

**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. 25310

EXHIBIT INDEX

Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Reagan Armstrong
A-1	Application & Proposed Notice of Hearing
A-2	C-102
A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties
A-4	Sample Well Proposal Letter & AFE
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Chris Reudelhuber
B-1	Location Map
B-2	Cross-Section Location Map
B-3	Subsea Structure Map
B-4	Stratigraphic Cross-Section
B-5	Gunn Barrel Diagram
Exhibit C	Self-Affirmed Statement of Jaclyn M. McLean
C-1	Notice Letter to All Interested Parties Sent April 15, 2025
C-2	Postal Delivery Report
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C-4	Affidavit of Publication for April 18, 2025

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 25310	APPLICANT'S RESPONSE
Date: May 8, 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:	None
Well Family	Bridge State
Formation/Pool	
Formation Name(s) or Vertical Extent:	Second Bone Spring Interval of the Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	The base of the First Bone Spring interval, at a stratigraphic equivalent of approximately 10,122' TVD, to the base of the Second Bone Spring interval, at a stratigraphic equivalent of approximately 10,509' TVD, as observed on the Northern AKQ State #001 well log (API No. 30-025-25443).
Pool Name and Pool Code:	Rock Lake; Bone Spring Pool (Code 52766)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres
Building Blocks:	quarter-quarter
Orientation:	South to North
Description: TRS/County	W/2 E/2 of Sections 27 and 22, 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. A depth severance exists in the Bone Spring formation within the Unit. Therefore, Applicant seeks to pool uncommitted interests from the base of the First Bone Spring interval, at a stratigraphic equivalent of approximately 10,122' TVD, to the base of the Second Bone Spring interval, at a stratigraphic equivalent of approximately 10,509' TVD, as observed on the Northern AKQ State #001 well log (API No. 30-025-25443).
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	Bridge State Unit 27 503H (API # 30-025-54232) SHL: 781' FSL & 844' FEL (Unit P), Section 27, T22S-R35E BHL: 100' FNL & 1,654' FEL (Unit B), Section 22, T22S-R35E Completion Target: Second Bone Spring (Approx. 10,320' TVD)
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit A-4
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits C-1, C-2, C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4

Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	Exhibit A-3
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-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-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-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:	4/28/2025

**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. 25310

**SELF-AFFIRMED STATEMENT
OF REAGAN ARMSTRONG**

1. I am a Contract 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 previously testified before the New Mexico Oil Conservation Division (“Division”) and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. Copies of Permian Resources’ application and proposed hearing notice are attached as **Exhibit A-1**.

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

4. Permian Resources seeks an order pooling all uncommitted interests in the Second Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 22, Township 22 South, Range 35 East, Lea County, New Mexico (“Unit”).

5. The Unit will be dedicated to the **Bridge State Unit 27 503H** well (“Well”), which will be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 27 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 22.

6. The completed interval of the Well will be orthodox.

**Permian Resources Operating, LLC
Case No. 25310
Exhibit A**

7. Due to a depth severance within the Unit, Applicant seeks to pool interests from the from the base of the First Bone Spring interval, at a stratigraphic equivalent of approximately 10,122' TVD, to the base of the Second Bone Spring interval, at a stratigraphic equivalent of approximately 10,509' TVD, as observed on the Northern AKQ State #001 well log (API No. 30-025-25443).

8. **Exhibit A-2** contains the C-102 for the Well.

9. **Exhibit A-3** 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.

10. 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.

11. **Exhibit A-4** 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.

12. 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-5**.

13. 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.

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

15. 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.

16. 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

4/25/2025

Date

**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. 25310

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 Second Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 22, 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 **Bridge State Unit 27 503H** well (“Well”), which will be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 27 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 22.
 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 base of the First Bone Spring interval, at a stratigraphic equivalent of approximately 10,122’ TVD, to the base of the Second Bone Spring interval, at a stratigraphic equivalent of approximately 10,509’ TVD, as observed on the Northern AKQ State #001 well log (API No. 30-025-25443).

**Permian Resources Operating, LLC
Case No. 25310
Exhibit A-1**

5. 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.

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

7. 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 May 8, 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,

HARDY McLEAN LLC

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

125 Lincoln Ave., Ste. 223

Santa Fe, NM 87501

Phone: (505) 230-4410

dhardy@hardymclean.com

jmclean@hardymclean.com

COUNSEL FOR PERMIAN RESOURCES
OPERATING, LLC

Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant applies for an order pooling all uncommitted interests in the Second Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 22, Township 22 South, Range 35 East, Lea County, New Mexico (“Unit”). The Unit will be dedicated to the **Bridge State Unit 27 503H** well (“Well”), which will be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 27 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 22. The completed interval of the Well will be orthodox. A depth severance exists in the Bone Spring formation within the Unit. Accordingly, Applicant seeks to pool uncommitted interests from the base of the First Bone Spring interval, at a stratigraphic equivalent of approximately 10,122’ TVD, to the base of the Second Bone Spring interval, at a stratigraphic equivalent of approximately 10,509’ TVD, as observed on the Northern AKQ State #001 well log (API No. 30-025-25443). 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 8.24 miles northeast 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-2 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 30-025-54232	Pool Code 52766	Pool Name Rock Lake; Bone Spring
Property Code 336859	Property Name BRIDGE STATE UNIT 27	Well Number 503H
OGRID No. 372165	Operator Name PERMIAN RESOURCES OPERATING, LLC	Ground Level Elevation 3,521.69'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
P	27	22S	35E		781' FSL	844' FEL	32.357628°	-103.349652°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
B	22	22S	35E		100' FNL	1,654' FEL	32.384239°	-103.352228°	LEA

Dedicated Acres 320	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	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
P	27	22S	35E		781' FSL	844' FEL	32.357628°	-103.349652°	LEA


