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

APPLICATIONS OF PERMIAN RESOURCES OPERATING, LLC FOR COMPULSORY POOLING AND APPROVAL OF OVERLAPPING SPACING UNITS, LEA COUNTY, NEW MEXICO.

CASE NOS. 25395, 25396

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

CASE NOS. 25397, 25398

CONSOLIDATED PRE-HEARING STATEMENT

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

APPLICANT ATTORNEYS

Permian Resources Operating, LLC

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INTERESTED PARTY

ATTORNEYS

Dana S. Hardy

None.

STATEMENT OF THE CASE

In **Case No. 25395**, Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 480-acre, more or less, standard, overlapping horizontal spacing unit comprised of the W/2 W/2 of Sections 4, 9, and 16, Township 22 South, Range 35 East, Lea County, New Mexico. The Unit will be dedicated to the **Hagberry 4 State Com 301H** well, which

will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 4 to a bottom hole location in the SW/4 SE/4 (Unit M) of Section 16. The Unit partially overlaps with the spacing units for the Hagberry 9 State Com 503H (API No. 30-025-48406) and Hagberry 9 State Com 502H (API No. 30-025-48405) wells, which produce from the WC-0025 G-07 S223505N; Bone Spring pool (Code 98136), and are located in the W/2 of Sections 9 and 16, Township 22 South, Range 35 East, Lea County, New Mexico. The Unit will also partially overlap with the spacing unit for the Hagberry 9 State Com 501H (API No. 30-025-46136) well, which is located in the W/2 W/2 of Section 9 and the W/2 NW/4 of Section 16, Township 22 South, range 35 East, Lea County, New Mexico.

In Case No. 25396, Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 480-acre, more or less, standard, overlapping horizontal spacing unit comprised of the E/2 W/2 of Sections 4, 9, and 16, Township 22 South, Range 35 East, Lea County, New Mexico. The Unit will be dedicated to the Hagberry 4 State Com 302H well, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 4 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 16. The Unit partially overlaps with the spacing units for the Hagberry 9 State Com 503H (API No. 30-025-48406) and Hagberry 9 State Com 502H (API No. 30-025-48405) wells, which produce from the WC-0025 G-07 S223505N; Bone Spring pool (Code 98136), and are located in the W/2 of Sections 9 and 16, Township 22 South, Range 35 East, Lea County, New Mexico.

In **Case No. 25397**, Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 480-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 4, 9, and 16, Township 22 South, Range 35 East, Lea County, New Mexico. The Unit will be dedicated to the **Hagberry 4 State Com 303H** well, which will be drilled

from a surface hole location in the NW/4 NW/4 (Unit B) of Section 4 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 16.

In Case No. 25398, Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 480-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Sections 4, 9, and 16, Township 22 South, Range 35 East, Lea County, New Mexico. The Unit will be dedicated to the **Hagberry 4 State Com 304H** well, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit B) of Section 4 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 16.

The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells, the allocation of the costs, the designation of Applicant as operator of the Units and the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

PROPOSED EVIDENCE

| Witness | Occupation | Estimated Time | Exhibits |
|----------------------|------------|-----------------------|-----------------|
| Travis Macha | Landman | Affidavit | Approx. 5 |
| Chris Reudelhuber | Geologist | Affidavit | Approx. 5 |

PROCEDURAL MATTERS

Applicant intends to consolidate these cases for presentation at 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 1220 S. St Francis Dr. Santa Fe, NM 87505

QUESTIONS

Action 468503

QUESTIONS

| Operator: | OGRID: |
|----------------------------------|--|
| Permian Resources Operating, LLC | 372165 |
| 300 N. Marienfeld St Ste 1000 | Action Number: |
| Midland, TX 79701 | 468503 |
| | 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. | |