

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

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

**CASE NO. 25398**

**EXHIBIT INDEX**

**Compulsory Pooling Checklist**

**Exhibit A                      Self-Affirmed Statement of Travis Macha**

- |     |  |
|-----|--|
| A-1 | Application & Proposed Notice of Hearing   |
| A-2 | C-102 for the Well   |
| A-3 | Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties |
| A-4 | Sample Well Proposal Letter & AFE  |
| A-5 | Chronology of Contact  |

**Exhibit B                      Self-Affirmed Statement of Chris Reudelhuber**

- |     |                             |
|-----|-----------------------------|
| B-1 | Location Map                |
| B-2 | Cross-Section Location Map  |
| B-3 | Subsea Structure Map        |
| B-4 | Stratigraphic Cross-Section |
| B-5 | Gun Barrel Diagram          |

**Exhibit C                      Self-Affirmed Statement of Jaclyn M. McLean**

- |     |  |
|-----|--|
| C-1 | Notice Letter to All Interested Parties Sent May 8, 2025 |
| C-2 | Postal Delivery Report                                   |
| C-3 | Electronic Return Receipts                               |
| C-4 | Affidavit of Publication for May 13, 2025                |

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 25398	APPLICANT'S RESPONSE
Date: June 5, 2025	
Applicant	Permian Resources Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (OGRID No. 372165)
Applicant's Counsel:	Hardy McLean LLC
Case Title:	Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico.
Entries of Appearance/Intervenors:	None.
Well Family	Hagberry
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	WC-0025 G07 S223505N; Bone Spring Pool (Code 98136)
Well Location Setback Rules:	Statewide
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	481.74
Building Blocks:	quarter-quarter
Orientation:	North to South
Description: TRS/County	E/2 E/2 of Sections 4, 9, and 16, Township 22 South, Range 35 East, Lea County.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
<b>Well(s)</b>	
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	Hagberry 4 State Com 304H SHL: 275' FNL & 1,420' FEL (Lot 2), Section 4, T22S-R25E BHL: 100' FSL & 660' FEL (Unit P), Section 16, T22S-R25E Completion Target: First Bone Spring (Approx. 9,200' TVD)
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit A-4
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits C-1, C-2, C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
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-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A

<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-5
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-4
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Dana S. Hardy
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Dana S. Hardy
<b>Date:</b>	5/28/2025

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

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

**CASE NO. 25398**

**SELF-AFFIRMED STATEMENT  
OF TRAVIS MACHA**

1. I am the New Mexico Land Manager for Permian Resources Operating, LLC (“Permian Resources”). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”) and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. Copies of Permian Resources’ application and proposed hearing notice are attached as **Exhibit A-1**.

3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit; therefore I do not expect any opposition at hearing.

4. Permian Resources 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 (“Unit”).

5. The Unit will be dedicated to the **Hagberry 4 State Com 304H** well (“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.

6. The completed interval of the Well will be orthodox.

7. **Exhibit A-2** contains the C-102 for the Well.

**Permian Resources Operating, LLC  
Case No. 25398  
Exhibit A**

8. **Exhibit A-3** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Permian Resources seeks to pool highlighted in yellow.

9. Permian Resources has conducted a diligent search of all county public records, including phone directories and computer databases, as well as internet searches, to locate the interest owners it seeks to pool.

10. **Exhibit A-4** contains a sample well proposal letter and AFE sent to working interest owners for the Well. The estimated costs reflected on the AFE are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

11. In my opinion, Permian Resources made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as indicated by the chronology of contact described in **Exhibit A-5**.

12. Permian Resources requests overhead and administrative rates of \$10,000 per month while the Well is being drilled and \$1,000 per month while the Well is producing. These rates are fair and are comparable to the rates charged by Permian Resources and other operators in the vicinity.

13. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

14. In my opinion, the granting of Permian Resources' application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

15. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under penalty of perjury

under the laws of the State of New Mexico. My testimony is made as of the date next to my electronic signature below.



\_\_\_\_\_  
TRAVIS MACHA

5.23.2025  
\_\_\_\_\_  
Date

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

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

**CASE NO. 25398**

**APPLICATION**

Pursuant to NMSA § 70-2-17, Permian Resources Operating, LLC (“Applicant”) (OGRID No. 372165) applies for 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 (“Unit”). In support of its application, Applicant states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
2. The Unit will be dedicated to the **Hagberry 4 State Com 304H** well (“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.
3. The completed interval of the Well will be orthodox.
4. Applicant has undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.
5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

**Permian Resources Operating, LLC  
Case No. 25398  
Exhibit A-1**

6. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the Well and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 5, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Well in the Unit;
- C. Designating Permian Resources Operating, LLC as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Permian Resources Operating, LLC to recover its costs of drilling, equipping, and completing the Well;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Permian Resources Operating, LLC in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.



Respectfully submitted,

HARDY McLEAN LLC

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

Daniel B. Goldberg

125 Lincoln Ave., Ste. 223

Santa Fe, NM 87501

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COUNSEL FOR PERMIAN RESOURCES  
OPERATING, LLC

**Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico.** 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 (“Unit”). The Unit will be dedicated to the **Hagberry 4 State Com 304H** well (“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 interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well, the allocation of the costs, the designation of Applicant as operator of the Well and the Unit, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 12.3 miles west of Eunice, New Mexico.

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	<b>Exhibit A-2</b> Revised July 9, 2024	
		Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
		<input type="checkbox"/> As Drilled	

## WELL LOCATION INFORMATION

API Number	Pool Code 98136	Pool Name WC-0025 G07 S223505N; Bone Spring
Property Code	Property Name <b>HAGBERRY 4 STATE COM</b>	Well Number <b>304H</b>
OGRID No. <b>372165</b>	Operator Name <b>PERMIAN RESOURCES OPERATING, LLC</b>	Ground Level Elevation <b>3,602'</b>
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

## Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
<b>LOT 2</b>	<b>4</b>	<b>22S</b>	<b>35E</b>		<b>275' FNL</b>	<b>1,420' FEL</b>	<b>32.427456°</b>	<b>-103.368590°</b>	<b>LEA</b>

## Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
<b>P</b>	<b>16</b>	<b>22S</b>	<b>35E</b>		<b>100' FSL</b>	<b>660' FEL</b>	<b>32.384769°</b>	<b>-103.366110°</b>	<b>LEA</b>

