> Initial Submittal |
| | | | <input type="checkbox"/> Amended Report |
| | | | <input type="checkbox"/> As Drilled |

WELL LOCATION INFORMATION

| | | |
|--|--|---|
| API Number | Pool Code 52766 | Pool Name Rock Lake; Bone Spring |
| Property Code | Property Name CASA BONITA 5 STATE COM | Well Number 301H |
| OGRID No. 372165 | Operator Name PERMIAN RESOURCES OPERATING, LLC | Ground Level Elevation 3,639.00' |
| Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal | | Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal |

Surface Location

| | | | | | | | | | |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|-----------------------------------|-------------------------------|----------------------------------|----------------------|
| UL N | Section 32 | Township 21S | Range 35E | Lot | Ft. from N/S 316' FSL | Ft. from E/W 1,420' FWL | Latitude 32.429082° | Longitude -103.393650° | County LEA |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|-----------------------------------|-------------------------------|----------------------------------|----------------------|

Bottom Hole Location

| | | | | | | | | | |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|-------------------------------|----------------------------------|----------------------|
| UL M | Section 17 | Township 22S | Range 35E | Lot | Ft. from N/S 100' FSL | Ft. from E/W 660' FWL | Latitude 32.384742° | Longitude -103.396076° | County LEA |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|-------------------------------|----------------------------------|----------------------|

| | | | | |
|----------------------------------|--|-------------------|---|--------------------|
| Dedicated Acres 482.26 | Infill or Defining Well Defining | Defining Well API | Overlapping Spacing Unit (Y/N) N | Consolidation Code |
| Order Numbers. | | | Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |

Kick Off Point (KOP)

| | | | | | | | | | |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|-----------------------------------|-------------------------------|----------------------------------|----------------------|
| UL N | Section 32 | Township 21S | Range 35E | Lot | Ft. from N/S 316' FSL | Ft. from E/W 1,420' FWL | Latitude 32.429082° | Longitude -103.393650° | County LEA |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|-----------------------------------|-------------------------------|----------------------------------|----------------------|

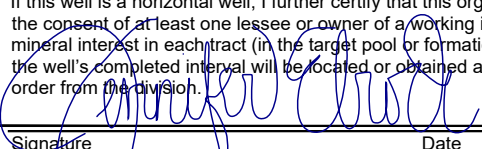
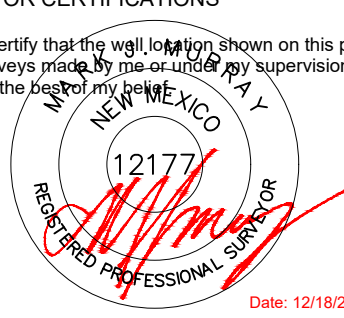
First Take Point (FTP)

| | | | | | | | | | |
|--------------------|---------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|-------------------------------|----------------------------------|----------------------|
| UL LOT 4 | Section 5 | Township 22S | Range 35E | Lot | Ft. from N/S 100' FNL | Ft. from E/W 660' FWL | Latitude 32.427935° | Longitude -103.396118° | County LEA |
|--------------------|---------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|-------------------------------|----------------------------------|----------------------|

Last Take Point (LTP)

| | | | | | | | | | |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|-------------------------------|----------------------------------|----------------------|
| UL M | Section 17 | Township 22S | Range 35E | Lot | Ft. from N/S 100' FSL | Ft. from E/W 660' FWL | Latitude 32.384742° | Longitude -103.396076° | County LEA |
|----------------|----------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|-------------------------------|----------------------------------|----------------------|

| | | |
|---|--|-------------------------|
| Unitized Area or Area of Uniform Interest | Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical | Ground Floor Elevation: |
|---|--|-------------------------|

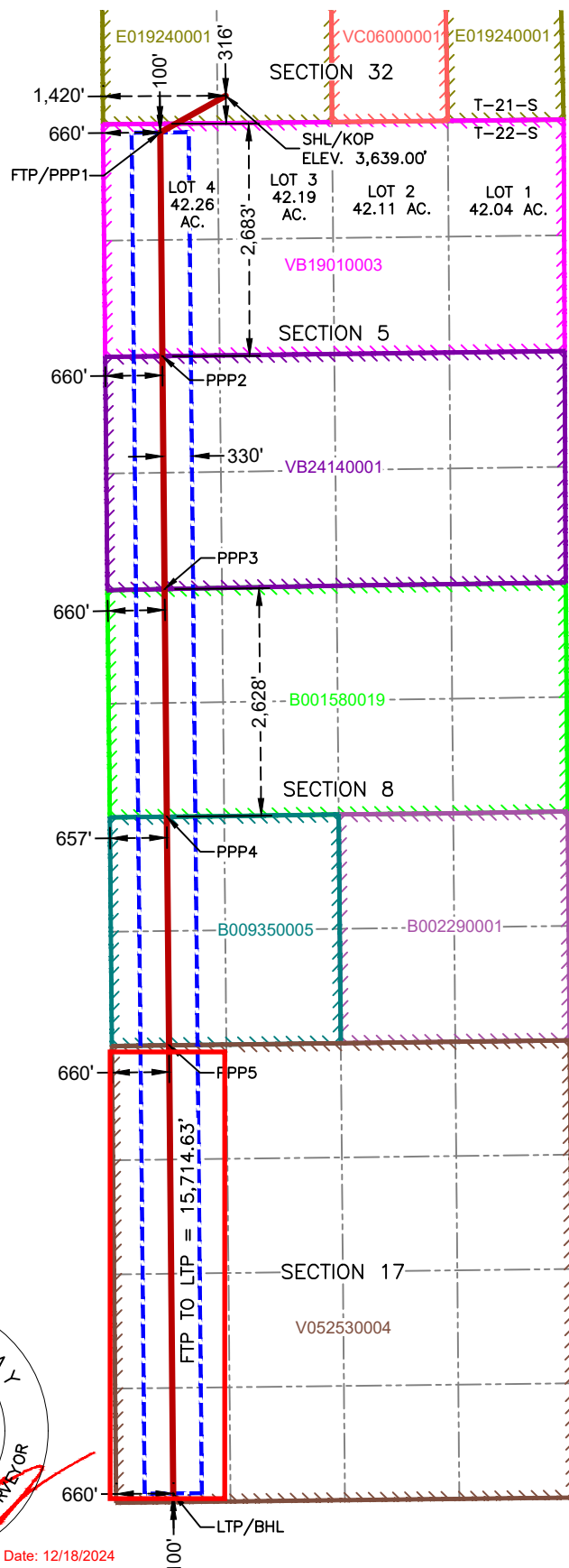
| | | | |
|--|--|---|--|
| OPERATOR CERTIFICATIONS I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest 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.  Signature _____ Date 12/19/2024 Jennifer Elrod Printed Name jennifer.elrod@permianres.com Email Address | | SURVEYOR CERTIFICATIONS I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Date: 12/18/2024 Signature and Seal of Professional Surveyor Certificate Number 12177 Date of Survey 12/18/2024 | |
|--|--|---|--|

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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Date: 12/18/2024

Land Exhibit: W2W2 – Casa Bonita 5 State Com 301H
Section 5, 8, and 17: W2W2, T22S-R35E, Lea Co., NM

| | | | | |
|--|-------|-----------------------------------|-------|-------|
| Lot 4 | Lot 3 | Section 5 | Lot 2 | Lot 1 |
| VB-1901-3 RT-Permian Resources Operating, LLC | | | | |
| VB-2414-1 RT-Permian Resources Operating, LLC | | | | |
| Section 8 B0-0158-19 RT-Apache Corporation | | | | |
| B0-935-5 RT-XTO Holdings, LLC | | B0-229-1 RT-Cheveron USA, Inc. | | |
| Section 17 V0-5253-5 RT-Permian Resources Operating, LLC | | | | |

| | | | |
|----------------------------|----------------------------|----------------------------|----------------------------|
| Casa Bonita State Com 301H | Casa Bonita State Com 302H | Casa Bonita State Com 303H | Casa Bonita State Com 304H |
| | | | |
| | | | |
| | | | |

