

# MILLER STRATVERT

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Oil Conservation Division  
1220 S. St. Francis Drive  
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\* New Mexico Board of Specialization Recognized Specialist in Natural Resources - Oil & Gas Law  
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December 3, 2003

Lori Wrottenberg, Director  
New Mexico Oil Conservation Division  
1220 South St. Francis Dr.  
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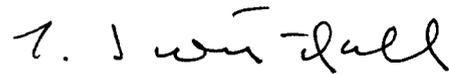
Re: New Mexico Oil Conservation Case No. 13144; Application of Permian Resources, Inc to Amend the Special Rules and Regulations for the North Shoe Bar-Strawn Pool to Change the Acreage Dedication and Well Location Requirements, or Alternatively, for an Unorthodox Well Location, Lea County, New Mexico

Dear Ms. Wrottenberg:

On behalf of the Applicant, Permian Resources, Inc., enclosed for filing is our Motion for Continuance in the above matter. I am attempting to determine whether EOG Resources, the only other party of record, concurs with or opposes the Motion.

Very truly yours,

MILLER STRATVERT P.A.



J. Scott Hall

JSH/glb  
Enclosure

cc: Will Porter (w/encl.)  
Michael Stogner (w/encl.)  
Michael Feldewert (w/encl.)  
Gail MacQuesten (w/encl.)

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

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DEC 3 2003

IN THE MATTER OF THE APPLICATION OF PERMIAN  
RESOURCES, INC. TO AMEND THE SPECIAL RULES AND  
REGULATIONS FOR THE NORTH SHOE BAR-STRAWN  
POOL TO CHANGE THE ACREAGE DEDICATION AND  
WELL LOCATION REQUIREMENTS, OR ALTERNATIVELY,  
FOR AN UNORTHODOX WELL LOCATION,  
LEA COUNTY, NEW MEXICO

Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

CASE NO. 13,144

MOTION FOR CONTINUANCE

Permian Resources, Inc., ("Permian"), the Applicant in Case No. 13144, moves the Division Examiner enter his order continuing the hearing on the Application now set for December 4, 2003 to the January 8, 2004 examiner hearing docket. The Application was originally scheduled for the September 18, 2003 hearing docket and has been continued three times. As grounds for this motion, Permian states:

By its Application, Permian seeks an amendment to the special rules and regulations for the North Shoe Bar-Strawn Pool to change the acreage dedication requirements from 160 acres to 80 acres and commensurate 330' well locations, or alternatively, for approval of an unorthodox well location for the Hilburn No. 3 well. The Hillburn No. 3 well is drilled to the Strawn formation in the North Shoe Bar-Strawn Pool, at an unorthodox bottom hole location approximately 990' FNL and 330' FWL of Section 13, T-16-S, R-35-E in Lea County. The well was completed in the Strawn formation during the week of October 20, 2003.

EOG Resources, Inc., ("EOG"), is the operator of two Strawn formation wells, the Mayfly 14 State Com No. 7 Well located in the NE/NE and the Mayfly 14 State Com No. 2 Well located in the NW/NE of Section 14, T-16-S, R-35-E, which are also completed in and producing from the North Shoe Bar Strawn Pool. EOG's wells immediately offset Permian's well in Section 13. EOG has also entered its appearance in Case No. 13144. Pursuant to an interim agreement between Permian and EOG, Permian has been producing the Hillburn No. 3 well in order to assess the effect, if any, that production from the Hillburn No. 3 well may have on EOG's wells in Section 14. The Division was advised of the Permian/EOG agreement and the test on October 15, 2003.

Following an initial production period, Permian, as operator of the Hillburn No. 3 well, has determined that additional time is needed to evaluate its completion. The additional evaluation period will also allow further discussions between Permian and EOG and will facilitate possible resolution of issues between the operators precipitated by Permian's Application.

WHEREFORE, Permian requests the Division's Examiner enter his order continuing the hearing in this matter to the January 8, 2004 examiner hearing docket.

MILLER STRATVERT P.A.

By: J. Scott Hall  
J. Scott Hall  
Attorneys for Permian Resources, Inc.  
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**Certificate of Service**

I hereby certify that a true and correct copy of the foregoing Motion for Continuance was forwarded by facsimile to counsel of record on the 3 day of December, 2003, as follows:

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Holland & Hart, LLP  
Post Office Box 2208  
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Gail MacQuesten, Esq.  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

*J. Scott Hall*

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J. Scott Hall

**Stogner, Michael**

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**From:** Stogner, Michael  
**Sent:** Wednesday, December 03, 2003 3:57 PM  
**To:** Davidson, Florene; Scott Hall (E-mail)  
**Subject:** Case No. 13144



Your motion for continuance filed today (Wednesday, December 3, 2003) is hereby approved. This case will be continued to the January 8, 2004 docket.