Dedicated Acres 481.74	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

## Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
<b>LOT 2</b>	<b>4</b>	<b>22S</b>	<b>35E</b>		<b>275' FNL</b>	<b>1,420' FEL</b>	<b>32.427456°</b>	<b>-103.368590°</b>	<b>LEA</b>

## First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
<b>LOT 1</b>	<b>4</b>	<b>22S</b>	<b>35E</b>		<b>100' FNL</b>	<b>660' FEL</b>	<b>32.427934°</b>	<b>-103.366127°</b>	<b>LEA</b>

## Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
<b>P</b>	<b>16</b>	<b>22S</b>	<b>35E</b>		<b>100' FSL</b>	<b>660' FEL</b>	<b>32.384769°</b>	<b>-103.366110°</b>	<b>LEA</b>

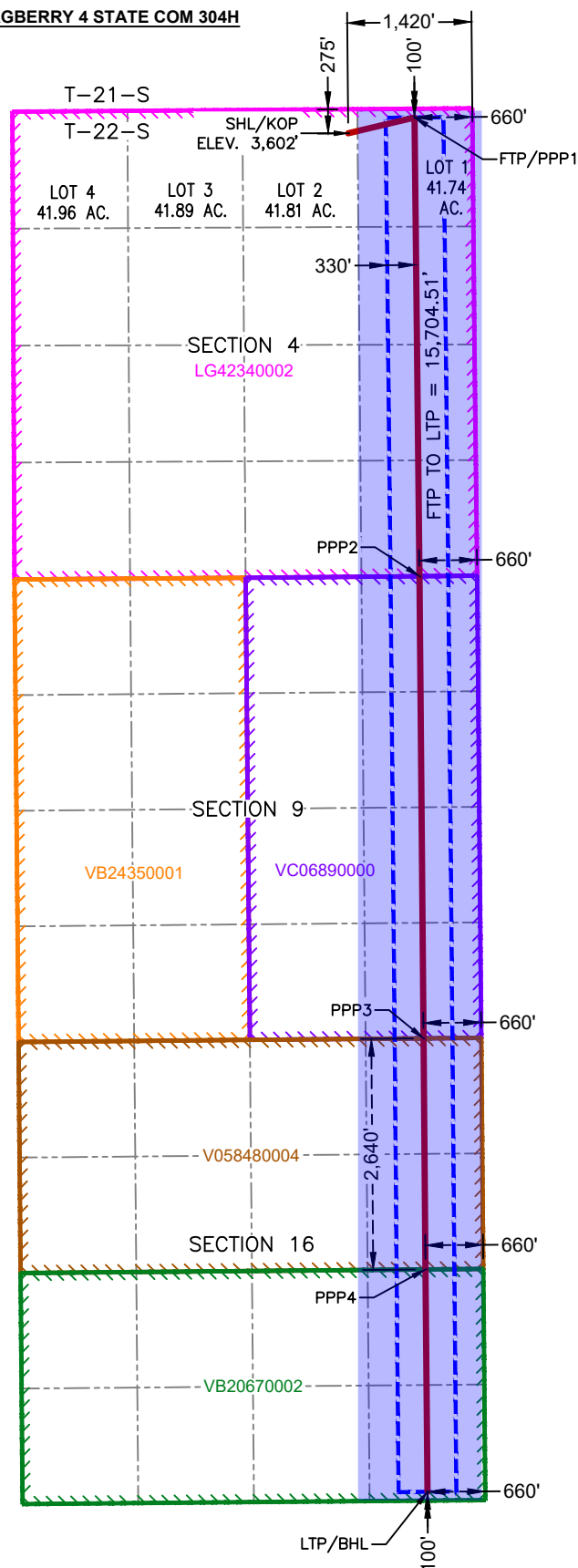
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<b>OPERATOR CERTIFICATIONS</b>  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		<b>SURVEYOR CERTIFICATIONS</b>  I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  <b>PRELIMINARY</b>  THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.  MARK J. MURRAY P.L.S. NO. 12177	
Signature _____ Date _____		Signature and Seal of Professional Surveyor _____	
Printed Name _____		Certificate Number <b>12177</b>	Date of Survey <b>1/13/2025</b>
Email Address _____			

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

HAGBERRY 4 STATE COM 304H



LAST TAKE POINT &  
BOTTOM HOLE LOCATION  
100' FSL & 660' FEL

---

NAD 83 X = 839,912.48'  
NAD 83 Y = 505,060.36'  
NAD 83 LAT = 32.384769°  
NAD 83 LONG = -103.366110°  
NAD 27 X = 798,728.53'  
NAD 27 Y = 504,999.59'  
NAD 27 LAT = 32.384644°  
NAD 27 LONG = -103.365635°

# Hagberry 4 State Com

Permian Resources Operating, LLC  
Case No. 25398  
Exhibit A-3

## Tract Summaries

Section 4: Lots 1-4, S2N2 (N2 equivalent)	
Owner	Working Interest
EOG Resources, Inc.	11.000%
FR Energy, LLC	16.000%
EAU Rouge, LLC	31.117%
S.E.S Energy, LTD.	4.000%
Devon Energy Production Company, L.P	25.000%
Earthstone Permian, LLC	12.750%
Maverick Oil & Gas Corp.	0.033%
Timothy R. MacDonald	0.050%
Dean A. Horning	0.050%
Totals	100.000%

Section 16: N2	
Owner	Working Interest
Permian Resources Operating, LLC	75.000%
CL&F Operating, LLC	12.500%
FR Energy, LLC	12.500%
Totals	100.000%

Section 4: S2	
Owner	Working Interest
EOG Resources, Inc.	37.500%
FR Energy, LLC	10.000%
EAU Rouge, LLC	25.000%
S.E.S Energy, LTD.	2.500%
Devon Energy Production Company, L.P	25.000%
Totals	100.000%