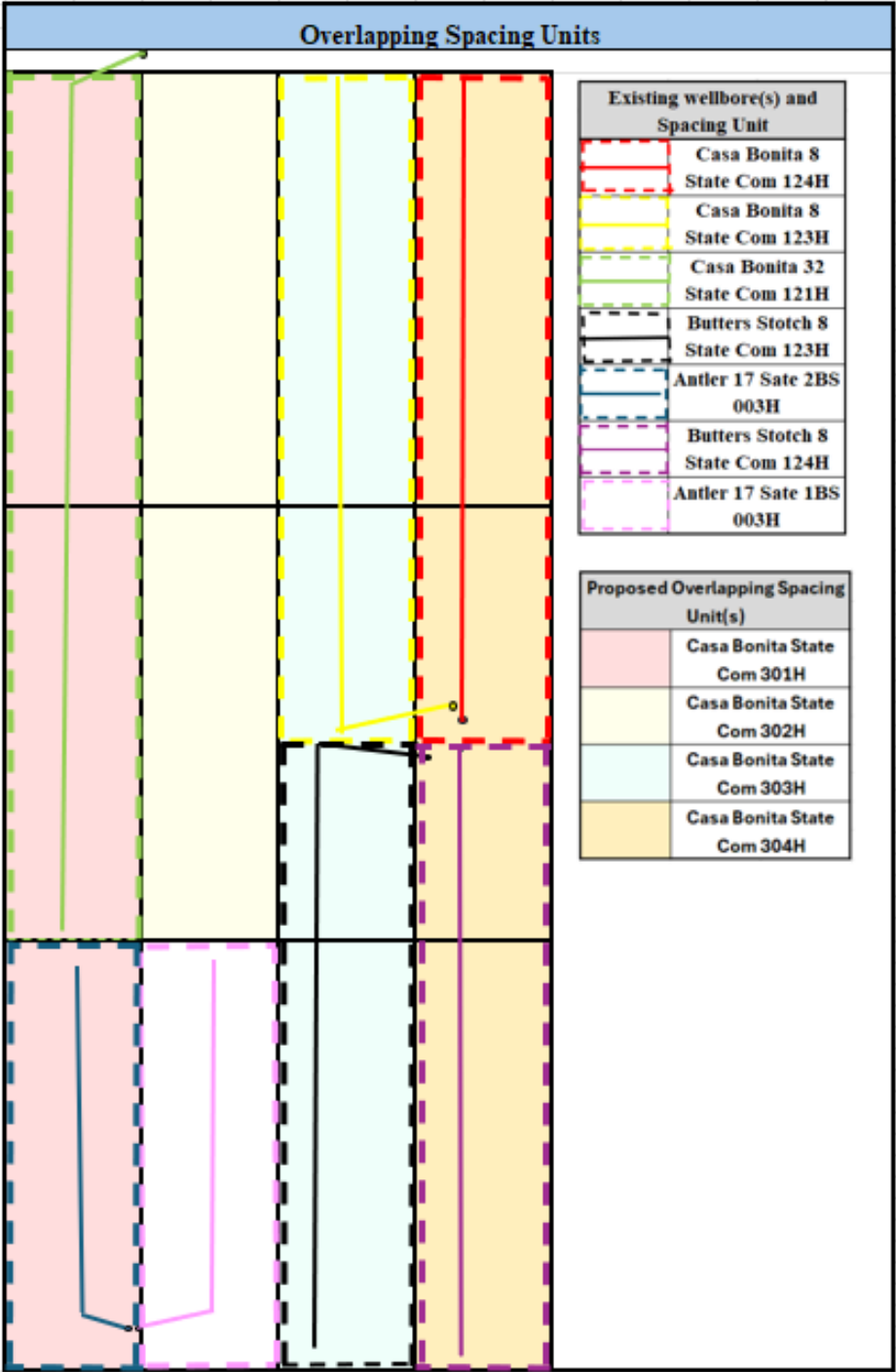
| Documents Sent | | | | | |
|----------------------------------|----------|----------|-----|----------|-------------------|
| Owner | Pooling? | Proposal | JOA | Com Agmt | Notes |
| Oxy Y-1 Company | N | Y | Y | Y | Executed All Docs |
| Apache Corporation | N | Y | Y | Y | No WI- Owns RT |
| XTO Holdings, LLC | N | Y | Y | Y | Executed All Docs |
| CL&F Operating, LLC | N | Y | Y | N/A | Executed All Docs |
| FR Energy, LLC | N | Y | Y | N/A | Executed All Docs |
| Timothy R. Macdonald | Y | Y | N/A | N/A | Did not elect |
| Permian Resources Operating, LLC | N/A | N/A | N/A | N/A | |
| Earthstone Permian, LLC | N/A | N/A | N/A | N/A | |

| Leasehold Ownership | | | | | | |
|----------------------------------|---------------------|------------------|------------------|------------------|-------------------|-------------------|
| Owner | Sec 5: Lot 4 & SWNW | Section 5: W2SW4 | Section 8: W2NW4 | Section 8: W2SW4 | Section 17: W2NW4 | Section 17: W2SW4 |
| Oxy Y-1 Company | 6.0000000% | 0.0000000% | 0.0000000% | 0.0000000% | 0.0000000% | 0.0000000% |
| Permian Resources Operating, LLC | 94.0000000% | 100.0000000% | 0.0000000% | 0.0000000% | 74.9583333% | 37.5000000% |
| Hilcorp | 0.0000000% | 0.0000000% | 100.0000000% | 0.0000000% | 0.0000000% | 50.0000000% |
| XTO Holdings, LLC | 0.0000000% | 0.0000000% | 0.0000000% | 100.0000000% | 0.0000000% | 0.0000000% |
| CL&F Operating, LLC | 0.0000000% | 0.0000000% | 0.0000000% | 0.0000000% | 12.5000000% | 6.2500000% |
| FR Energy, LLC | 0.0000000% | 0.0000000% | 0.0000000% | 0.0000000% | 12.5000000% | 6.2500000% |
| Timothy R. MacDonald | 0.0000000% | 0.0000000% | 0.0000000% | 0.0000000% | 0.041667% | 0.0000000% |
| Totals | 100.0000000% | 100.0000000% | 100.0000000% | 100.0000000% | 100.0000000% | 100.0000000% |

| Overlapping Spacing Units | |
|--------------------------------|--------------|
| Well Name | API |
| Casa Bonita 32 State Com #121H | 30-025-52199 |
| Antler State 1BS #002H | 30-025-44142 |
| Antler State 2BS #003H | 30-025-44143 |

| Unit Capitulation | |
|----------------------------------|--------------------------|
| Owner | Working Interest |
| Oxy Y-1 Company | 1.0234313440882500000% |
| Hilcorp | 16.5885621863725000000% |
| XTO Holdings, LLC (RT) | 16.5885621863725000000% |
| CL&F Operating, LLC | 3.1103554099448400000% |
| FR Energy, LLC | 3.1103554099448400000% |
| Timothy R. MacDonald | 0.006911956206195830% |
| Permian Resources Operating, LLC | 51.2775404138846000000% |
| Earthstone Permian, LLC | 8.2942810931862500000% |
| Total | 100.0000000000000000000% |

Land Exhibit: W2W2 – Casa Bonita 5 State Com 301H
Section 5, 8, and 17: W2W2, T22S-R35E, Lea Co., NM





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

OFFICE 432.695.4222
FAX 432.695.4063

November 27, 2024

Apache Corporation
2000 W. Sam Houston Pkwy S, Ste. 200,
Houston, Texas 77042

RE: Casa Bonita 5-17 State Com – Well Proposals
All of Sections 5, 8, and 17, T22S-R35E
Lea County, New Mexico

To Whom It May Concern:

Permian Resources Operating, LLC ("Permian"), hereby proposes the drilling and completion of the following four (4) wells, the Casa Bonita State Com wells at the following approximate location within Township 22 South, Range 35 East:

1. Casa Bonita 5-17 State Com 301H

SHL: 1,500' FWL, 330' FNL of Section 5, or at a legal location in the NW/4
BHL: 660' FWL & 100' FSL of Section 17
FTP: 660' FWL & 100' FNL of Section 5
LTP: 660' FWL & 100' FSL of Section 17
TVD: Approximately 9,340'
TMD: Approximately 25,090'
Proration Unit: W2W2 of Sections 5, 8, and 17, T22S-R35E
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE

2. Casa Bonita 5-8 State Com 302H

SHL: 1,500' FWL, 300' FNL of Section 5, or at a legal location in the NW/4
BHL: 1,980' FWL & 100' FSL of Section 8
FTP: 1,980' FWL & 100' FNL of Section 5
LTP: 1,980' FWL & 100' FSL of Section 8
TVD: Approximately 9,340'
TMD: Approximately 20,090'
Proration Unit: E2W2 of Sections 5 and 8, T22S-R35E
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE

Permian Resources Operating, LLC
Case No. 25156
Exhibit A-5

3. Casa Bonita 5-17 State Com 303H

SHL: 1,450' FEL, 275' FNL of Section 5, or at a legal location in the NE/4

BHL: 1980' FEL & 100' FSL Section 17

FTP: 1980' FEL & 100' FNL of Section 5

LTP: 1980' FEL & 100' FSL Section 17

TVD: Approximately 9,340'

TMD: Approximately 25,090'

Proration Unit: W2E2 of Sections 5, 8, and 17 T22S-R35E

Targeted Interval: 1st Bone Spring

Total Cost: See attached AFE

4. Casa Bonita 5-17 State Com 304H

SHL: 1,450' FEL, 305' FNL of Section 5, or at a legal location in the NE/4

BHL: 660' FEL & 100' FSL of Section 17

FTP: 660' FEL & 100' FNL of Section 5

LTP: 660' FEL & 100' FSL of Section 17

TVD: Approximately 9,340'

TMD: Approximately 25,090'

Proration Unit: E2E2 of Sections 5, 8, and 17, T22S-R35E

Targeted Interval: 1st 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 reagan.armstrong@permianres.com.