First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
O	27	22S	35E		100' FSL	1,653' FEL	32.355750°	-103.352271°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
B	22	22S	35E		100' FNL	1,654' FEL	32.384239°	-103.352228°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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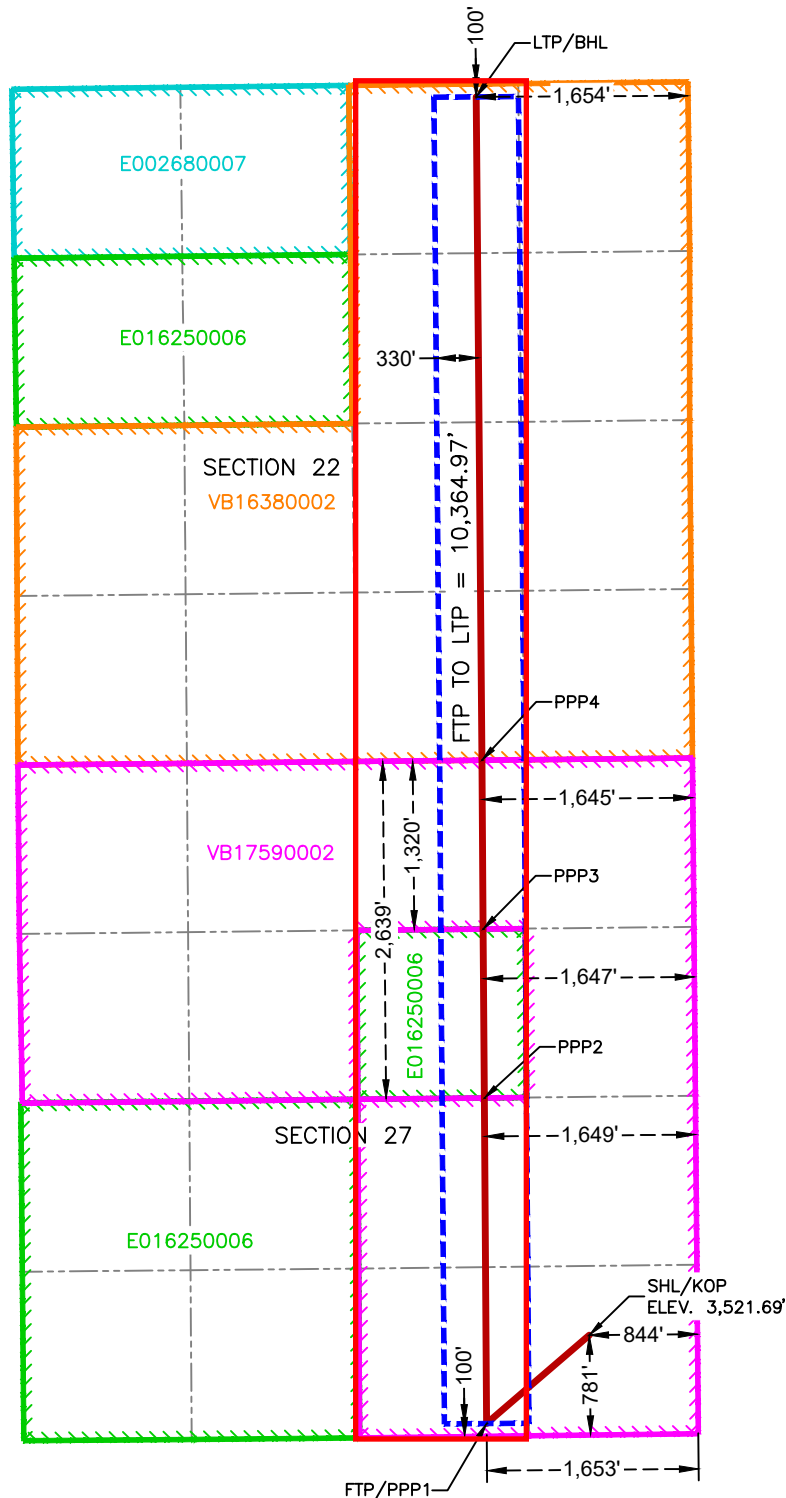
OPERATOR CERTIFICATIONS I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the 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: <u>Jennifer Elrod</u> Date: <u>1/16/2025</u> Printed Name: <u>Jennifer Elrod</u> Email Address: <u>jennifer.elrod@permianres.com</u>		SURVEYOR CERTIFICATIONS I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my belief.  Signature and Seal of Professional Surveyor: <u>Mark Murray</u> Date: <u>1/9/2025</u> Certificate Number: <u>12177</u> Date of Survey: <u>1/9/2025</u>	
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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
781' FSL & 844' FEL
ELEV. = 3,521.69'

NAD 83 X = 845,084.03'
NAD 83 Y = 495,232.50'
NAD 83 LAT = 32.357628°
NAD 83 LONG = -103.349652°
NAD 27 X = 803,899.74'
NAD 27 Y = 495,171.95'
NAD 27 LAT = 32.357503°
NAD 27 LONG = -103.349178°

FIRST TAKE POINT &
PENETRATION POINT 1
100' FSL & 1,653' FEL (1,650' CALLED)

NAD 83 X = 844,281.55'
NAD 83 Y = 494,541.79'
NAD 83 LAT = 32.355750°
NAD 83 LONG = -103.352271°
NAD 27 X = 803,097.28'
NAD 27 Y = 494,481.26'
NAD 27 LAT = 32.355625°
NAD 27 LONG = -103.351797°

PENETRATION POINT 2
2,639' FNL & 1,649' FEL (1,650' CALLED)

NAD 83 X = 844,263.35'
NAD 83 Y = 497,085.44'
NAD 83 LAT = 32.362742°
NAD 83 LONG = -103.352254°
NAD 27 X = 803,079.13'
NAD 27 Y = 497,024.85'
NAD 27 LAT = 32.362616°
NAD 27 LONG = -103.351780°

PENETRATION POINT 3
1,320' FNL & 1,647' FEL (1,650' CALLED)

NAD 83 X = 844,253.91'
NAD 83 Y = 498,404.93'
NAD 83 LAT = 32.366368°
NAD 83 LONG = -103.352245°
NAD 27 X = 803,069.72'
NAD 27 Y = 498,344.31'
NAD 27 LAT = 32.366243°
NAD 27 LONG = -103.351771°

PENETRATION POINT 4
0' FNL & 1,645' FEL (1,650' CALLED)

NAD 83 X = 844,244.48'
NAD 83 Y = 499,724.42'
NAD 83 LAT = 32.369995°
NAD 83 LONG = -103.352237°
NAD 27 X = 803,060.30'
NAD 27 Y = 499,663.76'
NAD 27 LAT = 32.369870°
NAD 27 LONG = -103.351763°

LAST TAKE POINT &
BOTTOM HOLE LOCATION
100' FNL & 1,654' FEL (1,650' CALLED)

NAD 83 X = 844,199.74'
NAD 83 Y = 504,906.43'
NAD 83 LAT = 32.384239°
NAD 83 LONG = -103.352228°
NAD 27 X = 803,015.66'
NAD 27 Y = 504,845.63'
NAD 27 LAT = 32.384114°
NAD 27 LONG = -103.351753°