Section 9: E2	
Owner	Working Interest
Permian Resources Operating, LLC	100.000%

Section 9: W2	
Owner	Working Interest
Permian Resources Operating, LLC	100.000%

Section 16: S2	
Owner	Working Interest
Permian Resources Operating, LLC	100.000%

Hagberry 4 State Com 301H	Hagberry 4 State Com 302H	Hagberry 4 State Com 303H	Hagberry 4 State Com 304H	Section 4  LG-4234-2 RT: EOG Resources, Inc WI: EAU Rouge 31.116667%, Devon Energy Production Co. 25%, FR Energy, LLC 16%, Earthstone Permian, LLC 12.75%, EOG Resources 11%, S.E.S Energy, LTD 4%, Timothy R. MacDonald 0.05%, Dean A. Horning 0.05%
				LG-4234-2 RT: EOG Resources, Inc WI: EOG Resources 37.5%, Devon Energy Production 25%, EAU Rouge 16.066667%, FR Energy 10%, Holsum 2.4%, Menpart Associates 2.2%, Gretchen Nearburg 1.2%, Roy G. Neiderhoffer 0.8%, R-N Limited 0.6%, AAR Limited Partnership 0.6%, Wright Family Living Trust 0.4%, JB III Partners 0.3%, Lucie Investments 0.2%, Duane A. Davis 0.1%, Maverick Oil & Gas 0.033%, Timothy R. Macdonald 0.05%, Dean A. Horning 0.05%
				Section 9  VB-2435-1 RT: Permian Resources Operating, LLC WI: Permian Resources Operating, LLC 100%  VC-0689-0 RT- Permian Resources Operating, LLC WI: Permian Resources Operating, LLC 100%
				Section 16  V0-5848-4 RT: Permian Resources Operating WI: Permian Resources Operating 75%, CL&F 12.5%, FR Energy 12.5%
				VB-2067-2 RT: Permian Resources Operating WI: Permian Resources Operating 100%



# Hagberry 4 State Com 304H - Recapitulation

## Unit Capitulation

Hagberry 304H	
WI Owner	Working Interest
EOG Resources, Inc.	8.094%
FR Energy, LLC	6.451%
EAU Rouge, LLC	9.431%
S.E.S Energy, LTD.	1.094%
Devon Energy Production Company, L.P	8.394%
Earthstone Permian, LLC	2.163%
Maverick Oil & Gas Corp.	0.006%
Timothy R. MacDonald	0.008%
Dean A. Horning	0.008%
CLF Operating	2.076%
Permian Resources Operating, LLC	62.274%

Hagberry 4 State Com 301H	Hagberry 4 State Com 302H	Hagberry 4 State Com 303H	Hagberry State Com 304H	<div>Section 4</div> <div>LG-4234-2</div> <div>RT: EOG Resources, Inc</div> <div>WI: EAU Rouge 31.116667%, Devon Energy Production Co. 25%, FR Energy, LLC 16%, Earthstone Permian, LLC 12.75%, EOG Resources 11%, S.E.S Energy, LTD 4%, Timothy R. MacDonald 0.05%, Dean A. Horning 0.05%</div>
				<div>LG-4234-2</div> <div>RT: EOG Resources, Inc</div> <div>WI: EOG Resources 37.5%, Devon Energy Production 25%, EAU Rouge 16.066667%, FR Energy 10%, Holsum 2.4%, Menpart Associates 2.2%, Gretchen Nearburg 1.2%, Roy G. Neiderhoffer 0.8%, R-N Limited 0.6%, AAR Limited Partnership 0.6%, Wright Family Living Trust 0.4%, JB III Partners 0.3%, Lucie Investments 0.2%, Duane A Davis 0.1%, Maverick Oil &amp; Gas 0.033%, Timothy R. Macdonald 0.05%, Dean A. Horning 0.05%</div>
				<div>VB-2435-1</div> <div>RT: Permian Resources Operatng, LLC</div> <div>WI: Permian Resources Operating, LLC 100%</div> <div>Section 9</div> <div>VC-0689-0</div> <div>RT- Permian Resources Operating, LLC</div> <div>WI: Permian Resources Operating, LLC 100%</div>
				<div>Section 16</div> <div>VO-5848-4</div> <div>RT: Permian Resources Operating</div> <div>WI: Permian Resources Operating 75%, CL&amp;F 12.5%, FR Energy 12.5%</div>
				<div>VB-2067-2</div> <div>RT: Permian Resources Operating</div> <div>WI: Permian Resources Operating 100%</div>

\*Yellow highlight denotes pooled party

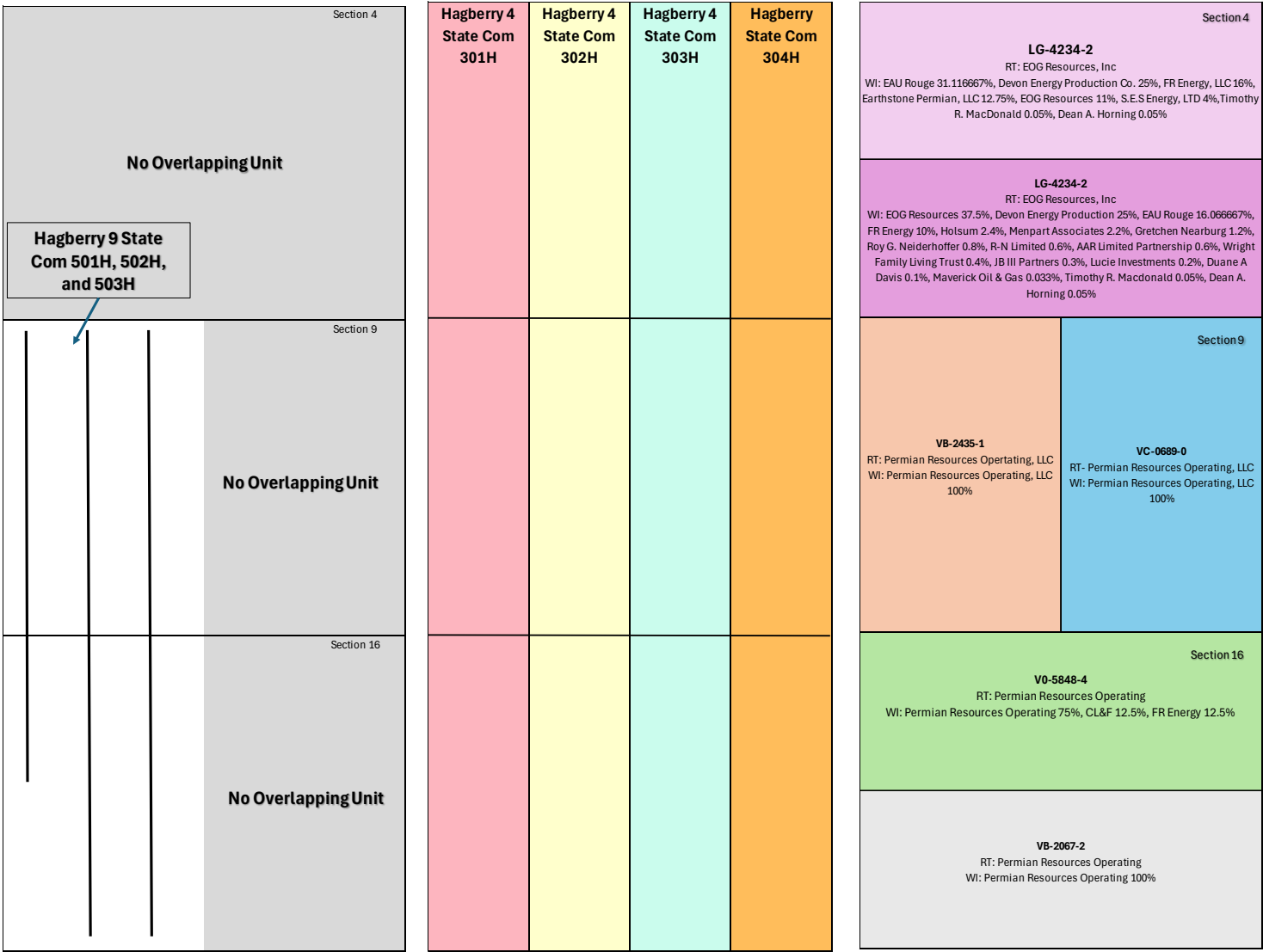
\*\*EAU Rouge interest owned by Earthstone Permian LLC – working curative, pooling for caution