Respectfully,



Reagan Armstrong
Landman

Enclosures

Casa Bonita 23-26 State Com Elections:

| Well Elections : (Please Indicate your responses in the spaces below) | | |
|---|-----------------------------|--|
| Well(s) | Elect to Participate | Elect to <u>NOT</u> Participate |
| Casa Bonita 5-17 State Com 301H | | |
| Casa Bonita 5-17 State Com 302H | | |
| Casa Bonita 5-17 State Com 303H | | |
| Casa Bonita 5-17 State Com 304H | | |

Company Name (If Applicable):

By: _____

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: _____

| | | | |
|------------------------|------------------------------|---------------------|---------------------------|
| AFE Number: | 500329 | Description: | 1st Bone Spring Formation |
| AFE Name: | Casa Bonita 5 State Com 301H | AFE TYPE: | Drill and Complete |
| Well Operator: | PERMIAN RESOURCES | | |
| Operator AFE #: | | | |

| <u>Account</u> | <u>Description</u> | <u>Gross Est. (\$)</u> |
|----------------------------|---------------------------------|------------------------|
| Facilities | | |
| 8035.3200 | FAC - VALVES FITTINGS & PIPE | \$1,208.00 |
| 8035.1700 | FAC - RENTAL EQUIPMENT | \$5,000.00 |
| 8035.2000 | FAC - WASTE DISPOSAL | \$333.00 |
| 8035.1310 | FAC - PERMANENT EASEMENT/ROW | \$6,667.00 |
| 8035.1600 | FAC - TRANSPORTATION TRUCKING | \$6,667.00 |
| 8035.1400 | FAC - ROAD LOCATIONS PITS | \$33,333.00 |
| 8035.3500 | FAC - COMPRESSOR | \$5,333.00 |
| 8035.3800 | FAC - FLARE/COMBUSTER | \$15,833.00 |
| 8035.1500 | FAC - MATERIALS & SUPPLIES | \$333.00 |
| 8035.1900 | FAC - WATER DISPOSAL / SWD | \$333.00 |
| 8035.3700 | FAC - AUTOMATION MATERIAL | \$41,667.00 |
| 8035.2200 | FAC - CONTRACT LABOR / ROUSTAB | \$85,167.00 |
| 8035.2100 | FAC - INSPECTION & TESTING | \$333.00 |
| 8035.3300 | FAC - CIRCULATING TRNSFER PUMP | \$13,333.00 |
| 8035.2400 | FAC - SUPERVISION | \$4,167.00 |
| 8035.2900 | FAC - TANK BATTERY | \$68,333.00 |
| 8035.3600 | FAC - ELECTRICAL | \$55,000.00 |
| 8035.2500 | FAC - CONSULTING SERVICES | \$1,167.00 |
| 8035.4000 | FAC - SAFETY / ENVIRONMENTAL | \$667.00 |
| 8035.4500 | FAC - CONTINGENCY | \$25,960.00 |
| 8035.3000 | FAC - HEATER TREATER/SEPARATOR | \$143,167.00 |
| 8035.3400 | FAC - METERS | \$31,167.00 |
| | Sub-total | \$545,168.00 |
| Drilling Intangible | | |
| 8015.2300 | IDC - FUEL / POWER | \$134,250.00 |
| 8015.2150 | IDC - DRILL BIT | \$100,000.00 |
| 8015.1000 | IDC - PERMITS,LICENSES,ETC | \$15,000.00 |
| 8015.5200 | IDC - CONTINGENCY | \$170,949.53 |
| 8015.2200 | IDC - BITS, TOOLS, STABILIZERS | \$100,000.00 |
| 8015.4300 | IDC - WELLSITE SUPERVISION | \$110,000.00 |
| 8015.2100 | IDC - WIRELINE SVCS CASED&OPEN | \$15,000.00 |
| 8015.3200 | IDC - CONTRACT LABOR/ROUSTABOUT | \$20,000.00 |
| 8015.1400 | IDC - ROAD, LOCATIONS, PITS | \$80,000.00 |
| 8015.1600 | IDC - RIG MOB / STANDBY RATE | \$30,000.00 |
| 8015.1200 | IDC - LEGAL, TITLE SERVICES | \$13,000.00 |
| 8015.2400 | IDC - RIG WATER | \$11,710.00 |
| 8015.3100 | IDC - CASING CREW & TOOLS | \$65,000.00 |
| 8015.3700 | IDC - DISPOSAL | \$140,000.00 |
| 8015.2350 | IDC - FUEL/MUD | \$108,500.00 |
| 8015.1700 | IDC - DAYWORK CONTRACT | \$722,000.00 |

Cost Estimate

Printed Date: Nov 25, 2024

| <u>Account</u> | <u>Description</u> | <u>Gross Est. (\$)</u> |
|-----------------------------------|--|------------------------|
| 8015.4600 | IDC - SAFETY / ENVIRONMENTAL | \$16,400.00 |
| 8015.3000 | IDC - CEMENT SERV/FLOAT EQUIP | \$264,310.00 |
| 8015.3500 | IDC - TRUCKING/VACUUM/ TRANSP | \$26,000.00 |
| 8015.1300 | IDC - SURFACE DAMAGE / ROW | \$35,000.00 |
| 8015.5000 | IDC - WELL CONTROL INSURANCE | \$14,988.89 |
| 8015.4100 | IDC - RENTAL EQUIPMENT | \$47,000.00 |
| 8015.4200 | IDC - MANCAMP | \$44,000.00 |
| 8015.2700 | IDC - INSPECTION, TESTING & REPAIR | \$55,000.00 |
| 8015.1310 | IDC - PERMANENT EASEMENT | \$12,000.00 |
| 8015.1500 | IDC - RIG MOB / TRUCKING | \$75,000.00 |
| 8015.3800 | IDC - WELLHEAD PREPARE/REPAIR | \$30,500.00 |
| 8015.1900 | IDC - DIRECTNL DRILL & SURVEY | \$288,000.00 |
| 8015.2500 | IDC - MUD/CHEMICALS/ACIDIZING | \$174,000.00 |
| 8015.1100 | IDC - STAKING & SURVEYING | \$15,000.00 |
| 8015.3600 | IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM | \$55,000.00 |
| 8015.3400 | IDC - MATERIALS & SUPPLIES | \$5,000.00 |
| 8015.2000 | IDC - CONDUCTOR HOLE & SERVICE | \$27,500.00 |
| Sub-total | | \$3,020,108.42 |
| Completion Intangible | | |
| 8025.3500 | ICC - WELLSITE SUPERVISION | \$70,200.00 |
| 8025.3000 | ICC - WATER HANDLING | \$184,524.00 |
| 8025.3600 | ICC - SUPERVISION/ENGINEERING | \$5,000.00 |
| 8025.3400 | ICC - RENTAL EQUIPMENT | \$239,400.00 |
| 8025.2600 | ICC - CONTRACT LABOR/ROUSTABOUT | \$15,000.00 |
| 8025.2300 | ICC - COMPLETION FLUIDS | \$10,000.00 |
| 8025.1800 | ICC - WATER DISPOSAL/VACUUM TRUCK | \$21,525.00 |
| 8025.3100 | ICC - WELLHEAD/FRACTREE REPAIR | \$40,000.00 |
| 8025.3800 | ICC - OVERHEAD | \$10,000.00 |
| 8025.2200 | ICC - ELECTRIC LOGGING / PERFORATING | \$570,658.00 |
| 8025.3700 | ICC - SAFETY / ENVIRONMENTAL | \$15,000.00 |
| 8025.1400 | ICC - WIRELINE OPEN/CASED HOLE | \$40,000.00 |
| 8025.3050 | ICC - SOURCE WATER | \$387,500.00 |
| 8025.1500 | ICC - FUEL / POWER | \$902,381.00 |
| 8025.2500 | ICC - WELL STIMULATION/FRACTUR | \$3,282,600.00 |
| 8025.1600 | ICC - COILED TUBING | \$253,090.00 |
| 8025.1100 | ICC - ROAD, LOCATIONS, PITS | \$10,500.00 |
| 8025.2000 | ICC - TRUCKING | \$14,375.00 |
| Sub-total | | \$6,071,753.00 |
| Artificial Lift Intangible | | |
| 8060.3500 | IAL - WELLSITE SUPERVISION | \$15,000.00 |
| 8060.1200 | IAL - WORKOVER RIG | \$30,000.00 |
| 8060.3400 | IAL - RENTAL EQUIPMENT | \$15,000.00 |
| 8060.3810 | IAL - ACID | \$30,000.00 |
| 8060.3420 | IAL - REVERSE UNIT RENTAL | \$4,000.00 |
| 8060.2010 | IAL - KILL TRUCK | \$5,000.00 |
| 8060.1400 | IAL - WIRELINE OPEN/CASED HOLE | \$7,500.00 |

