

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING DECEMBER 7, 2023**

CASE No. 24030

ERIC CARTMAN 31 STATE COM #506H

LEA COUNTY, NEW MEXICO

PERMIAN
RESOURCES

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

**APPLICATION OF PERMIAN RESOURCES
OPERATING, LLC TO AMEND ORDER R-22689,
LEA COUNTY, NEW MEXICO.**

**CASE NO. 24030
(formerly Case No. 23395)**

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

**APPLICATION OF PERMIAN RESOURCES
OPERATING, LLC TO AMEND ORDER R-22689,
LEA COUNTY, NEW MEXICO.**

CASE NO. 24030
(formerly Case No. 23395)

APPLICATION

Permian Resources Operating, LLC (“Permian” or “Applicant”) (OGRID No. 372165), through undersigned attorneys, hereby files this application with the Oil Conservation Division to amend pooling Order R-22689 and contract the pooled vertical interval. In support of its application, Permian states:

1. Permian is the designated operator under Order R-22689.
2. On May 25, 2023, the Division entered Order No. R-22689, pooling the uncommitted interest owners in the Bone Spring formation (Ojo Chiso; Bone Spring [96553]), from the top of the Bone Spring formation to 10,388 feet, underlying a standard 400-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Section 31, Township 21 South, Range 35 East, and the E/2 E/2 of Section 6 and the E/2 NE/4 of Section 7, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico (the “Pooling Order”). Permian is the designated operator under the Pooling order and the pooled spacing unit is initially dedicated to the drilled and producing **Eric Cartman 31 State Com 506H** (API: 30-025-50161) well.
3. Applicant requests to contract the pooled vertical interval to include from 10,010 feet TVD to 10,395 feet TVD, that being the Second Bone Spring, as shown in the New Mexico ‘DA’ State #001 (API: 30-025-27360).

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WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 7, 2023, and, after notice and hearing as required by law, the Division enter an order contracting the pooled vertical extent as requested.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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ATTORNEYS FOR PERMIAN RESOURCES
OPERATING, LLC

CASE _____: **Application of Permian Resources Operating, LLC to Amend Order R-22689, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order to amend pooling Order R-22689 and contract the pooled vertical interval. Order R-22689 designated Permian Resources Operating, LLC as the operator and pooled the uncommitted mineral interests in the Bone Spring formation (Ojo Chiso; Bone Spring [96553]), from the top of the Bone Spring formation to 10,388 feet, underlying a standard 400-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Section 31, Township 21 South, Range 35 East, and the E/2 E/2 of Section 6 and the E/2 NE/4 of Section 7, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. This standard horizontal well spacing unit is currently initially dedicated to the drilled and producing **Eric Cartman 31 State Com 506H** (API: 30-025-50161) well. Said area is located approximately 15 miles west of Eunice, New Mexico.

Exhibit No. B

Submitted by: Permian Resources Operating, LLC

Hearing Date: December 7, 2023

Case No. 24030

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
PERMIAN RESOURCES OPERATING, LLC**

**CASE NO. 23395
ORDER NO. R-22689**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on April 20, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Permian Resources Operating, LLC (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
20. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
21. This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.
22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
23. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

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ORDER NO. R-22689

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Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

25. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
26. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
32. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
33. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
34. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
35. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**


DYLAN MEUGE
DIRECTOR
DMF/hat

Date: 5/25/2023

CASE NO. 23395
ORDER NO. R-22689

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Exhibit A

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COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 23395	APPLICANT'S RESPONSE
Date	April 20, 2023
Applicant	Permian Resources Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF PERMIAN RESOURCES OPERATING, LLC FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	V-F Petroleum, Inc., Gahr Energy Company, Fuel Products, Inc., & MRC Permian Company
Well Family	Eric Cartman
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Ojo Chiso; Bone Spring [96553]
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	400-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	E/2 E/2 of Section 31, Township 21 South, Range 35 East, and the E/2 E/2 of Section 6 and the E/2 NE/4 of Section 7, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit A-4
Well(s)	

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ORDER NO. R-22689

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Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Eric Cartman 31 State Com 506H (API: 30-025-50161) SHL: 135' FNL, 382' FEL (Unit A) of Section 31, T21S-R35E FTP: 100' FNL, 330' FEL (Unit A) of Section 31, , T21S-R35E LTP: 2,540' FNL, 330' FEL (Unit H) of Section 7, T22S-R35E BHL: 2,540' FNL, 330' FEL (Unit H) of Section 31, T22S-R35E Completion Target: Bone Spring formation Well Orientation: North to South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit A-3
Completion Target (Formation, TVD and MD)	Exhibit A-5
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,500
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	See Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-4
Tract List (including lease numbers and owners)	Exhibit A-4
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-4
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-4
Undeveloped Working Interests	Exhibit A-6