# Overlapping Spacing Units Visual

## Hagberry 4 State Com 301H & 302H:

- W2 spacing units overlap with existing 2<sup>nd</sup> Bone units
- Working interest owners consist of:
  - Operator: Permian Resources Operating, LLC
  - Non-Op Owners:
    - CL&F – They have executed Hagberry 4 3-Mile JOA
    - FR Energy– They have executed Hagberry 4 3-Mile JOA





300 N. MARIENFELD STREET, SUITE 1000  
MIDLAND, TX 79701

OFFICE 432.695.4222  
FAX 432.695.4063

December 16, 2024

*via Certified Mail*

Timothy R. Macdonald  
3003 Paleo Point,  
College Station, TX 77845

**RE: Hagberry 4 State Com – Well Proposals**  
All of Sections 4, 9 & 16 T22S-R35E  
Lea County, New Mexico

To Whom It May Concern:

Permian Resources Operating, LLC ("Permian"), hereby proposes the drilling and completion of the following four (4) wells, the Hagberry 4 State Com wells at the following approximate location within Township 22 South, Range 34 East:

**1. Hagberry 4 State Com 301H**

SHL: 1,500' FWL, 330' FNL of Sec 4 or at a legal location in the NW 4  
BHL: 660' FWL & 100' FSL of Section 16  
FTP: 660' FWL & 100' FNL of Section 4  
LTP: 660' FWL & 100' FSL of Section 16  
TVD: Approximately 9,200'  
TMD: Approximately 24,950'  
Proration Unit: W2W2 of Sections 4, 9 & 16, T22S-R35E  
Targeted Interval: 1<sup>st</sup> Bone Spring  
Total Cost: See attached AFE

**2. Hagberry 4 State Com 302H**

SHL: 1,500' FWL, 330' FNL of Sec 4 or at a legal location in the NW 4  
BHL: 1,980' FWL & 100' FSL of Section 16  
FTP: 1,980' FWL & 100' FNL of Section 4  
LTP: 1,980' FWL & 100' FSL of Section 16  
TVD: Approximately 9,200'  
TMD: Approximately 24,950'  
Proration Unit: E2W2 of Sections 4,9 & 16, T22S-R35E  
Targeted Interval: 1<sup>st</sup> Bone Spring  
Total Cost: See attached AFE

Permian Resources Operating, LLC  
Case No. 25398  
Exhibit A-4



**3. Hagberry 4 State Com 303H**

SHL: 1,450' FEL, 275' FNL of Section 4 (or at a legal location in the NE/4)

BHL: 1,980' FEL & 100' FSL of Section 16

FTP: 1,980' FEL & 100' FNL of Section 4

LTP: 1,980' FEL & 100' FSL of Section 16

TVD: Approximately 9,200'

TMD: Approximately 24,950'

Proration Unit: W2E2 of Sections 4, 9 & 16, T22S-R35E

Targeted Interval: 1<sup>st</sup> Bone Spring

Total Cost: See attached AFE

**4. Hagberry 4 State Com 304H**

SHL: 1,450' FEL, 275' FNL of Section 4 (or at a legal location in the NE/4)

BHL: 660' FEL & 100' FSL of Section 16

FTP: 660' FEL & 100' FNL of Section 4

LTP: 660' FEL & 100' FSL of Section 16

TVD: Approximately 9,200'

TMD: Approximately 24,950'

Proration Unit: E2E2 of Sections 4, 9 & 16, T22S-R35E

Targeted Interval: 1<sup>st</sup> Bone Spring

Total Cost: See attached AFE

The locations, TVDs, and targets are approximate and subject to change dependent on surface or subsurface issues encountered. These locations do fall within an approved potash drill island, so any surface changes remain subject to BLM approval. Permian is proposing to drill these wells under the modified terms of the 1989 AAPL Operating Agreement and a form of said Operating Agreement is enclosed. The Operating Agreement has the following general provisions:

- 100%/300%/300% non-consent provisions
- \$8,000/\$800 drilling and producing rates
- Permian Resources Operating, LLC named as Operator

Please indicate your election to participate in the drilling and completion of the proposed wells in the space provided below. Please sign and return one copy of this letter, a signed copy of the proposed AFE, and your geologic well requirements.

In the interest of time, should we not reach an agreement within thirty (30) days of the date of your receipt of this letter, Permian will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well. If you do not wish to participate, Permian would be interested in acquiring your interest in the subject lands which is subject to further mutually agreeable negotiation.