Cost Estimate

Printed Date: Nov 25, 2024

| <u>Account</u> | <u>Description</u> | <u>Gross Est. (\$)</u> |
|---------------------------------|---|------------------------|
| 8060.3700 | IAL - HEALTH & SAFETY | \$2,000.00 |
| 8060.2600 | IAL - CONTRACT LABOR/ROUSTABOUT | \$15,000.00 |
| 8060.3100 | IAL - WELLHEAD/FRACTURE REPAIR | \$5,000.00 |
| 8060.3410 | IAL - LAYDOWN MACHINE | \$4,000.00 |
| 8060.2000 | IAL - TRUCKING/VACUUM/TRANSP | \$5,000.00 |
| | Sub-total | \$137,500.00 |
| Drilling Tangible | | |
| 8020.1400 | TDC - CASING - PRODUCTION | \$967,969.38 |
| 8020.1200 | TDC - CASING - INTERMEDIATE - 1 | \$594,110.16 |
| 8020.1500 | TDC - WELLHEAD EQUIPMENT | \$65,875.00 |
| 8020.1100 | TDC - CASING - SURFACE | \$86,870.00 |
| | Sub-total | \$1,714,824.54 |
| Pipeline | | |
| 8036.3610 | PLN - POWER DISTRIBUTION MATERIAL | \$35,833.00 |
| 8036.3200 | PLN - VALVES FITTINGS & PIPE | \$10,000.00 |
| 8036.1300 | PLN - SURFACE DAMAGE / ROW | \$2,500.00 |
| 8036.3620 | PLN - POWER DISTRIBUTION LABOR | \$19,167.00 |
| 8036.1310 | PLN - PERMANENT EASEMENT | \$9,375.00 |
| 8036.2200 | PLN - CONTRACT LABOR | \$12,000.00 |
| 8036.2800 | PLN - FLOWLINE MATERIAL | \$14,000.00 |
| | Sub-total | \$102,875.00 |
| Artificial Lift Tangible | | |
| 8065.1100 | TAL - TUBING | \$125,000.00 |
| 8065.3100 | TAL - MEASUREMENT EQUIPMENT | \$7,500.00 |
| 8065.1310 | TAL - ESP EQUIPMENT/INSTALL | \$102,500.00 |
| 8065.2100 | TAL - WELL SITE POWER EQUIPMENT/INSTALL | \$150,000.00 |
| 8065.2000 | TAL - WELLHEAD EQUIPMENT | \$60,000.00 |
| 8065.2500 | TAL - VALVES/CONNECTIONS/FTGS | \$15,000.00 |
| | Sub-total | \$460,000.00 |
| Flowback Intangible | | |
| 8040.2900 | IFC - WELL TESTING / FLOWBACK | \$200,000.00 |
| 8040.1899 | IFC - FRAC WATER RECOVERY | \$271,778.76 |
| | Sub-total | \$471,778.76 |
| Completion Tangible | | |
| 8030.2000 | TCC - WELLHEAD EQUIPMENT | \$47,250.00 |
| | Sub-total | \$47,250.00 |
| Grand Total | | \$12,571,257.72 |

| Contact Chronology | | |
|-------------------------|------------|---|
| Owner | Date | Description |
| Oxy Y-1 Company | 11/27/2024 | Well proposals sent via certified mail |
| | 12/10/2024 | Sent JOA, title snippets, and projected spud date |
| | 12/11/2024 | Discussed approaching spud date and requested a waiver to spud or JOA signature |
| | 1/28/2024 | Updated an article of the JOA and created a side letter agreement |
| | 1/29/2025 | Emailed to check status of Com signatures |
| Apache Corporation | 11/25/2024 | Discussed plans for the unit and informed them of their working interest. |
| | 11/27/2024 | Well proposals sent via certified mail |
| | 12/10/2024 | Sent JOA via email |
| | 1/29/2025 | Discussed status of Com Agreement |
| Hilcorp | 1/7/2025 | Inform Hilcorp of our their working interest in the unit |
| | 1/13/2025 | PR's engineer answered technical questions to help Hilcorp's evaluation |
| | 1/17/2020 | Edits to the JOA were requested and made |
| | 1/27/2025 | Hilcorp sent executed JOA via email |
| CL&F Operating, LLC | 11/27/2024 | Well proposals sent via certified mail |
| | 12/5/2024 | Sent well proposals via email, provided an update on the status |
| FR Energy, LLC | 11/27/2024 | Well proposals sent via certified mail. |
| | 12/3/2024 | Answered questions reagarding Spud, Completion, Pop date, and |
| | 12/10/2024 | Sent title snippets for section 17 |
| | 12/10/2024 | Sent JOA via email |
| Timothy R. Macdonald | 11/27/2024 | Well proposals sent via certified mail |
| | 1/30/2024 | Sent letter to alert of overlapping spacing units |
| Earthstone Permian, LLC | | N/A |
| Chevron | 12/11/2024 | Com agreement sent via certified mail |

Permian Resources Operating, LLC
Case No. 25156
Exhibit A-6

Page 26 of 45

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,
LEA COUNTY, NEW MEXICO.

CASE NOS. 25156, 25157,
25158, 25159

SELF-AFFIRMED STATEMENT
OF CHRIS REUDELHUBER

1. I am a geologist with Permian Resources Operating, LLC ("Permian Resources").
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 geology were accepted and made a matter of record.
2. I am familiar with the geological matters that pertain to the above-referenced cases.
3. **Exhibit B-1** is a regional locator map that identifies the Casa Bonita project area, in proximity to the Capitan Reef within the Delaware Basin, for the Bone Spring horizontal spacing units that are the subject of these applications.
4. **Exhibit B-2** is a cross-section location map for the proposed horizontal spacing units within the Bone Spring formation. The approximate wellbore paths for the proposed **Casa Bonita 5-17 State Com 301H, Casa Bonita 5-8 State Com 302H, Casa Bonita 5-17 State Com 303H, and Casa Bonita 5-17 State Com 304H** wells ("Wells") are represented by dashed green lines. Existing producing wells in the targeted interval are represented by solid green lines. This map identifies the cross-section running from A-A' with the cross-section wells name and a black line in proximity to the proposed Wells.

Permian Resources Operating, LLC
Case No. 25156
Exhibit B

5. **Exhibit B-3** is a Subsea Structure map of the Bone Spring formation in TVD subsea with a contour interval of 100 ft. The map identifies the approximate wellbore paths for the proposed Wells with a dashed green line. It also identifies the location of the cross-section running from A-A' in proximity to the proposed Wells. The data points are indicated by red triangles. The map demonstrates the formation is gently dipping to the southwest in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

6. **Exhibit B-4** identifies two wells penetrating the targeted interval, which I used to construct a stratigraphic cross-section from A to A'. It contains gamma ray, resistivity, and porosity logs. The cross section is oriented from north to south and is hung on the top of the Second Bone Spring formation. The proposed landing zone for the Wells is labeled on the exhibit. The approximate well-paths for the proposed Wells are indicated by a dashed green line to be drilled from north to south across the units. This cross-section demonstrates the target interval is continuous across the Unit.

7. **Exhibit B-5** is a gun barrel diagram that shows the proposed Wells in the Bone Spring formation. The spacing unit is defined by a blue box and is labeled with the case number.

8. In my opinion, a stand-up orientation for the Wells is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and the preferred fracture orientation in this portion of the trend.

9. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the Wells.

10. In my opinion, the granting of Permian Resources' application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

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

12. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm 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 identified next to my signature below.


