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

APPLICATION OF EARTHSTONE OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-22597, LEA COUNTY, NEW MEXICO.

> CASE NO. 25538 ORDER NO. R-22597

PRE-HEARING STATEMENT

Earthstone Operating, LLC ("Applicant") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT ATTORNEYS

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INTERESTED PARTIES ATTORNEY

None.

STATEMENT OF THE CASE

Applicant seeks an order pooling additional uncommitted interests under the terms of Division Order No. R-22597 ("Order"). The Order pooled uncommitted interests from the top of the Second Bone Spring interval to the base of the Third Bone Spring interval of the Bone Spring formation underlying a 638.71-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Section 34, Township 19 South, Range 33 East, and Lots 1 and 2, S/2 NE/4, and SE/4 (E/2 equivalent) of irregular Section 3, Township 20 South, Range 33 East, Lea County, New

Mexico ("Unit"). The Order dedicated the Unit to the Jade 34-3 Fed 2BS Com 9H, Jade 34-3 Fed 2BS Com 18H, Jade 34-3 Fed HKY Com 19H, Jade 34-3 Fed 3BS Com 21H, and Jade 34-3 Fed 3BS Com 22H wells ("Wells") and designated Applicant as operator of the Unit and Wells.

Since the Order was entered, Applicant has identified additional interests in the Unit that should be pooled under the terms of the Order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Kevin Wooley	Landman	Affidavit	Approx. 5

PROCEDURAL MATTERS

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

Respectfully submitted,

HARDY MCLEAN LLC

By: /s/ Dana S. Hardy
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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

QUESTIONS

Action 502938

QUESTIONS

Operator:	OGRID:
Permian Resources Operating, LLC	372165
300 N. Marienfeld St Ste 1000	Action Number:
Midland, TX 79701	502938
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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