Land Exhibit: W2E2 – Bridge 27 State Com 503H
Section 22 & 27: W2E2, T22S-R35E, Lea Co., NM

		Bridge 27 Sate Com 503H	Section 22
Bridge 27 Sate Com 501H	Bridge 27 Sate Com 502H		
		Bridge 27 Sate Com 504H	Section 27

1/8th SLO Royalty	E0-1625 RT: Apache Corporation
3/16 SLO Royalty	VB-1638-2 RT: PR
3/16 SLO Royalty	VB-1759-2 RT: PR
1/8 SLO Royalty	E0-268-7 RT: OXY WTP, USA

Unit Recapitulation	
Owner	WI
Permian Resources Operating, LLC	70.00000000%
Oxy Y-1 Company	17.50000000%
Apache Corporation	12.50000000%
Total	100.00000000%

Leasehold Recapitulation				
Owner	Section 22: W2E2	Section 27: NW4NE4	Section 27: SW4NE4	Section 27: W2SE4
Permian Resources Operating	80.00%	80%		80%
Oxy Y-1 Compnay	20.00%	20%		20%
Apache Corporation			100%	
Total	100%	100%	100%	100%

Documents sent					
Owner	Pooling?	Proposal	JOA	Com Agmnt	Notes
Apache Corporation	Yes	Yes	Yes	Yes	RT & WI Owner
Oxy Y-1 Company	Yes	Yes	Yes	NA	



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

OFFICE 432.695.4222
FAX 432.695.4063

February 5, 2025

via Certified Mail

Oxy USA WTP, LP
5 Greenway Plaza 110,
Houston, TX 77046

RE: Bridge State Unit 27 – Well Proposals
All of Sections 27 & 22
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 Bridge State Unit 27 wells at the following approximate location within Township 22 South, Range 35 East:

1. Bridge State Unit 27 501H

SHL: 560’ FSL 1,581’ FWL of Sec 27 (or at a legal location in the SW4)
BHL: 100’ FNL 985’ FWL of Section 22
FTP: 100’ FSL 982’ FWL of Section 27
LTP: 100’ FNL 985’ FWL of Section 22
TVD: Approximately 10,320’
MD: Approximately 20,855’
Proration Unit: W2W2 of Sections 27 & 22
Targeted Interval: 2nd Bone Spring

2. Bridge State Unit 27 502H

SHL: 559’ FSL, 1,614’ FWL of Section 27 (or at a legal location in the SW4)
BHL: 100’ FNL 2,310’ FWL of Section 22
FTP: 100’ FSL 2,293’ FWL of Section 27
LTP: 100’ FNL 2,310’ FWL of Section 22
TVD: Approximately 10,320’
TMD: Approximately 20,855’
Proration Unit: E2W2 of Sections 27 & 22
Targeted Interval: 2nd Bone Spring

3. Bridge State Unit 503H

SHL: 781’ FSL 844’ FEL of Section 27 (or at a legal location in the SE4)
BHL: 100’ FNL, 1,654’ FEL of Section 22
FTP: 100’ FSL, 1,653’ FWL of Section 27
LTP: 100’ FNL, 1,654’ FEL of Section 22
TVD: Approximately 10,320’
TMD: Approximately 20,855’
Proration Unit: W2E2 of Sections 27 & 22
Targeted Interval: 2nd Bone Spring

Permian Resources Operating, LLC
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Exhibit A-4

4. Bridge State Unit 504H

SHL: 792' FSL, 814' FEL of Section 27 (or at a legal location SE4)

BHL: 100' FNL 330' FEL of Section 22

FTP: 100' FSL 330' FEL of Section 27

LTP: 100' FNL, 330' FEL of Section 22

TVD: Approximately 10,320'

TMD: Approximately 20,855'

Proration Unit: E2E2 of Sections 27 & 22

Targeted Interval: 2nd Bone Spring

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

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

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

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

Thank you for your time and consideration, if you have any questions at all, please don't hesitate to contact me at 432.695.422 or by email at Reagan.armstrong@permianres.com

Respectfully,



Reagan Armstrong

Landman

Enclosures

Bridge 27 State Com Elections:

Well Elections <i>(Please Indicate your responses in the spaces below)</i>		
Well(s)	Elect to Participate	Elect to NOT Participate
Bridge 27 State 501H		
Bridge 27 State 502H		
Bridge 27 State 503H		
Bridge 27 State 504H		

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 _____, 2025 by:

Company Name (If Applicable)

By: _____

Printed Name: _____

Title: _____

Cost Estimate

Printed Date: Feb 2, 2025

AFE Number:	502863	Description:	Bridge State 27 503H
AFE Name:	Bridge State 27 503H	AFE TYPE:	Drill and Complete
Well Operator:	PERMIAN RESOURCES		
Operator AFE #:			

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
Pipeline		
8036.1310	PLN - PEMANENT EASEMENT	\$16,364.00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$3,000.00
8036.3620	PLN - POWER DISTRIBUTION LABOR	\$3,000.00
8036.2800	PLN - FLOWLINE MATERIAL	\$60,000.00
8036.3200	PLN - VALVES FITTINGS & PIPE	\$10,000.00
8036.2200	PLN - CONTRACT LABOR	\$60,000.00
	Sub-total	\$152,364.00
Artificial Lift Tangible		
8065.2000	TAL - WELLHEAD EQUIPMENT	\$60,000.00
8065.2300	TAL - GAS LIFT INJECTION LINE & INSTALL	\$80,000.00
8065.3100	TAL - MEASUREMENT EQUIPMENT	\$30,000.00
8065.2500	TAL - VALVES/CONNECTIONS/FTGS	\$15,000.00
8065.1100	TAL - TUBING	\$65,000.00
8065.1320	TAL - GAS LIFT EQUIPMENT/INSTALL	\$30,000.00
8065.2400	TAL - COMPRESSOR INSTALL & STARTUP	\$70,000.00
8065.3200	TAL - COMM, TELEMETRY & AUTOMA	\$10,000.00
	Sub-total	\$360,000.00
Facilities		
8035.3500	FAC - COMPRESSOR	\$3,000.00
8035.3700	FAC - AUTOMATION MATERIAL	\$12,500.00
8035.3800	FAC - FLARE/COMBUSTER	\$11,000.00
8035.1310	FAC - PERMANENT EASEMENT/ROW	\$1,000.00
8035.1700	FAC - RENTAL EQUIPMENT	\$8,000.00
8035.2500	FAC - CONSULTING SERVICES	\$500.00
8035.4500	FAC - CONTINGENCY	\$10,496.00
8035.2100	FAC - INSPECTION & TESTING	\$250.00
8035.1400	FAC - ROAD LOCATIONS PITS	\$2,500.00
8035.3100	FAC - VRU RENTAL	\$1,500.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$20,000.00
8035.1600	FAC - TRANSPORTATION TRUCKING	\$3,000.00
8035.3200	FAC - VALVES FITTINGS & PIPE	\$60,000.00
8035.4400	FAC - COMPANY LABOR	\$500.00
8035.2400	FAC - SUPERVISION	\$7,000.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$400.00
8035.2900	FAC - TANK BATTERY	\$36,000.00
8035.3000	FAC - HEATER TREATER/SEPARATOR	\$97,000.00
8035.1300	FAC - SURFACE DAMAGE	\$200.00
8035.3400	FAC - METERS	\$48,000.00
8035.1500	FAC - MATERIALS & SUPPLIES	\$3,000.00
8035.3600	FAC - ELECTRICAL	\$27,500.00