CHRIS REUELHUBER

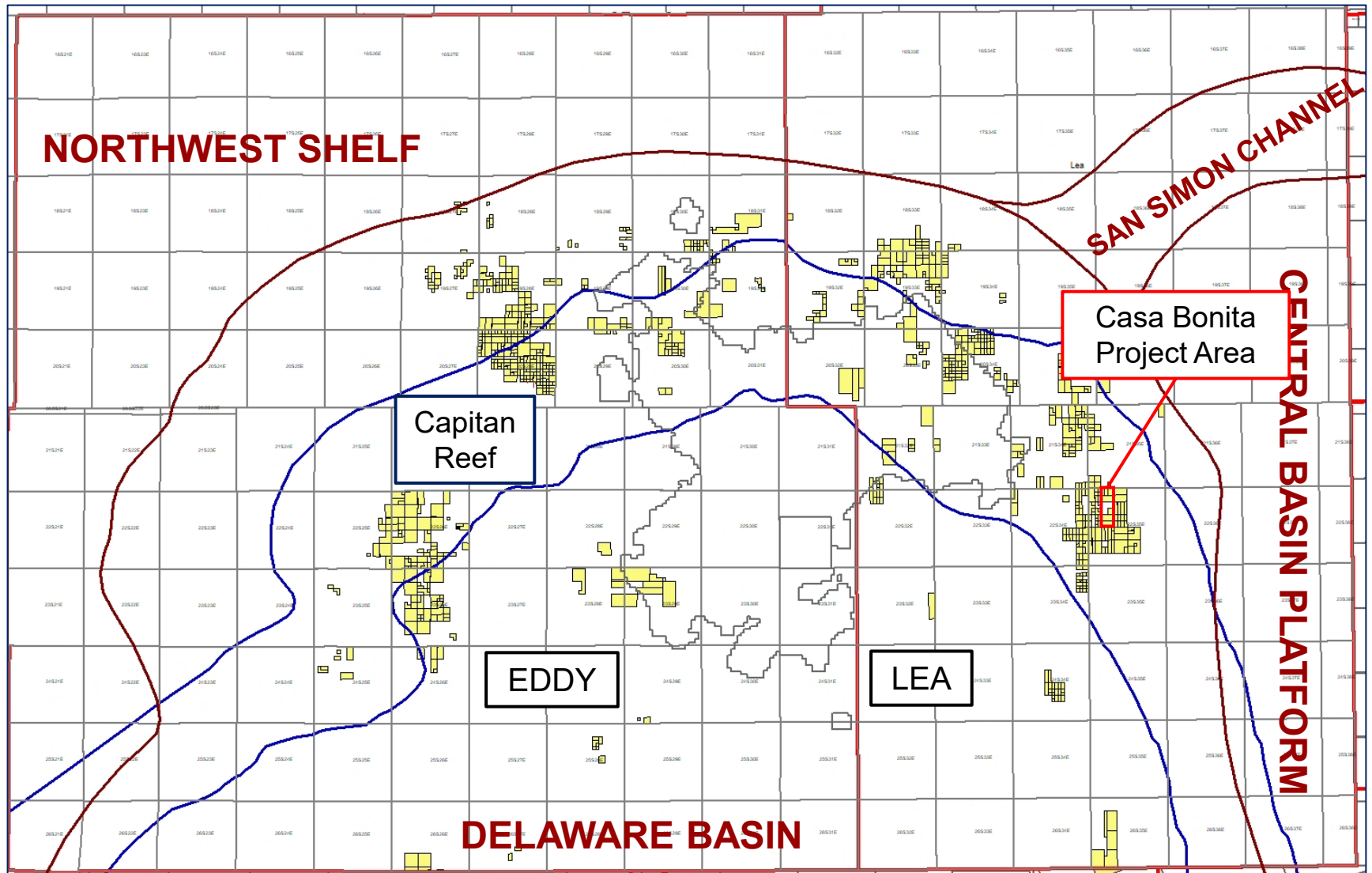
1/31/2025
Date



Exhibit B-1

Regional Locator Map

Casa Bonita 5-17 State Com 301H, Casa Bonita 5-8 State Com 302H, Casa Bonita 5-17 State Com 303H, and Casa Bonita 5-17 State Com 304H



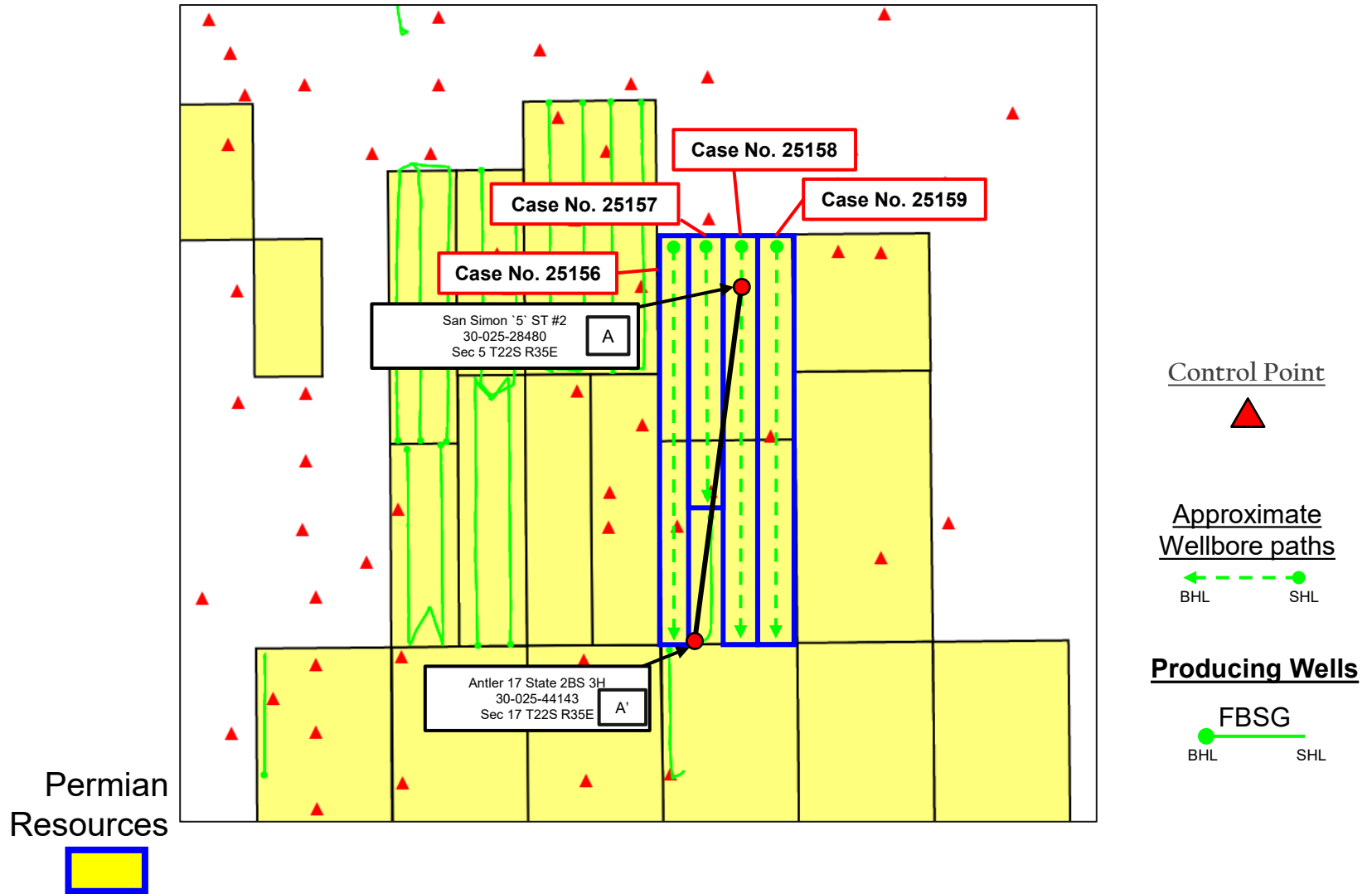
Permian Resources



Exhibit B-2

Cross-Section Locator Map

Casa Bonita 5-17 State Com 301H, Casa Bonita 5-8 State Com 302H, Casa Bonita 5-17 State Com 303H, and Casa Bonita 5-17 State Com 304H



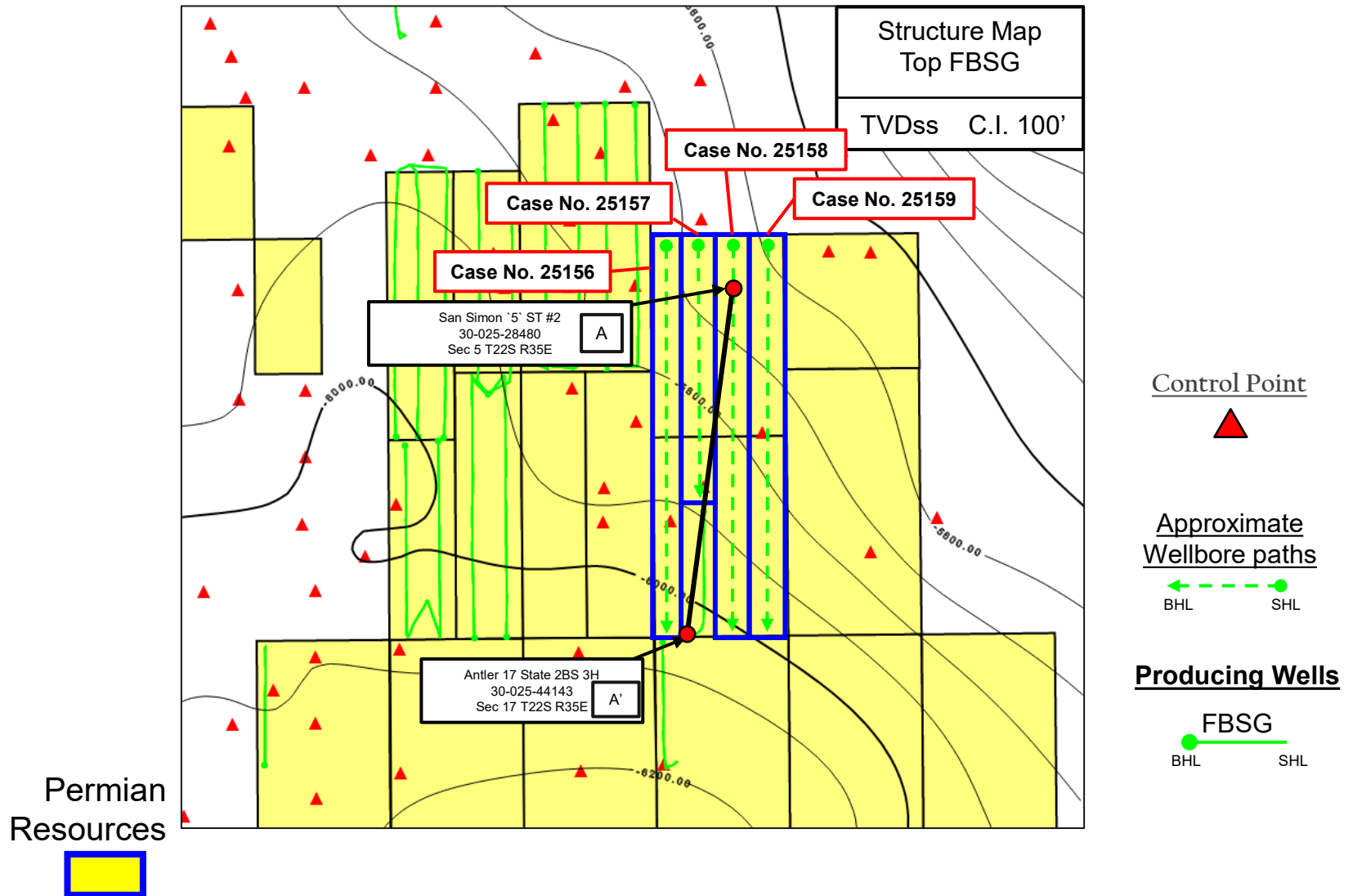
First Bone Spring – FBSG SSTVD Structure Map