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Overhead Rates In Proposal Letter	Exhibit A-5
Cost Estimate to Drill and Complete	Exhibit A-5
Cost Estimate to Equip Well	Exhibit A-5
Cost Estimate for Production Facilities	Exhibit A-5
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1, B-2
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B, B-4, B-5
HSU Cross Section	Exhibit B-4, B-5
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-3
Tracts	Exhibit A-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-4
General Location Map (including basin)	Exhibit B-1, B-2
Well Bore Location Map	Exhibit B-1, B-2
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-2, B-3
Cross Section (including Landing Zone)	Exhibit B-4, B-5
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M Vance
Signed Name (Attorney or Party Representative):	
Date:	4/27/2023

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ORDER NO. R-22689

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

**APPLICATION OF PERMIAN RESOURCES
OPERATING, LLC TO AMEND ORDER R-22689,
LEA COUNTY, NEW MEXICO.**

**CASE NO. 24030
(formerly Case No. 23395)**

SELF-AFFIRMED STATEMENT OF CHRIS ASTWOOD

1. My name is Chris Astwood. I work for Permian Resources Operating, LLC (“Permian”) as a Senior Landman.
2. I have previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Permian in this case, and I am familiar with the status of the lands in the subject area.
4. None of the uncommitted parties in this case has indicated opposition to proceeding by self-affirmed statement and, therefore, I do not expect any opposition at the hearing.
5. In **Case No. 24030**, Permian seeks an order amend pooling Order R-22689 and contract the pooled vertical interval. On May 25, 2023, the Division entered Order No. R-22689, pooling the uncommitted interest owners in the Bone Spring formation (Ojo Chiso; Bone Spring [96553]), from the top of the Bone Spring formation to 10,388 feet, underlying a standard 400-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Section 31, Township 21 South, Range 35 East, and the E/2 E/2 of Section 6 and the E/2 NE/4 of Section 7, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico (the “Pooling Order”). Permian is the

designated operator under the Pooling order and the pooled spacing unit is initially dedicated to the drilled and producing **Eric Cartman 31 State Com 506H** (API: 30-025-50161) well.

6. Applicant requests to contract the pooled vertical interval to include from 10,010 feet TVD to 10,395 feet TVD, that being the Second Bone Spring, as shown in the New Mexico 'DA' State #001 (API: 30-025-27360). Applicant requests to contract the pooled vertical interval to more efficiently manage Permian's overlapping spacing units in this development area because each has different dedicated acreage, and is in a different bench of the formation.

7. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Chris Astwood

12/5/2023

Date

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

APPLICATION OF PERMIAN RESOURCES
OPERATING, LLC TO AMEND ORDER R-22689,
LEA COUNTY, NEW MEXICO.

CASE NO. 24030
(formerly Case No. 23395)

SELF-AFFIRMED STATEMENT OF IRA BRADFORD

1. My name is Ira Bradford. I work for Permian Resources Operating, LLC ("Permian") as a Geologist.
2. I have previously testified before the New Mexico Oil Conservation Division ("Division") as an expert witness in petroleum land matters. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Permian in this case, and I have conducted a geologic study of the lands in the subject area.
4. **Permian Exhibit D-1** is the Type Log for the New Mexico 'DA' State #001 (API: 30-025-27360) well, which Permian used as a reference to identify the vertical extent that it seeks to limit the pooled interests to under Order R-22689, that being the correlative stratigraphic interval from 10,010 feet TVD to 10,395 feet TVD (SBSS).
5. In my opinion, standup orientation of the proposed well is the preferred orientation for horizontal well development in this area and is appropriate to develop the subject acreage efficiently and effectively.
6. Based on my geologic study, the Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing

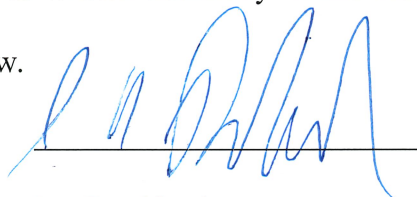
BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Permian Resources Operating, LLC
Hearing Date: December 7, 2023
Case No. 24030

unit will contribute more-or-less equally to the production from the wellbore. I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing unit proposed.

7. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery, and that approving Permian's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

8. **Permian Exhibits D-1** were either prepared by me or compiled under my direction and supervision.

9. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Ira Bradford

12/5/2023

Date

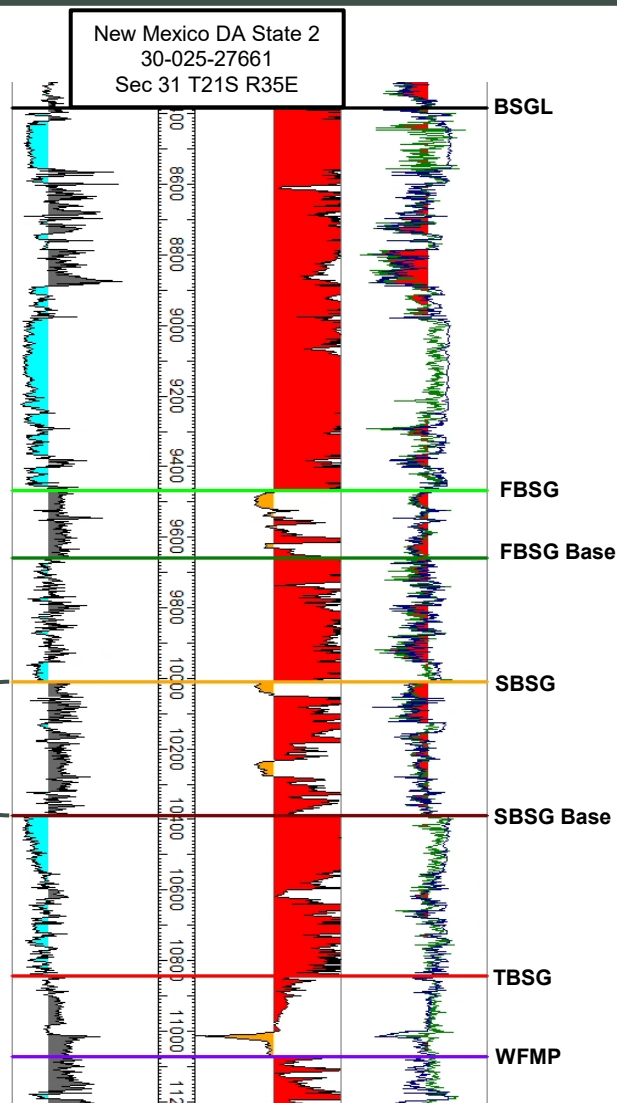


Exhibit D-1

Type Log

Eric Cartman 31 State Com

POOLED
INTERVAL



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

**APPLICATION OF PERMIAN RESOURCES
OPERATING, LLC TO AMEND ORDER R-22689,
LEA COUNTY, NEW MEXICO.**

**CASE NO. 24030
(formerly Case No. 23395)**

**SELF-AFFIRMED STATEMENT OF
PAULA M. VANCE**

1. I am attorney in fact and authorized representative of Permian Resources Operating, LLC "Permian"), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.

3. The spreadsheets attached hereto contain the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of December 4, 2023.

5. I caused a notice to be published to all parties subject to this proceeding. An affidavit of publication from the publication's legal clerk with a copy of the notice publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

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Paula M. Vance

12/5/2023

Date



Paula M. Vance
Associate
Phone (505) 988-4421
Email pmvance@hollandhart.com

November 17, 2023

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Permian Resources Operating, LLC to Amend Order R-22689 to Contract the Pooled Vertical Interval, Lea County, New Mexico: *Eric Cartman 31 State Com #506H well*

Ladies & Gentlemen:

This letter is to advise you that Permian Resources Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on December 7, 2023, and the status of the hearing can be monitored through the Division's website at <https://www.emnrd.nm.gov/ocd/>.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Chris Astwood at (432) 315-0102 or Chris.Astwood@permianres.com.

Sincerely,

A handwritten signature in blue ink that reads "Paula M. Vance".

Paula M. Vance
**ATTORNEY FOR PERMIAN RESOURCES
OPERATING, LLC**

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Permian - Eric Cartman 5 6H well - Case no.
24030 Postal Delivery Report

9414811898765498246514	MRC Delaware	500 Lbj Freeway Ste 1500	Dallas	TX	75240	Your package will arrive later than expected, but is still on its way. It is currently in transit to the
9414811898765498241267	Mid Western Energy, LLC	PO Box 1889	Midland	TX	79702-1889	Your item arrived at the SANTA FE, NM 87501 post office at 8:07 am on November 30, 2023 and
9414811898765498241229	Stonedown Energy, LLC	PO Box 1889	Midland	TX	79702-1889	Your item arrived at the SANTA FE, NM 87501 post office at 8:07 am on November 30, 2023 and
9414811898765498241205	Cache Investments, LLC	PO Box 1889	Midland	TX	79702-1889	Your item arrived at the SANTA FE, NM 87501 post office at 8:07 am on November 30, 2023 and
9414811898765498241298	Elk Range Royalties, LP	2110 Farrington St	Dallas	TX	75207-6502	Your item was delivered to an individual at the address at 1:01 pm on November 21, 2023 in
9414811898765498241281	Elk Range Royalties, LP	2850 N Harwood St Fl 19	Dallas	TX	75201-2642	Your item was delivered to an individual at the address at 3:11 pm on November 27, 2023 in
9414811898765498241236	SBI West Texas I, LLC	6702 Broadway St	Galveston	TX	77554-8906	We were unable to deliver your package at 9:23 am on November 24, 2023 in GALVESTON, TX 77554 because the business was closed. We will redeliver on the next business day. No action
9414811898765498246569	Chevron Midcontinent, LP	1400 Smith St	Houston	TX	77002-7327	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77210 on
9414811898765498246521	Fuel Products, Inc.	PO Box 3098	Midland	TX	79702-3098	Your item was picked up at a postal facility at 2:17 pm on November 27, 2023 in MIDLAND, TX

