

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

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

CASE NO. _____

APPLICATION

Pursuant to NMSA § 70-2-17, Permian Resources Operating, LLC (OGRID No. 372165) (“Permian Resources” or “Applicant”) applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 645.91-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Sections 31 and 32, Township 19 South, Range 28 East, Eddy County, New Mexico (“Unit”). In support of this application, Permian Resources states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
2. Applicant seeks to dedicate the Unit to the following wells (“Wells”):
 - **Dakota 32 Fed Com 203H** well which will be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 32, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 31.
 - **Dakota 32 Fed Com 204H** well which will be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 32, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 31.
3. The completed intervals of the Wells will be orthodox.
4. The completed interval of the Dakota 32 Fed Com 204H well will be located within 330’ of the quarter-quarter section line separating the N/2 S/2 and S/2 S/2 of Sections 31 and 32 to allow for the creation of a 645.91-acre standard, horizontal spacing unit.

5. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Wells 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 Wells and Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 7, 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 Wells in the Unit;
- C. Designating Applicant as operator of the Unit and the Wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the Wells;
- 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% penalty for the risk assumed by Applicant in drilling and completing the Wells against any working interest owner who does not voluntarily participate in the drilling of the Wells.

Respectfully submitted,

HARDY MCLEAN LLC

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