

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

**APPLICATIONS OF PBEX OPERATIONS, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

**CASE NOS. 25154
25155**

CONDOLIDATED PRE-HEARING STATEMENT

PBEX Operations, LLC ("PBEX" or "Applicant") submits its Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

PBEX Operations, LLC

ATTORNEYS

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INTERESTED PARTY

None at this time.

ATTORNEYS

STATEMENT OF THE CASES

In **Case No. 25154**, PBEX applies for an order pooling all uncommitted interests in the Second and Third Bone Spring intervals of the Bone Spring formation underlying a 960-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County, New Mexico. The Unit will be dedicated to the following wells:

- Moonraker 15-27 Fed Com 201H and Moonraker 15-27 Fed Com 203H, which will be drilled from surface hole locations in the NE/4 NW/4 (Unit C) of Section 15 to bottom hole locations in the SW/4 SW/4 (Unit M) of Section 27; and
- Moonraker 15-27 Fed Com 205H, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27.

The Moonraker 15-27 Fed Com 203H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 15, 22, and 27 to allow for the creation of a 960-acre standard, overlapping horizontal spacing unit. Due to a depth severance within the Unit, PBEX seeks to pool only those uncommitted interests in the Second and Third Bone Spring intervals of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,600' and 10,770' TVD, as shown on the Lowell Federal #001 (API No. 30-025-31008) well log.

In **Case No. 25155**, PBEX applies for an order pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 960-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County, New Mexico. The Unit will be dedicated to the following wells:

- Moonraker 15-27 Fed Com 101H, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27; and
- Moonraker 15-27 Fed Com 102H, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27.

The Moonraker 15-27 Fed Com 101H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 15, 22, and 27 to allow for the creation of a 960-acre standard, overlapping horizontal spacing unit. Due to a depth severance within the Unit, PBEX seeks to pool only those uncommitted interests in the First Bone Spring interval of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,115' and 9,244' TVD, as shown on the Lowell Federal #001 (API No. 30-025-31008) well log.

The Moonraker Units will also overlap with the following wells, which produce from the Tonto; Bone Spring Pool (Code 59475):

- Malachite 22 Federal #001H (API No. 30-025-40318), which is located in the W/2 W/2 of Section 22, Township 19 South, Range 33 East;
- Malachite 22 Federal #002H (API No. 30-025-40389), which is located in the E/2 W/2 of Section 22, Township 19 South, Range 33 East; and
- Lowell Federal #001 (API No. 30-025-31008), which is located in the NE/4 SW/4 of Section 15, Township 19 South, Range 33 East.

The completed intervals of the Moonraker 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 Applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Ruth Pelzel	Landman	Affidavit	Approx. 5
Matthew Pardee	Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

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

Respectfully submitted,

HARDY McLEAN LLC

/s/ Dana S. Hardy

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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QUESTIONS

Action 439629

QUESTIONS

Operator: Permian Resources Operating, LLC 300 N. Marienfeld St Ste 1000 Midland, TX 79701	OGRID: 372165
	Action Number: 439629
	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.