Case No. 25156

Exhibit B-3

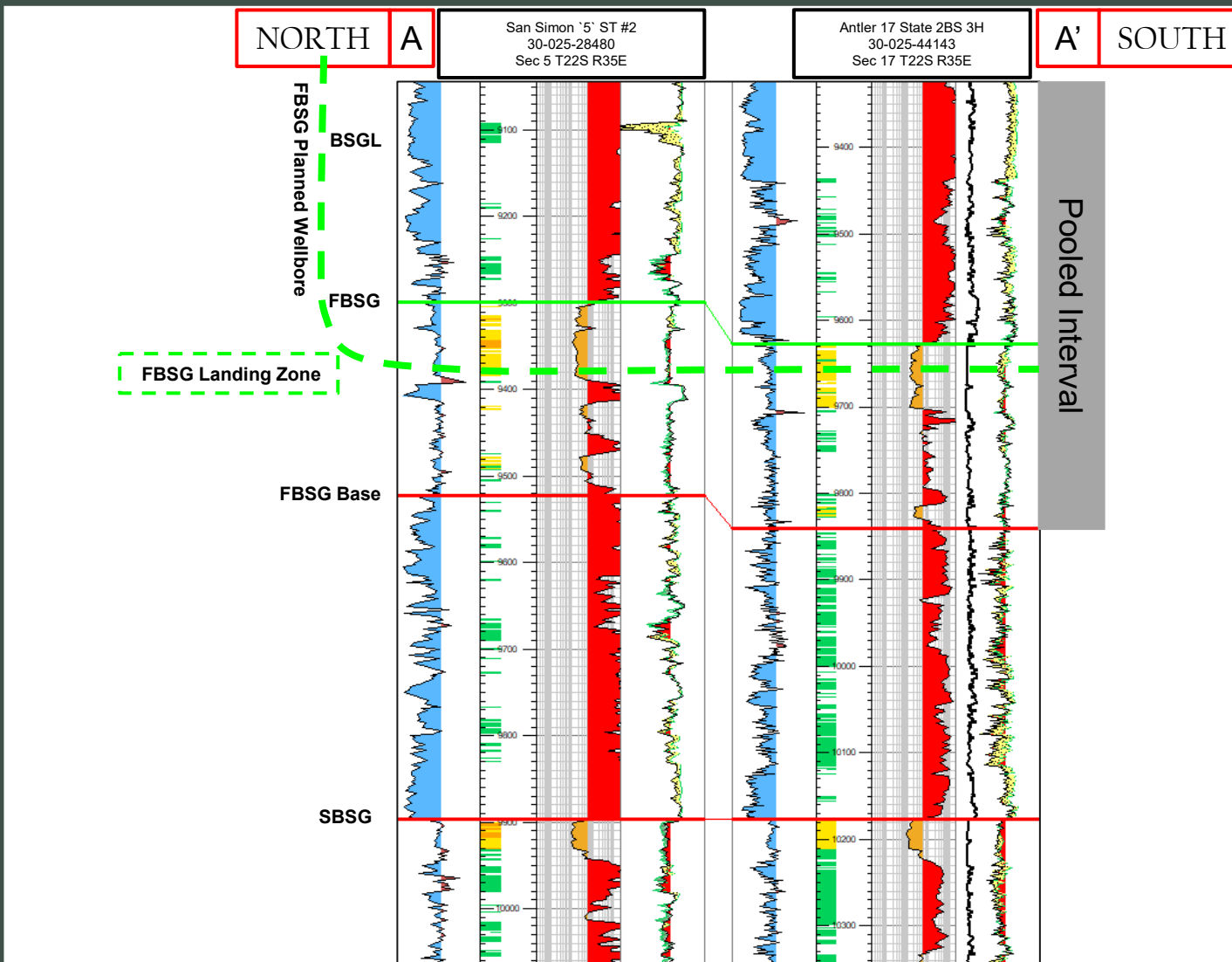
Exhibit B-3

Casa Bonita 5-17 State Com 301H, Casa Bonita 5-8 State Com 302H, Casa Bonita 5-17 State Com 303H, and Casa Bonita 5-17 State Com 304H



Stratigraphic Cross-Section A-A'

Casa Bonita 5-17 State Com 301H, Casa Bonita 5-8 State Com 302H, Casa Bonita 5-17 State Com 303H, and Casa Bonita 5-17 State Com 304H

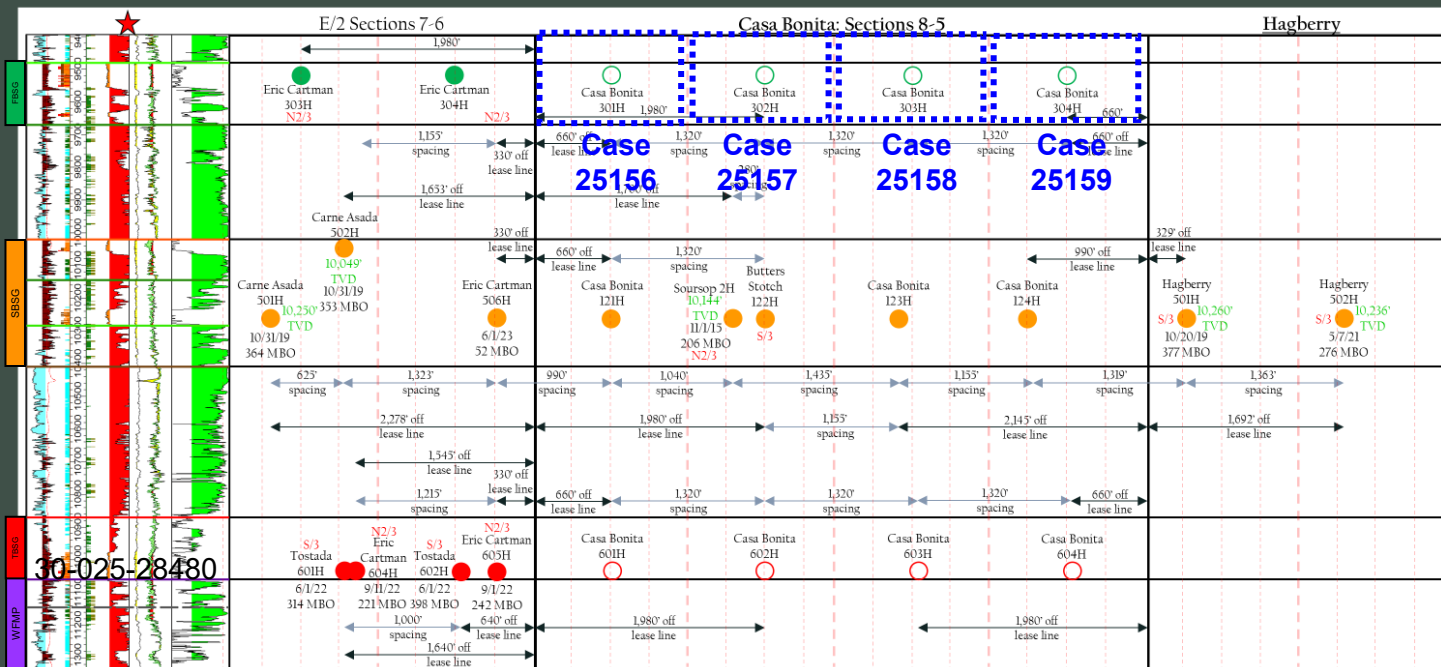
Exhibit B-4



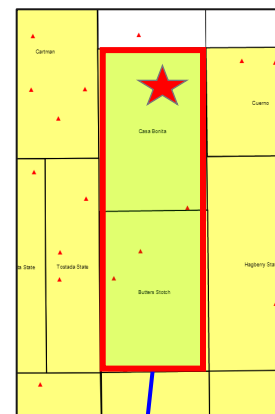
Gun Barrel Development Plan

Casa Bonita 5-17 State Com 301H, Casa Bonita 5-8 State Com 302H, Casa Bonita 5-17 State Com 303H, and Casa Bonita 5-17 State Com 304H

Lea: Pryor – Casa Bonita Development



- FBSG Proposed
- FBSG Producing



Casa Bonita 5-17
Casa Bonita 5-8

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

**APPLICATION OF PERMIAN RESOURCES
OPERATING, LLC FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

CASE NO. 25156

**SELF-AFFIRMED STATEMENT
OF DANA S. HARDY**

1. 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 C-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 C-2**.
3. Exhibit C-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 C-3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.
5. On January 22, 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 C-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.

