

**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. 25500

PRE-HEARING STATEMENT

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

APPLICANT

Permian Resources Operating, LLC

ATTORNEYS

Dana S. Hardy
Jaclyn M. McLean
Hardy McLean LLC
125 Lincoln Ave, Ste. 223
Santa Fe, NM 87501
Phone: (505) 230-4410
dhardy@hardymclean.com
jmclean@hardymclean.com

INTERESTED PARTY

None.

ATTORNEYS

STATEMENT OF THE CASE

Permian Resources 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”). The Unit will be dedicated to the following wells (“Wells”): Dakota 32 Fed Com 203H, 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; and the Dakota 32 Fed Com 204H,

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.

The completed intervals of the Wells will be orthodox. 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.

Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Permian Resources as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

PROPOSED EVIDENCE

| Witness | Occupation | Estimated Time | Exhibits |
|----------------|-------------------|-----------------------|-----------------|
| Ryan Curry | Landman | Affidavit | Approx. 5 |
| Chris Cantin | Geologist | Affidavit | Approx. 3 |

PROCEDURAL MATTERS

Applicant intends to present this case by affidavit if there is no opposition to its application.

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

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 490758

QUESTIONS

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| Operator: Permian Resources Operating, LLC 300 N. Marienfeld St Ste 1000 Midland, TX 79701 | OGRID: 372165 |
| | Action Number: 490758 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

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|---|---------------|
| Testimony | |
| Please assist us by provide the following information about your testimony. | |
| Number of witnesses | Not answered. |
| Testimony time (in minutes) | Not answered. |