300 N Marienfeld Street, Suite 1000, Midland, TX 79701
 TEL (432) 695-4222 www.permianres.com

Cost Estimate

Printed Date: Feb 2, 2025

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
8035.3300	FAC - CIRCULATING TRANSFER PUMP	\$7,000.00
Sub-total		\$360,346.00
Completion Intangible		
8025.3050	ICC - SOURCE WATER	\$402,439.00
8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.1600	ICC - COILED TUBING	\$184,906.00
8025.3000	ICC - WATER HANDLING	\$142,276.00
8025.1500	ICC - FUEL / POWER	\$238,780.00
8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,731,225.00
8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$14,700.00
8025.2000	ICC - TRUCKING	\$14,375.00
8025.3400	ICC - RENTAL EQUIPMENT	\$149,130.00
8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00
8025.3800	ICC - OVERHEAD	\$10,000.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$395,640.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00
8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$40,000.00
8025.3500	ICC - WELLSITE SUPERVISION	\$43,200.00
Sub-total		\$3,462,171.00
Drilling Intangible		
8015.4200	IDC - MANCAMP	\$35,100.00
8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$222,328.13
8015.2300	IDC - FUEL / POWER	\$126,225.00
8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$14,850.00
8015.3100	IDC - CASING CREW & TOOLS	\$47,500.00
8015.5200	IDC - CONTINGENCY	\$109,590.18
8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$12,500.00
8015.3700	IDC - DISPOSAL	\$118,111.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$27,000.00
8015.5000	IDC - WELL CONTROL INSURANCE	\$7,425.00
8015.1500	IDC - RIG MOB / TRUCKING	\$127,500.00
8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$53,071.88
8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$194,289.81
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$42,500.00
8015.1300	IDC - SURFACE DAMAGE / ROW	\$35,000.00
8015.1700	IDC - DAYWORK CONTRACT	\$503,465.63
8015.2400	IDC - RIG WATER	\$16,875.00
8015.2150	IDC - DRILL BIT	\$98,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$35,100.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$135,625.00

Cost Estimate

Printed Date: Feb 2, 2025

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
8015.2350	IDC - FUEL/MUD	\$86,000.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$20,250.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00
8015.4100	IDC - RENTAL EQUIPMENT	\$109,375.00
8015.4300	IDC - WELLSITE SUPERVISION	\$78,300.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$48,746.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$143,200.00
8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$37,000.00
	Sub-total	\$2,544,927.63
Drilling Tangible		
8020.1400	TDC - CASING - PRODUCTION	\$307,816.25
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$59,287.50
8020.1100	TDC - CASING - SURFACE	\$22,434.69
8020.1500	TDC - WELLHEAD EQUIPMENT	\$53,125.00
	Sub-total	\$442,663.44
Artificial Lift Intangible		
8060.1900	IAL - INSPECTION & TESTING	\$3,000.00
8060.3410	IAL - LAYDOWN MACHINE	\$5,000.00
8060.2600	IAL - CONTRACT LABOR/ROUSTABOUT	\$15,000.00
8060.2300	IAL - COMPLETION FLUIDS	\$5,000.00
8060.1200	IAL - WORKOVER RIG	\$17,000.00
8060.3500	IAL - WELLSITE SUPERVISION	\$5,000.00
8060.2010	IAL - KILL TRUCK	\$5,000.00
8060.2000	IAL - TRUCKING/VACUUM/TRANSP	\$5,000.00
8060.1400	IAL - WIRELINE OPEN/CASED HOLE	\$10,000.00
8060.3400	IAL - RENTAL EQUIPMENT	\$5,000.00
8060.3420	IAL - REVERSE UNIT RENTAL	\$5,000.00
	Sub-total	\$80,000.00
Flowback Intangible		
8040.3430	IFC - SURFACE PUMP RENTAL	\$20,000.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00
8040.3420	IFC - TANK RENTALS	\$20,000.00
8040.4000	IFC - CHEMICALS	\$15,000.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$125,000.00
8040.1100	IFC - ROADS LOCATIONS / PITS	\$5,000.00
8040.1899	IFC - FRAC WATER RECOVERY	\$611,078.24
8040.3500	IFC - WELLSITE SUPERVISION	\$10,000.00
	Sub-total	\$826,078.24
Completion Tangible		
8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
	Sub-total	\$47,250.00
Grand Total		\$8,275,800.31

Contact Chronology	
Owner	Date and Description
Oxy Y-1 Company	4/10/2025- Oxy sent an email detailing what they show their interest in the Unit
	4/22/2025- Sent title for each section to Oxy for listing the division between each of its entities
	4/23/2025- PR emailed to ask if they had interest in participating in JOA and
Apache Corporation	3/25/2025- PR sent the JOA and Apache did not have any questions
	4/3/2025- PR sent updated title to Apache and asked if they had any questions.
	4/23/2025- PR sent an email to see if they had any interest in executing the JOA

Permian Resources Operating, LLC
Case No. 25310
Exhibit A-5

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

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

**CASE NOS. 25308, 25309
25310, 25311**

**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 Bridge States' 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 **Bridge State Unit 27 501H, Bridge State Unit 27 502H, Bridge State Unit 27 503H, and Bridge State Unit 27 504H** wells ("Wells") are represented by dashed orange lines. Existing producing wells in the targeted interval are represented by solid orange 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. 25310
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 orange 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 Third 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 orange line to be drilled from south to north 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 standup orientation for the Wells is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and is 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' applications 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 REUDELHUBER]