/s/ Dana S. Hardy
Dana S. Hardy

February 4, 2025
Date

**Permian Resources Operating, LLC
Case No. 25156
Exhibit C**



hinklelawfirm.com

HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

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

January 16, 2025

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case Nos. 25156, 25157, 25158, & 25159 – Applications of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Units, 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 will be conducted on **February 13, 2025**, beginning at 9:00 a.m.

The hearing 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: <https://www.emnrd.nm.gov/oed/hearing-info/>. 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/oed/oedpermitting/>) or via e-mail to oed.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 Reagan Armstrong, Landman at Permian Resources Operating, LLC, via e-mail at Reagan.Armstrong@permianres.com

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Permian Resources Operating, LLC

Case No. 25156

Exhibit C-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

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

**APPLICATION OF PERMIAN RESOURCES
OPERATING, LLC FOR COMPULSORY
POOLING AND OVERLAPPING SPACING
UNIT, LEA COUNTY, NEW MEXICO.**

**CASE NOS. 25156, 25157,
25158, & 25159**

NOTICE LETTER CHART

| PARTY | NOTICE LETTER SENT | RETURN RECEIVED |
|--|-------------------------------------|---|
| Apache Corporation 2000 W. Sam Houston Pkwy S, Ste. 200 Houston, TX 77042 | 1-16-2025 9589071052701502391730 | 2-4-2025 |
| CL&F Operating, LLC PO Box 4438 Houston, TX 77210-4438 | 1-16-2025 9589071052701502391747 | No forward address, return to sender |
| FR Energy, LLC 1106 Witte Rd, Ste 400 Houston, TX 77055 | 1-16-2025 9589071052701502391754 | 1-31-2025 |
| Hilcorp 1111 Travis St. Houston, TX 77002 | 1-16-2025 9589071052701502391761 | 1-27-2025 |
| Oxy Y-1 Company 5 Greenway Plaza Ste. 110 Houston, TX 77046 | 1-16-2025 9589071052701502391778 | 1-27-2025 |
| Timothy R. McDonald 3003 Paleo Point College Station, TX 77845 | 1-16-2025 9589071052701502391785 | 1-31-2025 |
| XTO Holdings, LLC 22777 Springwoods Village Parkway Spring, TX 77389 | 1-16-2025 9589071052701502391792 | 1-30-2025 |

**Permian Resources Operating, LLC
Case No. 25156
Exhibit C-2**

9589 0710 5270 1502 3917 30

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE
 SANTA FE, NM 87501
 JAN 16 2025
 USPS

Certified Mail Fee
 \$

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage
 \$

Total Postage and Fees
 \$

Sent To
 Apache Corporation
 2000 W. Sam Houston Pkwy S,
 Ste. 200
 Houston, TX 77042
 25156-25159 PRO - Casa Bonita

PS Form 3800, January 2023 PSN 7530-02-000-0047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Apache Corporation
 2000 W. Sam Houston Pkwy S,
 Ste. 200
 Houston, TX 77042
 25156-25159 PRO - Casa Bonita

9590 9402 9022 4122 7759 48

2. Article Number (Transfer from service label)
 9589 0710 5270 1502 3917 30

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 X *[Signature]* ☐ Agent
☐ Addressee

B. Received by (Printed Name)
 C. Date of Delivery
 1/28

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

RECEIVED
 FEB 4 2025

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Mail Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

Permian Resources Operating, LLC
 Case No. 25156
 Exhibit C-3

9589 0710 5270 1502 3917 54

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee
 \$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage
 \$

Total Postage and Fees
 \$

Sent To
 Street at FR Energy, LLC
 1106 Witte Rd, Ste 400
 Houston, TX 77055
 City, Sta 25156-25159 PRO - Casa Bonita

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

SANTA, FE, NM 87501
JAN 16 2025
USPS

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

FR Energy, LLC
 1106 Witte Rd, Ste 400
 Houston, TX 77055
 25156-25159 PRO - Casa Bonita

2. Article Number (Transfer from service label)
 9589 0710 5270 1502 3917 54

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 X  ☐ Agent
☐ Addressee

B. Received by (Printed Name)
 Vindi

C. Date of Delivery
 01/27/25

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

RECEIVED
JAN 31 2025
 Hinkle Shanor LLP
 Santa Fe NM 87501

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Mail Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

9589 0710 5270 1502 3917 61

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only
For delivery information, visit our website at www.usps.com.

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$☐ Return Receipt (electronic) \$☐ Certified Mail Restricted Delivery \$☐ Adult Signature Required \$☐ Adult Signature Restricted Delivery \$

Postage

\$

Total Postage and Fees

\$

Sent To

Street and

Hilcorp

1111 Travis St.

City, State

Houston, TX 77002

25156-25159 PRO - Casa Bonita

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Hilcorp
1111 Travis St.
Houston, TX 77002

25156-25159 PRO - Casa Bonita



9590 9402 9022 4122 7759 17

2. Article Number (Transfer from service label)

9589 0710 5270 1502 3917 61

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

Chin Vasquez

C. Date of Delivery

 D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No
RECEIVED

JAN 27 2025

3. Service Type
- Hinkle Shanor LLP**
-
- ☐
- Adult Signature
- Santa Fe NM 87501**
-
- ☐
- Adult Signature Restricted Delivery
-
- ☐
- Certified Mail®
-
- ☐
- Certified Mail Restricted Delivery
-
- ☐
- Collect on Delivery
-
- ☐
- Collect on Delivery Restricted Delivery
-
- ☐
- Priority Mail Express®
-
- ☐
- Registered Mail™
-
- ☐
- Registered Mail Restricted Delivery
-
- ☐
- Signature Confirmation™
-
- ☐
- Signature Confirmation Restricted Delivery

Mail

Mail Restricted Delivery

(over 500)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

9589 0710 5270 1502 3917 78

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee \$
 Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$
 Postage \$
 Total Postage and Fees \$
 Sent To
 Street and City, State
 Oxy Y-1 Company
 5 Greenway Plaza Ste. 110
 Houston, TX 77046
 25156-25159 PRO - Casa Bonita

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

SANTA FE, NM 87501
JAN 16 2025
USPS

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

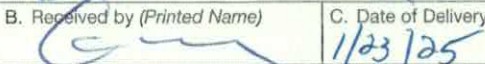
Oxy Y-1 Company
 5 Greenway Plaza Ste. 110
 Houston, TX 77046
 25156-25159 PRO - Casa Bonita


 9590 9402 9022 4122 7759 00

2. Article Number (Transfer from service label)
 9589 0710 5270 1502 3917 78

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee
X 
 B. Received by (Printed Name) C. Date of Delivery
 1/23/25
 D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

RECEIVED
 JAN 27 2025

3. Service Type Hinkle Sharon L P Santa Fe NM 87501
☐ Adult Signature ☐ Priority Mail Express®
☐ Adult Signature Restricted Delivery ☐ Registered Mail™
☐ Certified Mail® ☐ Registered Mail Restricted Delivery
☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™
☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery
☐ Collect on Delivery Restricted Delivery
 Mail
 Mail Restricted Delivery (over \$500)

Domestic Return Receipt

9589 0710 5270 1502 3917 85

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com.

OFFICIAL USE

Certified Mail Fee \$
 Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy)
☐ Return Receipt (electronic)
☐ Certified Mail Restricted Delivery
☐ Adult Signature Required
☐ Adult Signature Restricted Delivery
 Postage \$
 Total Postage and Fees \$
 Sent To
 Street a. Timothy R. McDonald
 3003 Paleo Point
 College Station, TX 77845
 City, Sta 25156-25159 PRO - Casa Bonita

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

SANTA FE, NM 87001
JAN 16 2025
USPS

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Timothy R. McDonald
 3003 Paleo Point
 College Station, TX 77845
 25156-25159 PRO - Casa Bonita

9590 9402 9022 4122 7758 94

2. Article Number (Transfer from service label)
 9589 0710 5270 1502 3917 85

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 x *[Signature]* ☐ Agent ☒ Addressee

B. Received by (Printed Name)
 Timothy R. McDonald

C. Date of Delivery
 JAN 31 2025

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

RECEIVED

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☒ Priority Mail Express®
☒ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Hinkle Shanon
 Santa Fe, NM 87501

Mail Restricted Delivery (0)

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

9589 0710 5270 1502 3917 92

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com.