Permian - Eric Cartman 506H well, Case no. 24030
Postal Delivery Report

9414811898765498246590	Gahr Energy Company	PO Box 1889	Midland	TX	79702-1889	Your item arrived at the SANTA FE, NM 87501 post office at 8:07 am on November 30, 2023 and
9414811898765498246545	Mark K. Nearburg	710 Dragon	Lakeway	TX	78734-4353	Your item was delivered to an individual at the address at 4:58 pm on November 22, 2023 in
9414811898765498246583	Magnum Hunter Production Inc.	600 N Marienfeld St Ste 600	Midland	TX	79701-4405	Your item arrived at the SANTA FE, NM 87501 post office at 8:07 am on November 30, 2023 and
9414811898765498246538	Legacy Reserves	300 W Wall St Ste 1800	Midland	TX	79701	This is a reminder to arrange for redelivery of your item or your item will be returned to
9414811898765498246576	Grewal Royalty	45 Rockefeller Plz Ste 2410	New York	NY	10111-2493	Your item was delivered to the front desk, reception area, or mail room at 11:53 am on November 27, 2023 in
9414811898765498241250	Chevron Midcontinent, LP, attn Land Department	6301 Deauville	Midland	TX	79706-2964	Your item was delivered to an individual at the address at 10:55 am on November 21, 2023 in

Affidavit of PublicationSTATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
November 24, 2023
and ending with the issue dated
November 24, 2023.


Publisher

Sworn and subscribed to before me this
24th day of November 2023.


Business Manager

My commission expires

January 29, 2027

(Seal)
STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087528
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

Released to Imaging: 12/6/2023 7:58:23 AM

LEGAL NOTICE
November 24, 2023**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO**

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following cases. The hearings will be conducted remotely on Thursday, December 7, 2023, beginning at 8:15 a.m. To participate in the hearings, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Sheila Apodaca, at Sheila.Apodaca@emnrd.nm.gov. Documents filed in these cases may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Sheila Apodaca at Sheila.Apodaca@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than November 27, 2023.

Persons may view and participate in the hearings through the following link: <https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m8e2efa70128b8314f91bf0542ac8df6c>

Webinar number: 2497 742 0771

Join by video system: 24977420771@nmemnrd.webex.com You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free
+1-408-418-9388 United States Toll

Access code: 2497 742 0771

Panelist password: b2WcDzPF47 (22923973 from phones and video systems)

STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following case
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All affected interest owners, including: MRC Delaware; Chevron Midcontinent, LP; Fuel Products, Inc.; Gahr Energy Company; Mark K. Nearburg, his heirs and devisees; Magnum Hunter Production Inc.; Legacy Reserves; Grewal (Royalty); Mid Western Energy, LLC; Stonedown Energy, LLC; Cache Investments, LLC; Elk Range Royalties, LP, and SBI West Texas I, LLC.

Case No. 24030: Application of Permian Resources Operating, LLC to Amend Order R-22689, Lea County, New Mexico. Applicant in the above-styled cause seeks an order to amend pooling Order R-22689 and contract the pooled vertical interval. Order R-22689 designated Permian Resources Operating, LLC as the operator and pooled the uncommitted mineral interests in the Bone Spring formation (Ojo Chiso; Bone Spring [96553]), from the top of the Bone Spring formation to 10,388 feet, underlying a standard 400-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Section 31, Township 21 South, Range 35 East, and the E/2 E/2 of Section 6 and the E/2 NE/4 of Section 7, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico. This standard horizontal well spacing unit is currently initially dedicated to the drilled and producing Eric Cartman 31 State Com 506H (API: 30-025-50161) well. Said area is located approximately 15 miles west of Eunice, New Mexico.
#00285105

67100754

00285105

HOLLAND & HART LLC
PO BOX 2208
SANTA FE, NM 87504-2208

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