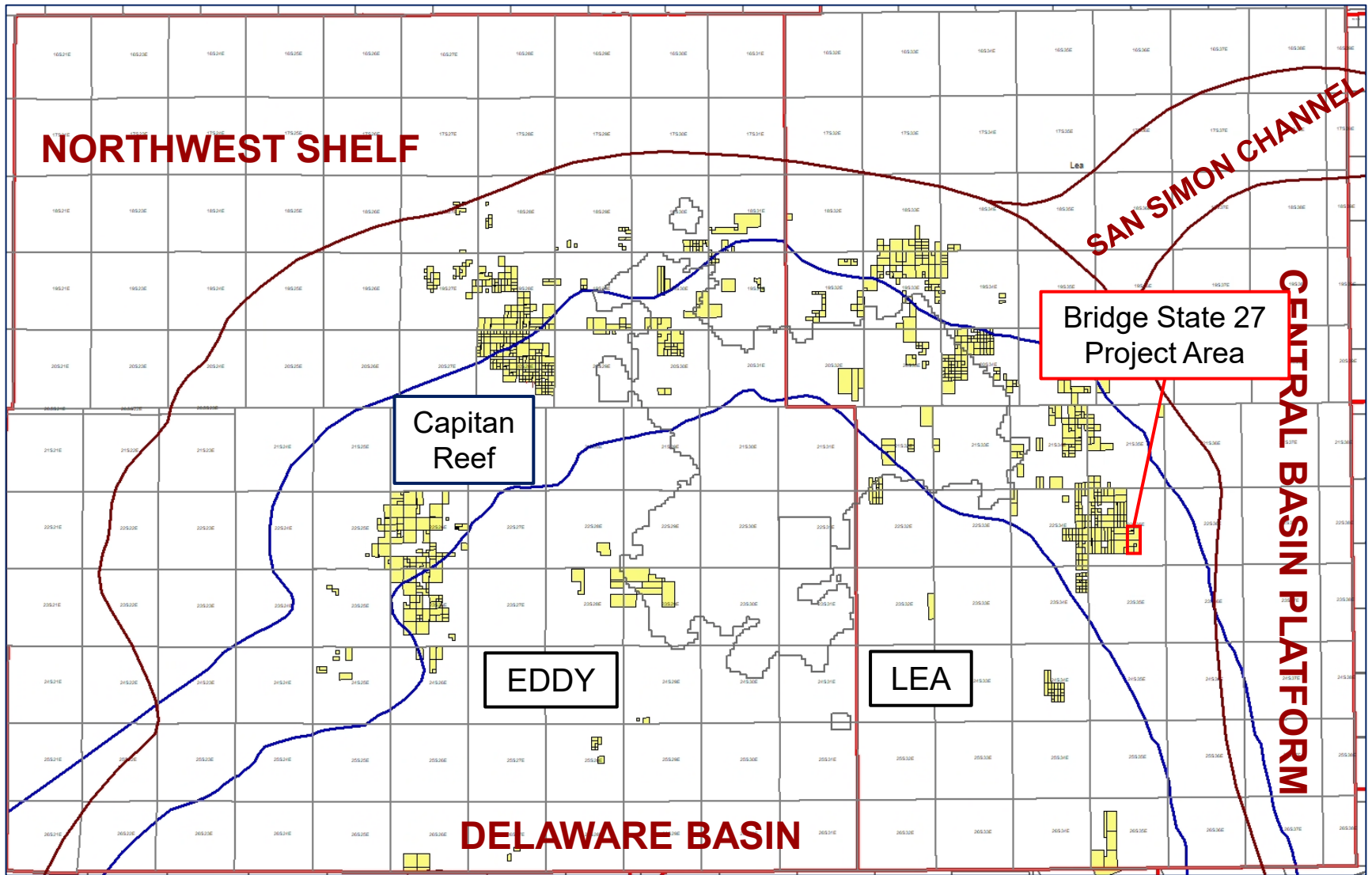
4/25/25
Date



Exhibit B-1

Regional Locator Map

Bridge State Unit 27 501H, Bridge State Unit 27 502H, Bridge State Unit 27 503H,
and Bridge State Unit 27 504H