Thank you for your time and consideration, if you have any questions at all, please don't hesitate to contact me at 432.695.422 or by email at Reagan.armstrong@permianres.com

Respectfully,



Reagan Armstrong  
Landman

Enclosures

**Hagberry 4 State Com Elections:**

<b>Well Elections:</b> <i>(Please Indicate your responses in the spaces below)</i>		
<b>Well(s)</b>	<b>Elect to Participate</b>	<b>Elect to <u>NOT</u> Participate</b>
<b>Hagberry 4 State Com 301H</b>		
<b>Hagberry 4 State Com 302H</b>		
<b>Hagberry 4 State Com 303H</b>		
<b>Hagberry 4 State Com 304H</b>		

Company Name (If Applicable):

\_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Participate / Rejection Declaration**

Please return this page to Permian Resources Operating, LLC ("Permian") by the date specified in the letter, signed indicating your election to either participate in or reject this insurance program. If you reject the insurance coverage arranged by Permian, then, to the extent that Permian has an obligation to secure any such insurance on your behalf under any applicable agreements or otherwise, Permian will be relieved of such obligation, and Permian will assume that you maintain appropriate levels of insurance and will provide a current Certificate of Insurance upon request. If you fail to make an election within 30 days from receipt of this notice, you will be deemed a participant in the program as detailed on the attached and billed for your percentage participation as such.

- ☐ I hereby elect to participate in the insurance coverage arranged by Permian Resources Operating, LLC and understand that I will be charged for such participation.
- ☐ I hereby elect to reject the insurance coverage arranged by Permian Resources Operating, LLC.

Agreed this \_\_\_\_\_ day of \_\_\_\_\_, 2024 by:

*Company Name (If Applicable)*

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

# Cost Estimate

Printed Date: Nov 25, 2024

<b>AFE Number:</b>	500329	<b>Description:</b>	1st Bone Spring Formation
<b>AFE Name:</b>	Hagberry 4 State Com 304H	<b>AFE TYPE:</b>	Drill and Complete
<b>Well Operator:</b>	PERMIAN RESOURCES		
<b>Operator AFE #:</b>			

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
<b>Facilities</b>		
8035.3200	FAC - VALVES FITTINGS & PIPE	\$1,208.00
8035.1700	FAC - RENTAL EQUIPMENT	\$5,000.00
8035.2000	FAC - WASTE DISPOSAL	\$333.00
8035.1310	FAC - PERMANENT EASEMENT/ROW	\$6,667.00
8035.1600	FAC - TRANSPORTATION TRUCKING	\$6,667.00
8035.1400	FAC - ROAD LOCATIONS PITS	\$33,333.00
8035.3500	FAC - COMPRESSOR	\$5,333.00
8035.3800	FAC - FLARE/COMBUSTER	\$15,833.00
8035.1500	FAC - MATERIALS & SUPPLIES	\$333.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$333.00
8035.3700	FAC - AUTOMATION MATERIAL	\$41,667.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$85,167.00
8035.2100	FAC - INSPECTION & TESTING	\$333.00
8035.3300	FAC - CIRCULATING TRNSFER PUMP	\$13,333.00
8035.2400	FAC - SUPERVISION	\$4,167.00
8035.2900	FAC - TANK BATTERY	\$68,333.00
8035.3600	FAC - ELECTRICAL	\$55,000.00
8035.2500	FAC - CONSULTING SERVICES	\$1,167.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$667.00
8035.4500	FAC - CONTINGENCY	\$25,960.00
8035.3000	FAC - HEATER TREATER/SEPARATOR	\$143,167.00
8035.3400	FAC - METERS	\$31,167.00
	<b>Sub-total</b>	<b>\$545,168.00</b>
<b>Drilling Intangible</b>		
8015.2300	IDC - FUEL / POWER	\$134,250.00
8015.2150	IDC - DRILL BIT	\$100,000.00
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00
8015.5200	IDC - CONTINGENCY	\$170,949.53
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$100,000.00
8015.4300	IDC - WELLSITE SUPERVISION	\$110,000.00
8015.2100	IDC - WIRELINE SVCS CASED&OPEN	\$15,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$20,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$80,000.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$30,000.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00
8015.2400	IDC - RIG WATER	\$11,710.00
8015.3100	IDC - CASING CREW & TOOLS	\$65,000.00
8015.3700	IDC - DISPOSAL	\$140,000.00
8015.2350	IDC - FUEL/MUD	\$108,500.00
8015.1700	IDC - DAYWORK CONTRACT	\$722,000.00

# Cost Estimate

Printed Date: Nov 25, 2024

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$16,400.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$264,310.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$26,000.00
8015.1300	IDC - SURFACE DAMAGE / ROW	\$35,000.00
8015.5000	IDC - WELL CONTROL INSURANCE	\$14,988.89
8015.4100	IDC - RENTAL EQUIPMENT	\$47,000.00
8015.4200	IDC - MANCAMP	\$44,000.00
8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$55,000.00
8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1500	IDC - RIG MOB / TRUCKING	\$75,000.00
8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$30,500.00
8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$288,000.00
8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$174,000.00
8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$55,000.00
8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$27,500.00
<b>Sub-total</b>		<b>\$3,020,108.42</b>
<b>Completion Intangible</b>		
8025.3500	ICC - WELLSITE SUPERVISION	\$70,200.00
8025.3000	ICC - WATER HANDLING	\$184,524.00
8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3400	ICC - RENTAL EQUIPMENT	\$239,400.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00
8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$21,525.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00
8025.3800	ICC - OVERHEAD	\$10,000.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$570,658.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00
8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$40,000.00
8025.3050	ICC - SOURCE WATER	\$387,500.00
8025.1500	ICC - FUEL / POWER	\$902,381.00
8025.2500	ICC - WELL STIMULATION/FRACTUR	\$3,282,600.00
8025.1600	ICC - COILED TUBING	\$253,090.00
8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00
8025.2000	ICC - TRUCKING	\$14,375.00
<b>Sub-total</b>		<b>\$6,071,753.00</b>
<b>Artificial Lift Intangible</b>		
8060.3500	IAL - WELLSITE SUPERVISION	\$15,000.00
8060.1200	IAL - WORKOVER RIG	\$30,000.00
8060.3400	IAL - RENTAL EQUIPMENT	\$15,000.00
8060.3810	IAL - ACID	\$30,000.00
8060.3420	IAL - REVERSE UNIT RENTAL	\$4,000.00
8060.2010	IAL - KILL TRUCK	\$5,000.00
8060.1400	IAL - WIRELINE OPEN/CASED HOLE	\$7,500.00