OFFICIAL USE

Certified Mail Fee \$
 Extra Services & Fees (check box, add fees as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$
 Postage \$
 Total Postage and Fees \$
 Sent To
 Street and XTO Holdings, LLC
 22777 Springwoods Village Parkway
 Spring, TX 77389
 City, State 25156-25159 PRO - Casa Bonita

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

BAN 11 87501
JAN 16 2025
USPS

| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY | | | | | | | | | | | | |
|--|--|--|---|--|---|--|--|---|--|--|---|--|--|
| <ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. | <p>A. Signature x W. Holland <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> | | | | | | | | | | | | |
| <p>1. Article Addressed to:</p> <p>XTO Holdings, LLC 22777 Springwoods Village Parkway Spring, TX 77389 25156-25159 PRO - Casa Bonita</p> | <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>RECEIVED JAN 30 2025</p> | | | | | | | | | | | | |
| <p>2. Article Number (Transfer from service label) 9590 9402 9022 4122 7758 87</p> | <p>3. Service Type</p> <table border="0"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td></td> </tr> </table> | <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® | <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ | <input type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery | <input type="checkbox"/> Certified Mail Restricted Delivery | <input type="checkbox"/> Signature Confirmation™ | <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery | <input type="checkbox"/> Collect on Delivery Restricted Delivery | |
| <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® | | | | | | | | | | | | |
| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ | | | | | | | | | | | | |
| <input type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery | | | | | | | | | | | | |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input type="checkbox"/> Signature Confirmation™ | | | | | | | | | | | | |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery | | | | | | | | | | | | |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | | | | | | | | | | | | | |
| <p>9589 0710 5270 1502 3917 92</p> <p>PS Form 3811, July 2020 PSN 7530-02-000-9053</p> | <p>Mail Restricted Delivery (00)</p> <p>Domestic Return Receipt</p> | | | | | | | | | | | | |

9589 0710 5270 1502 3917 47

| U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only | |
|--|-------------------------------|
| For delivery information, visit our website at www.usps.com ®. | |
| OFFICIAL MAIL | |
| Certified Mail Fee | \$ |
| Extra Services & Fees (check box, add fee as appropriate) | |
| <input type="checkbox"/> Return Receipt (hardcopy) | \$ |
| <input type="checkbox"/> Return Receipt (electronic) | \$ |
| <input type="checkbox"/> Certified Mail Restricted Delivery | \$ |
| <input type="checkbox"/> Adult Signature Required | \$ |
| <input type="checkbox"/> Adult Signature Restricted Delivery | \$ |
| Postage | \$ |
| Total Postage and Fees | \$ |
| Sent To | |
| Street or | CL&F Operating, LLC |
| | PO Box 4438 |
| City, State | Houston, TX 77210-4438 |
| | 25156-25159 PRO - Casa Bonita |
| PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions | |

SANTA, FE, NM 87501
JAN 16 2025
Postmark Here
USPS

ALERT: WILDFIRES AND EMERGENCY EVENTS IN THE LOS ANGELES METRO AREA U.S. MAY ...

USPS Tracking®

FAQs >

Tracking Number:

Remove X

9589071052701502391747

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

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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.

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USPS Tracking Plus®

Moving Through Network
In Transit to Next Facility

February 3, 2025

Arrived at USPS Facility
ALBUQUERQUE, NM 87101
February 1, 2025, 3:51 pm

Arrived at USPS Regional Facility
NORTH HOUSTON TX DISTRIBUTION CENTER
January 30, 2025, 12:48 pm

Moved, Left no Address
HOUSTON, TX 77210
January 24, 2025, 12:41 pm

Arrived at Post Office
HOUSTON, TX 77002
January 24, 2025, 12:40 pm

Feedback

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA


I, Daniel Russell, Publisher 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 22, 2025
and ending with the issue dated
January 22, 2025.



Publisher

Sworn and subscribed to before me this
22nd day of January 2025.



Business Manager

My commission expires
January 29, 2027

(Seal) STATE OF NEW MEXICO
NOTARY PUBLIC
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.

This is to notify all interested parties, including; Apache Corporation; CL&F Operating, LLC; FR Energy, LLC; Hilcorp; Timothy R. McDonald; Oxy Y-1 Company; XTO Holdings, LLC; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on the application submitted by Permian Resources Operating, LLC (Case Nos. 25156, 25157, 25158, and 25159). 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/oed/hearing-info/>.

In Case No. 25156, Permian Resources Operating, LLC ("Applicant") applies for an order pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 480-acre, more or less, standard, overlapping, horizontal spacing unit comprised of the W/2 W/2 of irregular Section 5 and the W/2 W/2 of Sections 8 and 17, Township 22 South, Range 35 East, Lea County, New Mexico. The Unit will be dedicated to the Casa Bonita 5-17 State Com 301H well, which will produce from a first take point in Lot 4 (NW/4 NW/4 equivalent) of Section 5 to a last take point in the SW/4 SW/4 (Unit M) of Section 17. The completed interval of the Well will be orthodox. The Unit will partially overlap with the spacing unit for the Casa Bonita 32 State Com #121H (API No. 30-025-52199), which produces from the WC-025 G-07 S223505N; Bone Spring pool (Code 98136), and the spacing units for the Antler 17 State 1BS #002H (API No. 30-025-44142) and Antler 17 State 2BS #003H (API No. 30-025-44143), which produce from the Rock Lake; Bone Spring pool (Code 52766).

In Case No. 25157, applicant applies for an order pooling all uncommitted interests in the in the First Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard, overlapping, horizontal spacing unit comprised of the E/2 W/2 of irregular Section 5 and the W/2 W/2 of Section 8, Township 22 South, Range 35 East, Lea County, New Mexico. The Unit will be dedicated to the Casa Bonita 5-8 State Com 302H well, which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section 5 to a last take point in the SE/4 SW/4 (Unit N) of Section 8. The completed interval of the Well will be orthodox. The Unit will partially overlap with the spacing units for the Butter Stoch 17 State Com #122H well (API No. 30-025- 52196), which produces from the WC-025 G-07 S223505N, Bone Spring (Code 98136) and Rock Lake; Bone Spring (Code 52766) pools.

In Case No. 25158, Applicant applies for an order pooling all uncommitted interests in the in the First Bone Spring interval of the Bone Spring formation underlying a 480-acre, more or less, standard, overlapping horizontal spacing unit comprised of the W/2 E/2 of irregular Section 5 and the W/2 E/2 of Sections 8 and 17, Township 22 South, Range 35 East, Lea County, New Mexico. The Unit will be dedicated to the Casa Bonita 5-17 State Com 303H well, which will produce from a first take point in the NW/4 NE/4 (Unit B) of Section 5 to a last take point in the SW/4 SE/4 (Unit O) of Section 17. The completed interval of the Well will be orthodox. The Unit will partially overlap with the spacing units for the Casa Bonita 8 State Com #123H (API No. 30-025- 52486) and the Butter Stoch 8 State Com #123H (API No. 30-025-52484) wells, which produce from the WC-025 G-07 S223505N Pool (Code 98136).

In Case No. 25159, applicant applies for an order pooling all uncommitted interests in the in the First Bone Spring interval of the Bone Spring formation underlying a 480-acre, more or less, standard, overlapping horizontal spacing unit comprised of the E/2 E/2 of irregular Section 5 and the E/2 E/2 of Sections 8 and 17, Township 22 South, Range 35 East, Lea County, New Mexico. The Unit will be dedicated to the Casa Bonita 5-17 State Com 304H well, which will produce from a first take point in the NE/4 NE/4 (Unit A) of Section 5 to a last take point in the SE/4 SE/4 (Unit P) of Section 17. The completed interval of the Well will be orthodox. The Unit will partially overlap with the spacing units for the Casa Bonita 8 State Com #124H (API No. 30-025-52487) and the Butter Stoch 8 State Com #124H (API No. 30-025-52485) wells, which produce from the WC-025 G-07 S223505N pool (Code 98136).

Due to a depth severance in the Bone Spring Formation within the Unit, Applicant seeks to pool uncommitted interests in Case Nos. 25156, 25157, 25158, and 25159 from the top of the Bone Spring formation to the base of the First Bone Spring interval only, at a stratigraphic equivalent of approximately 9,522' TVD as observed on the San Simon 5 State #002 well log (API No. 30-025- 28480). 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 13.3 miles southwest of Eunice, New Mexico.
#00297665

0;

00297665

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

Permian Resources Operating, LLC
Case No. 25156
Exhibit C-4