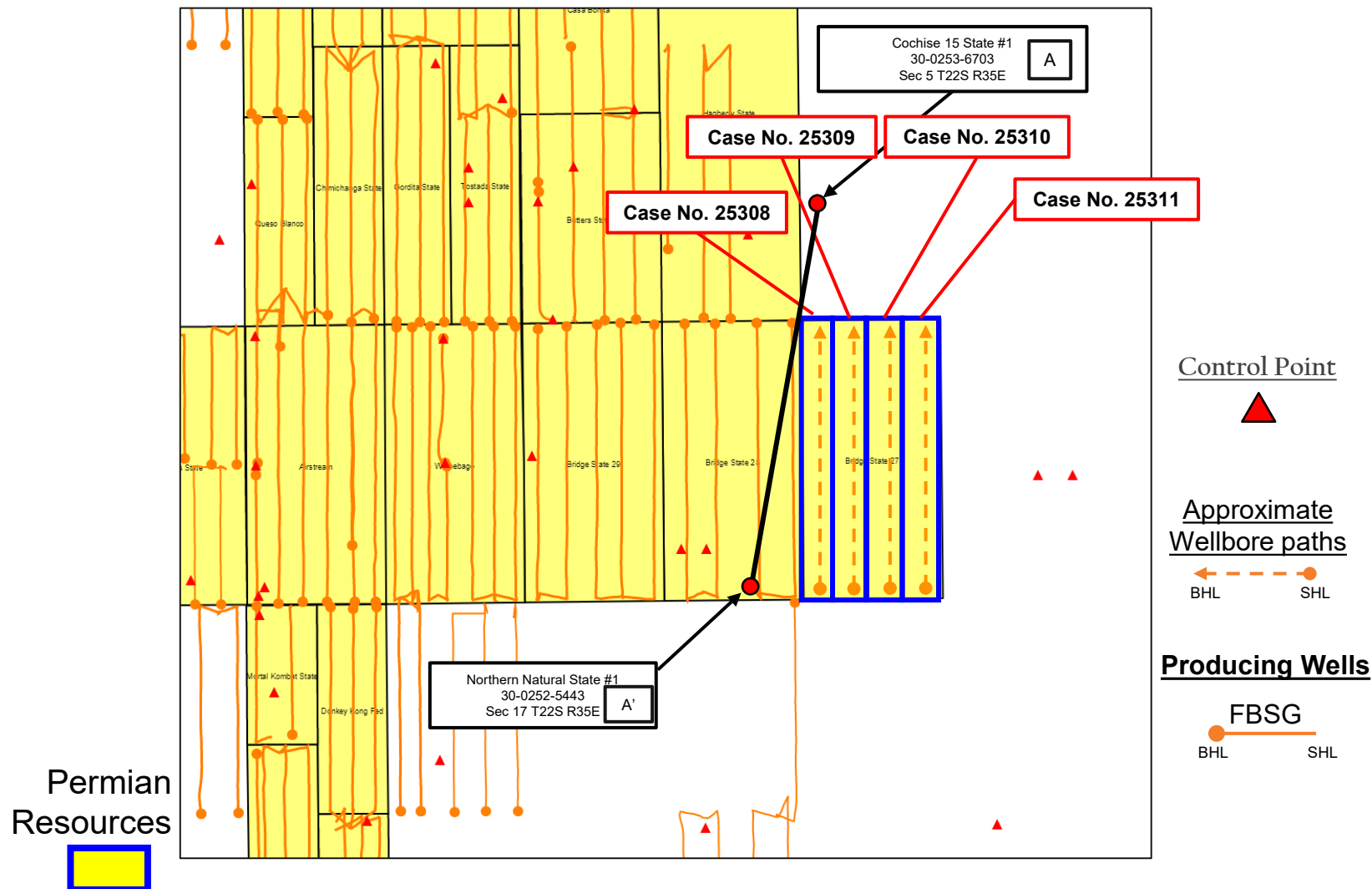
Permian Resources

Cross-Section Locator Map

Bridge State Unit 27 501H, Bridge State Unit 27 502H, Bridge State Unit 27 503H, and Bridge State Unit 27 504H

Case No. 25310

Exhibit B-2



Second Bone Spring– SBSG SSTVD Structure Map

Case No. 25310

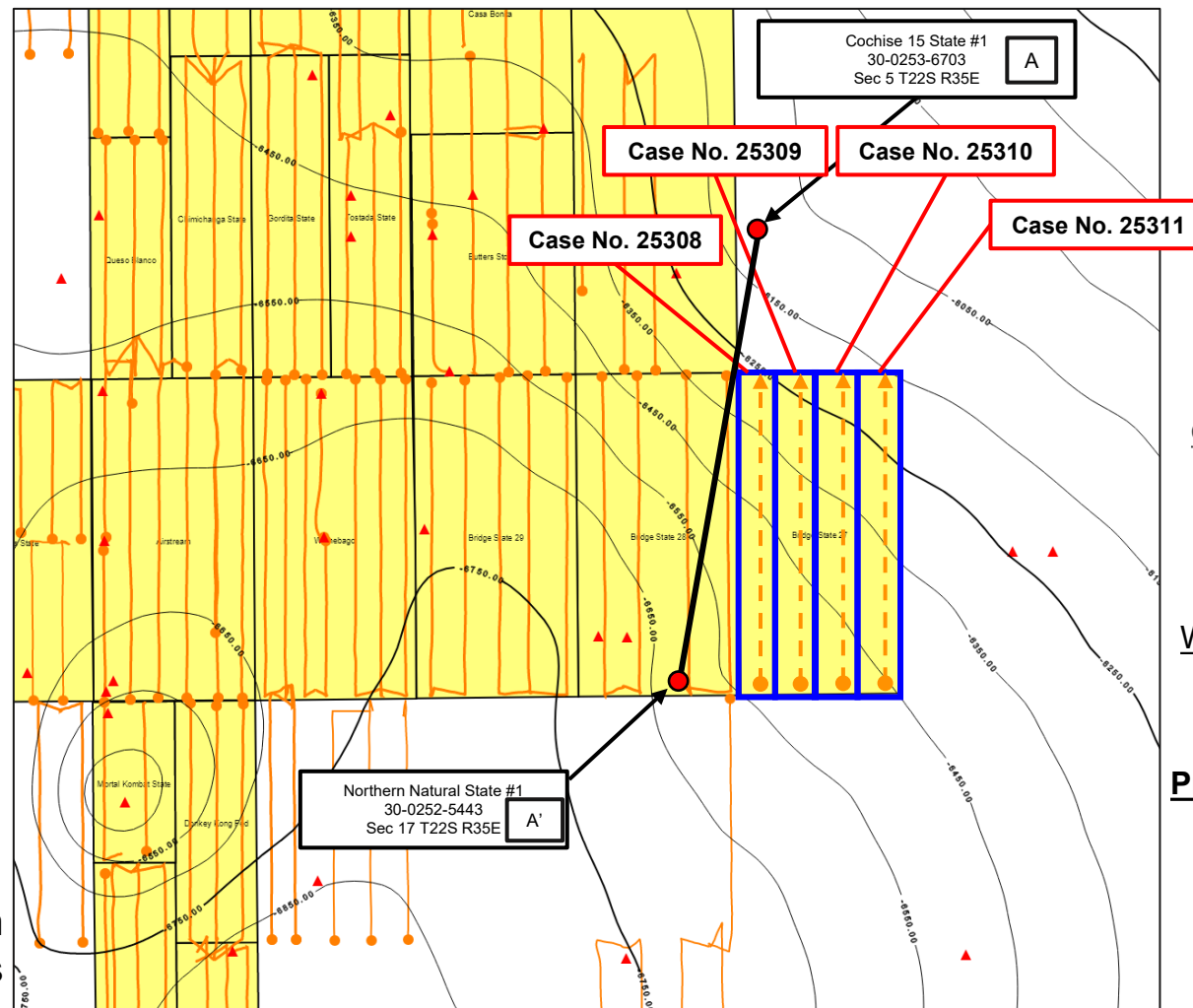
Exhibit B-3

Exhibit B-3

Bridge State Unit 27 501H, Bridge State Unit 27 502H, Bridge State Unit 27 503H, and Bridge State Unit 27 504H

Structure Map
Top SBSG

TVDss C.I. 100'



**Exhibit B-4**

Stratigraphic Cross-Section A-A'

Bridge State Unit 27 501H, Bridge State Unit 27 502H, Bridge State Unit 27 503H, and Bridge State Unit 27 504H