Account	Description	Gross Est. (\$)
8060.3700	IAL - HEALTH & SAFETY	\$2,000.00
8060.2600	IAL - CONTRACT LABOR/ROUSTABOUT	\$15,000.00
8060.3100	IAL - WELLHEAD/FRACTREE REPAIR	\$5,000.00
8060.3410	IAL - LAYDOWN MACHINE	\$4,000.00
8060.2000	IAL - TRUCKING/VACUUM/TRANSP	\$5,000.00
Sub-total		\$137,500.00
Drilling Tangible		
8020.1400	TDC - CASING - PRODUCTION	\$967,969.38
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$594,110.16
8020.1500	TDC - WELLHEAD EQUIPMENT	\$65,875.00
8020.1100	TDC - CASING - SURFACE	\$86,870.00
Sub-total		\$1,714,824.54
Pipeline		
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$35,833.00
8036.3200	PLN - VALVES FITTINGS & PIPE	\$10,000.00
8036.1300	PLN - SURFACE DAMAGE / ROW	\$2,500.00
8036.3620	PLN - POWER DISTRIBUTION LABOR	\$19,167.00
8036.1310	PLN - PEMANENT EASEMENT	\$9,375.00
8036.2200	PLN - CONTRACT LABOR	\$12,000.00
8036.2800	PLN - FLOWLINE MATERIAL	\$14,000.00
Sub-total		\$102,875.00
Artificial Lift Tangible		
8065.1100	TAL - TUBING	\$125,000.00
8065.3100	TAL - MEASUREMENT EQUIPMENT	\$7,500.00
8065.1310	TAL - ESP EQUIPMENT/INSTALL	\$102,500.00
8065.2100	TAL - WELL SITE POWER EQUIPMENT/INSTALL	\$150,000.00
8065.2000	TAL - WELLHEAD EQUIPMENT	\$60,000.00
8065.2500	TAL - VALVES/CONNECTIONS/FTGS	\$15,000.00
Sub-total		\$460,000.00
Flowback Intangible		
8040.2900	IFC - WELL TESTING / FLOWBACK	\$200,000.00
8040.1899	IFC - FRAC WATER RECOVERY	\$271,778.76
Sub-total		\$471,778.76
Completion Tangible		
8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
Sub-total		\$47,250.00
Grand Total		\$12,571,257.72

Accepted and Approved By:  
Company Name (If Applicable): \_\_\_\_\_  
  
By: \_\_\_\_\_  
  
Printed Name: \_\_\_\_\_  
  
Title: \_\_\_\_\_  
  
Date: \_\_\_\_\_



# Contact Chronology

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December 2024:

- Proposals/JOA/Com sent to all working interest parties

January 2025:

- Hagberry 302H AFE correction sent to all parties (incorrect well name)
- CL&F – Talked over AFEs, JOA execution – election received
- SES JOA Execution – election received
- EOG Com Agreement Executions

February 2025

- N/A

March 2025:

- FR JOA and elections received

April 2025:

- N/A

May 2025:

- Correspondence with SES – confirmation of not pooling interest

**Permian Resources Operating, LLC**  
**Case No. 25398**  
**Exhibit A-5**

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\*Maverick & Timothy MacDonald – Common non-op owners under Earthstone Permian, rarely respond to these  
\*EOG intends on selling 20% of its Permian non-op participation partner already, will participate upon receipt of pooling order

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 UNIT,  
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

**SELF-AFFIRMED STATEMENT  
OF CHRIS REUDELHUBER**

1. I am a geologist with Permian Resources Operating, LLC ("Permian Resources"). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division") and my credentials as an expert in petroleum geology were accepted and made a matter of record.

2. I am familiar with the geological matters that pertain to the above-referenced cases.

3. **Exhibit B-1** is a regional locator map that identifies the Hagberry States' project area, in proximity to the Capitan Reef within the Delaware Basin, for the Bone Spring horizontal spacing units that are the subject of these applications.

4. **Exhibit B-2** is a cross section location map for the proposed horizontal spacing units within the Bone Spring formation. The approximate wellbore paths for the proposed **Hagberry 4 State Com 301H, Hagberry 4 State Com 302H, Hagberry 4 State Com 303H, and Hagberry 4 State Com 304H** wells ("Wells") are represented by dashed green lines. Existing producing wells in the targeted interval are represented by solid green lines. This map identifies

Permian Resources Operating, LLC  
Case No. 25398  
Exhibit B



the cross-section running from A-A' with the cross-section wells name and a black line in proximity to the proposed Wells.

5. **Exhibit B-3** is a Subsea Structure map of the First Bone Spring formation in TVD subsea with a contour interval of 100 ft. The map identifies the approximate wellbore paths for the proposed Wells with a green line. It also identifies the location of the cross-section running from A-A' in proximity to the proposed Wells. The data points are indicated by red triangles. The map demonstrates the formation is gently dipping to the southwest in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

6. **Exhibit B-4** identifies two wells penetrating the targeted interval, which I used to construct a stratigraphic cross-section from A to A'. It contains gamma ray, resistivity, and porosity logs. The cross section is oriented from north to south and is hung on the top of the Second Bone Spring formation. The proposed landing zone for the Wells is labeled on the exhibit. The approximate well-paths for the proposed Wells are indicated by a dashed green line to be drilled from north to south across the units. This cross-section demonstrates the target interval is continuous across the Unit.

7. **Exhibit B-5** is a gun barrel diagram that shows the proposed Wells in the Bone Spring formation. The spacing unit is defined by a blue box and is labeled with the case number.

8. In my opinion, a standup orientation for the Wells is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and is the preferred fracture orientation in this portion of the trend.

9. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the Wells.

10. In my opinion, the granting of Permian Resources' applications will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

11. The exhibits attached hereto were either prepared by me or under my supervision or were compiled from company business records.

12. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.

