

**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 1978, Section 70-2-17, Permian Resources Operating, LLC (OGRID No. 372165) ("Permian Resources" or "Applicant") applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 953.95-acre, more or less, standard horizontal spacing unit comprised of the S/2 of irregular Sections 31 and 32, Township 21 South, Range 27 East, and the S/2 of Section 36, Township 21 South, Range 26 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. The Unit will be dedicated to the **Fred State Com 133H** ("Well"), which will produce from a first take point located in the NE/4 SE/4 (Unit I) of Section 32, Township 21 South, Range 27 East, to a last take point located in the NW/4 SW/4 (Unit L) of Section 36, Township 21 South, Range 26 East.
3. The completed intervals of the Well will be orthodox.
4. The completed interval of the **Fred State Com 133H** 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, 32, and 36 to allow for the creation of a 953.95-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 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 as the operator of the Well and Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on September 11, 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 Applicant as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Applicant 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% penalty for the risk assumed by Applicant 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

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