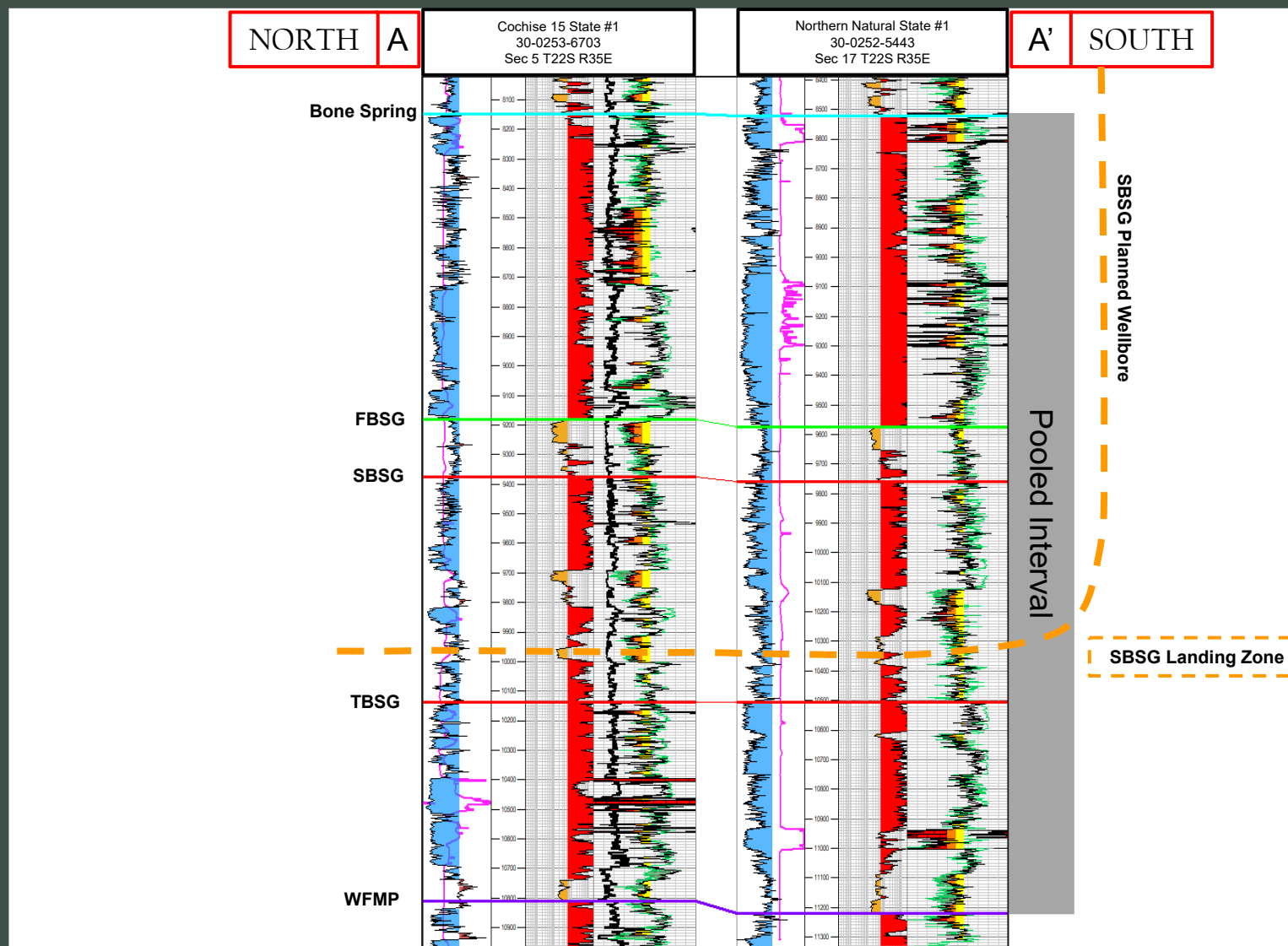
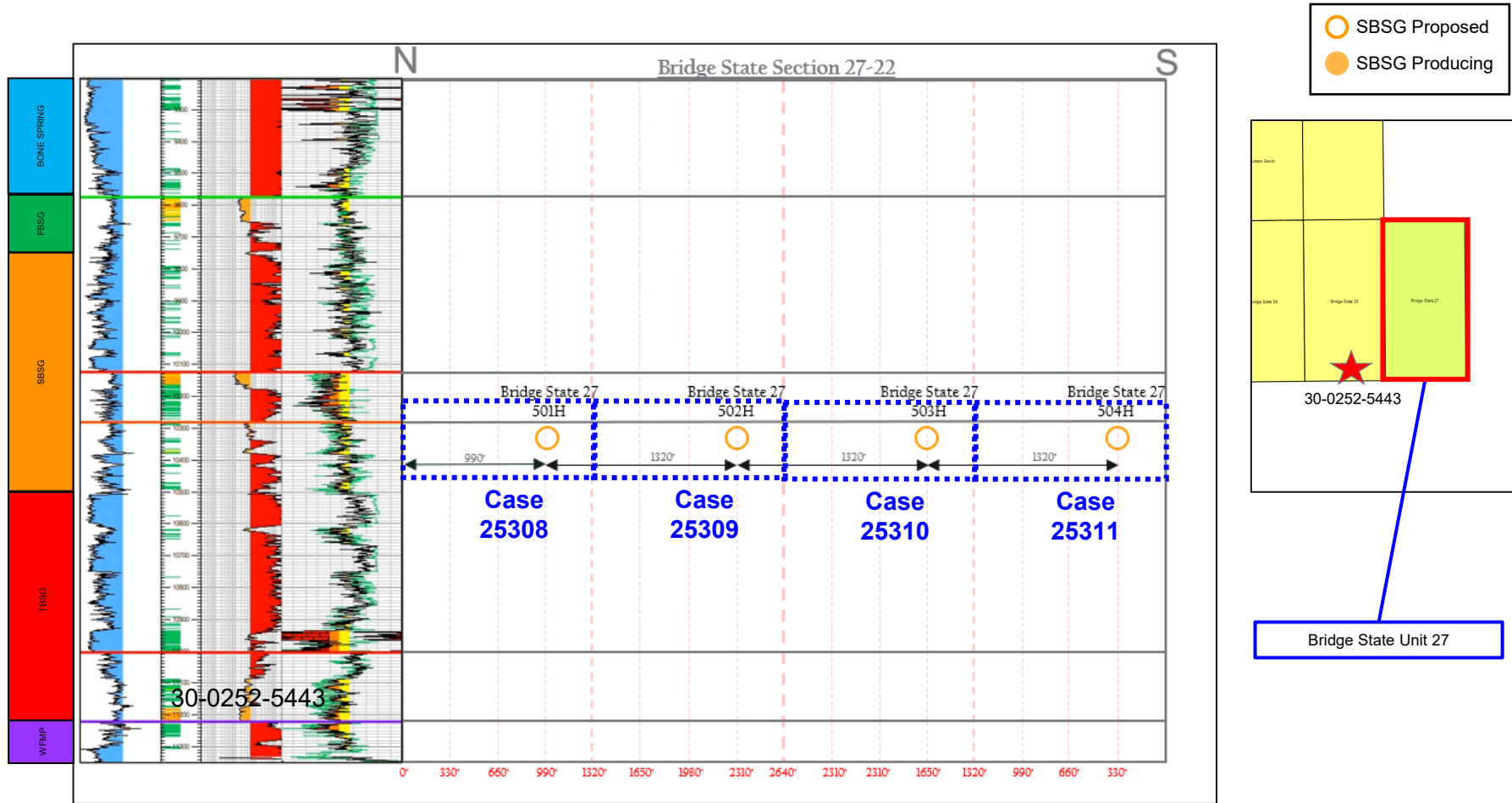