  
CHRIS REUDELHUBER

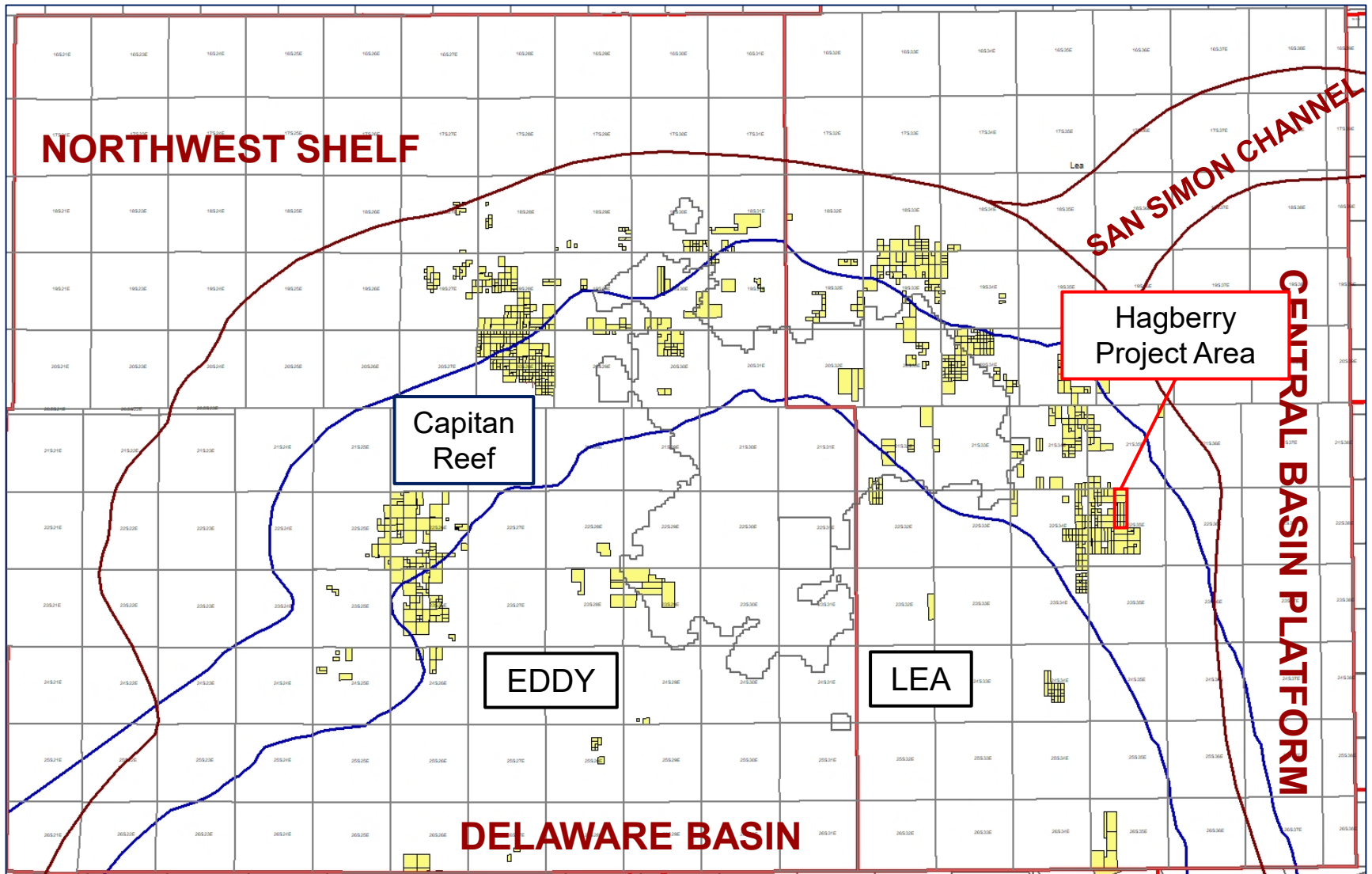
5/22/2025  
Date



**Exhibit B-1**

# Regional Locator Map

Hagberry 4 State Com 301H, Hagberry 4 State Com 302H, Hagberry 4 State Com 303H, and Hagberry 4 State Com 304H



