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

APPLICATIONS OF PERMIAN RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 23955-23957

CONSOLIDATED PRE-HEARING STATEMENT

Permian Resources Operating, LLC ("Permian Resources" or "Applicant") submits its

Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

ATTORNEYS

Permian Resources Operating, LLC

Dana S. Hardy Jaclyn M. McLean Hinkle Shanor LLP P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com

INTERESTED PARTIES

ATTORNEYS

None.

STATEMENT OF THE CASE

In **Case No. 23955**, Permian Resources applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 322.26-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 5 and 8, Township 22 South, Range 35 East, Lea County, New Mexico. The Unit will be dedicated to the **Casa Bonita 32 State Com 121H** well, which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 32, Township 21 South, Range 35 East to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 8, Township 22 South, Range 35 East.

In **Case No. 23956**, Permian Resources applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 242.11-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Section 5 and the W/2 NE/4 of Section 8, Township 22 South, Range 35 East, Lea County, New Mexico. The Unit will be dedicated to **Casa Bonita 8 State Com 123H** well, which will be drilled from a surface hole location in the SE/4 NE/4 (Unit H) of Section 8 to a bottom hole location in the NW/4 NE/4 (Lot 2) of Section 5.

In Case No. 23957, Permian Resources applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 242.04-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Section 5 and the E/2 NE/4 of Section 8, Township 22 South, Range 35 East, Lea County, New Mexico. The Unit will be dedicated to the Casa Bonita 8 State Com 124H well, which will be drilled from a surface hole location in the SE/4 NE/4 (Unit H) of Section 8 to a bottom hole location in the NE/4 NE/4 (Lot 1) of Section 5.

The completed intervals of the wells will be orthodox. 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 operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells are located approximately 13 miles west of Eunice, New Mexico.

PROPOSED EVIDENCE

| Witness | Occupation | Estimated Time | Exhibits |
|---------------|------------|-----------------------|-----------|
| Chris Astwood | Landman | Affidavit | Approx. 5 |
| Ira Bradford | Geologist | Affidavit | Approx. 4 |

PROCEDURAL MATTERS

Applicant intends to consolidate these matters for hearing and will present the cases by affidavit if there is no opposition to its applications.

Respectfully submitted,

HINKLE SHANOR, LLP

<u>/s/ Dana S. Hardy</u> Dana S. Hardy Jaclyn M. McLean P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com *Counsel for Permian Resources Operating, LLC*

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Page 4 of 4

Action 289968

QUESTIONS

| Operator: | OGRID: |
|----------------------------------|--|
| Permian Resources Operating, LLC | 372165 |
| 1001 17th Street, Suite 1800 | Action Number: |
| Denver, CO 80202 | 289968 |
| | 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. | |