Exhibit B-5

Gun Barrel Development Plan

Bridge State Unit 27 501H, Bridge State Unit 27 502H, Bridge State Unit 27 503H, and Bridge State Unit 27 504H



**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. 25310

**SELF-AFFIRMED STATEMENT
OF JACLYN M. MCLEAN**

1. I am attorney in fact and authorized representative of Permian Resources Operating, LLC ("Permian Resources"), 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 listed in the Postal Delivery Report attached as **Exhibit C-2**.
3. Exhibit C-2 also provides the date the Notice Letter was sent, along with the delivery status of each.
4. An electronic return receipt is attached as **Exhibit C-3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.
5. On April 18, 2025, I caused a notice to be published 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 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 handwritten next to my signature below.

/s/Jaclyn M. McLean
Jaclyn M. McLean

April 28, 2025
Date

**Permian Resources Operating, LLC
Case No. 25310
Exhibit C**



April 15, 2025

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 25310– Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **May 8, 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/ocd/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/ocd/ocdpermitting/>) or via e-mail to ocd.hearings@emnrd.nm.gov and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this application, please contact Reagan Armstrong, Landman at Permian Resources Operating, LLC, via e-mail at Reagan.Armstrong@permianres.com.

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

HardyMcClean.com

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

Permian Resources Operating, LLC
Case No. 25310
Exhibit C-1

Hardy McLean LLC
April 15, 2025

Page 2

Sincerely,

/s/ Jaclyn M. McLean
Jaclyn M. McLean

Enclosure

Postal Delivery Report
Permian Resources - Bridge State - Case No. 25310

Recipient	Mailed	USPS Tracking Number	Date Delivered	Delivery Status
Apache Corporation	4/15/2025	94148362085512814	In Transit	Not Received
Oxy Y-1 Company	4/15/2025	94148362085512814	4/23/2025	Received

Permian Resources Operating, LLC
Case No. 25310
Exhibit C-2



April 23, 2025

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:
9414 8362 0855 1281 4083 84.

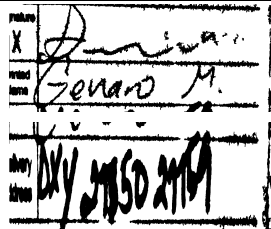
Item Details

Status: Delivered to Agent, Picked up at USPS
Status Date / Time: April 23, 2025, 10:00 am
Location: HOUSTON, TX 77046
Postal Product: First-Class Mail®
Extra Services: Certified Mail™
Return Receipt Electronic
Recipient Name: Oxy Y 1 Company

Recipient Signature

Signature of Recipient:
(Authorized Agent)

Address of Recipient:



Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,
United States Postal Service®
475 L'Enfant Plaza SW
Washington, D.C. 20260-0004

Oxy Y-1 Company
5 Greenway Plaza 110
Houston, TX 77046
Reference #: PRO Bridge State 25310
Item ID: PRO Bridge State 25310

Permian Resources Operating, LLC
Case No. 25310
Exhibit C-3

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
April 18, 2025
and ending with the issue dated
April 18, 2025.



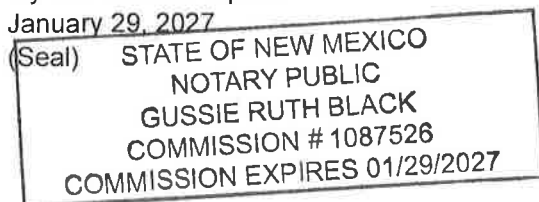
Publisher

Sworn and subscribed to before me this
18th day of April 2025.



Business Manager

My commission expires
January 29, 2027



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

LEGAL	LEGAL
<p align="center">LEGAL NOTICE April 18, 2025</p> <p>This is to notify all interested parties, including: Apache; Oxy Y-1 Company; and their successors and assigns; that the New Mexico Oil Conservation Division will conduct a hearing on the applications submitted by Permian Resources Operating, LLC. (Case No. 25310). The hearing will be conducted on May 8, 2025, in a hybrid fashion, both virtually and in person at the Energy, Minerals, Natural Resources Department, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD website: https://www.emnrd.nm.gov/oed/hearing-info/. In Case No. 25310, Applicant applies for an order pooling all uncommitted interests in the Second Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 22, Township 22 South, Range 35 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Bridge State Unit 27 503H well ("Well"), which will be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 27 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 22. The completed interval of the Well will be orthodox. A depth severance exists in the Bone Spring formation within the Unit. Accordingly, Applicant seeks to pool uncommitted interests from the base of the First Bone Spring interval, at a stratigraphic equivalent of approximately 10,122' TVD, to the base of the Second Bone Spring interval, at a stratigraphic equivalent of approximately 10,509' TVD, as observed on the Northern AKQ State #001 well log (API No. 30-025-25443). 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 8.24 miles northeast of Eunice, New Mexico. #00300174</p>	

67118479

00300174

HARDY MCLEAN LLC
125 LINCOLN AVE, STE. 223
SANTA FE, NM 87501

Permian Resources Operating, LLC
Case No. 25310
Exhibit C-4