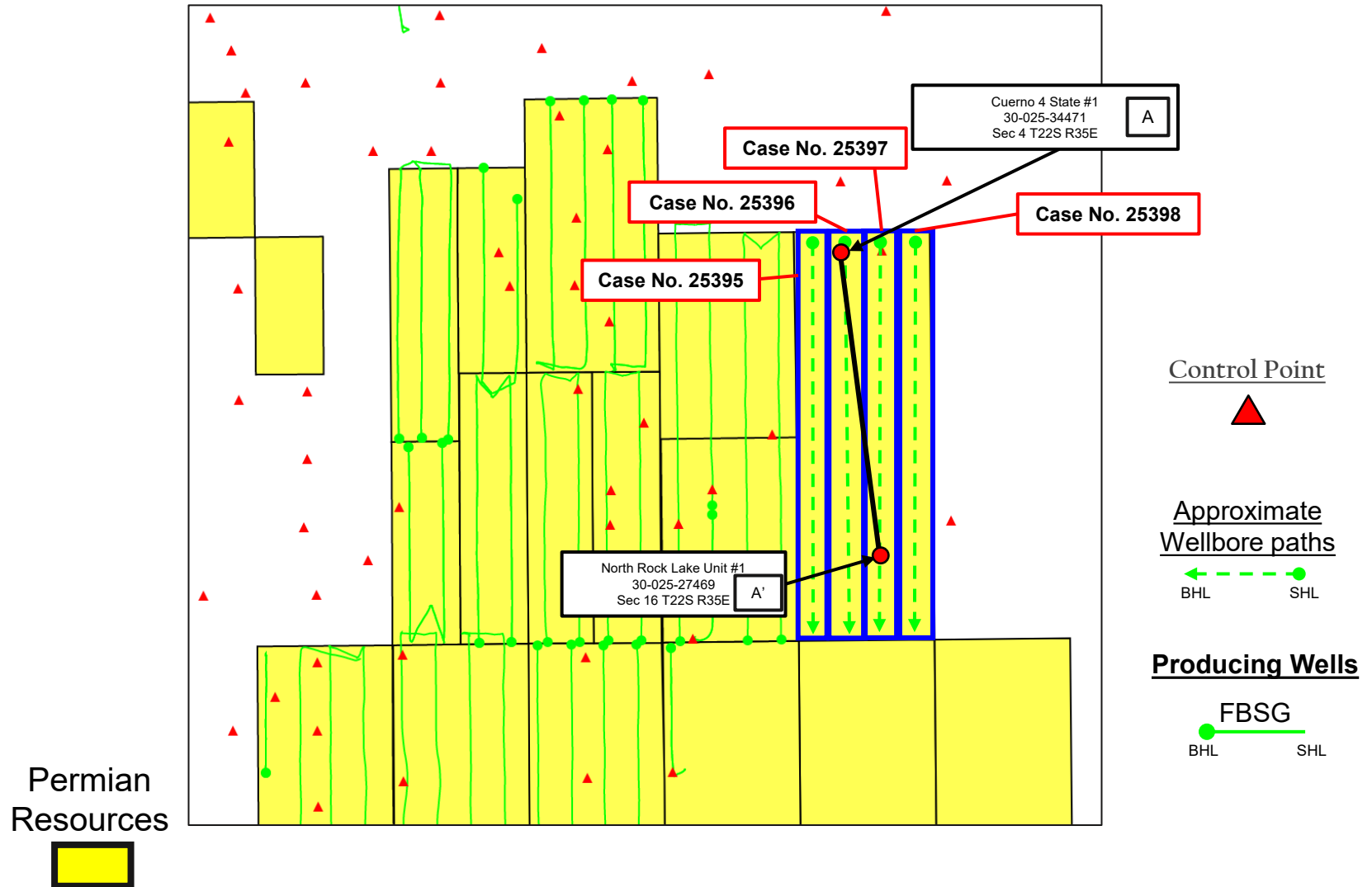
Permian Resources



Exhibit B-2

# Cross-Section Locator Map

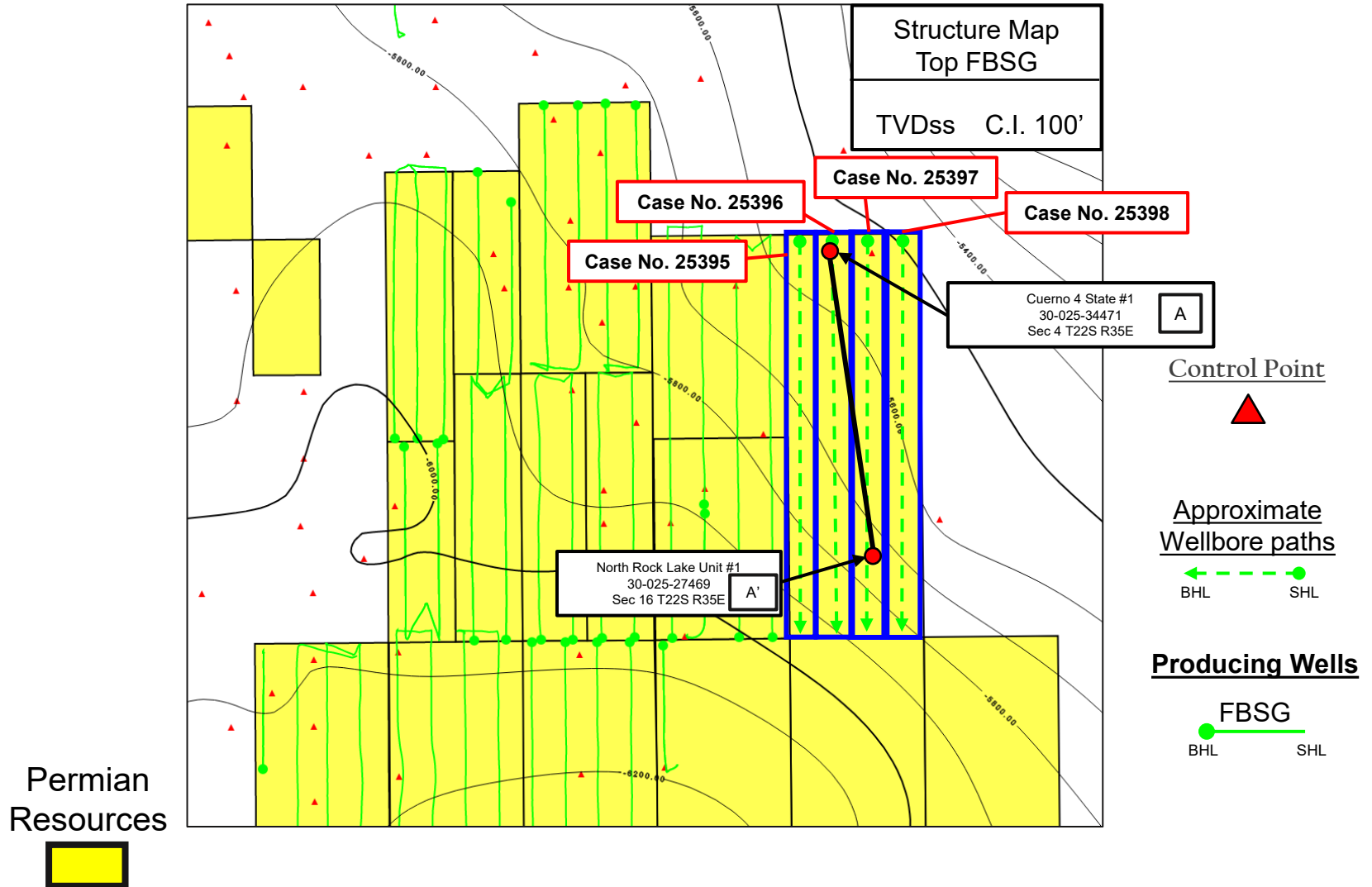
Hagberry 4 State Com 301H, Hagberry 4 State Com 302H, Hagberry 4 State Com 303H, and Hagberry 4 State Com 304H





# First Bone Spring – FBSG SSTVD Structure Map

Hagberry 4 State Com 301H, Hagberry 4 State Com 302H, Hagberry 4 State Com 303H, and Hagberry 4 State Com 304H





# Stratigraphic Cross-Section A-A'

Hagberry 4 State Com 301H, Hagberry 4 State Com 302H, Hagberry 4 State Com 303H, and Hagberry 4 State Com 304H

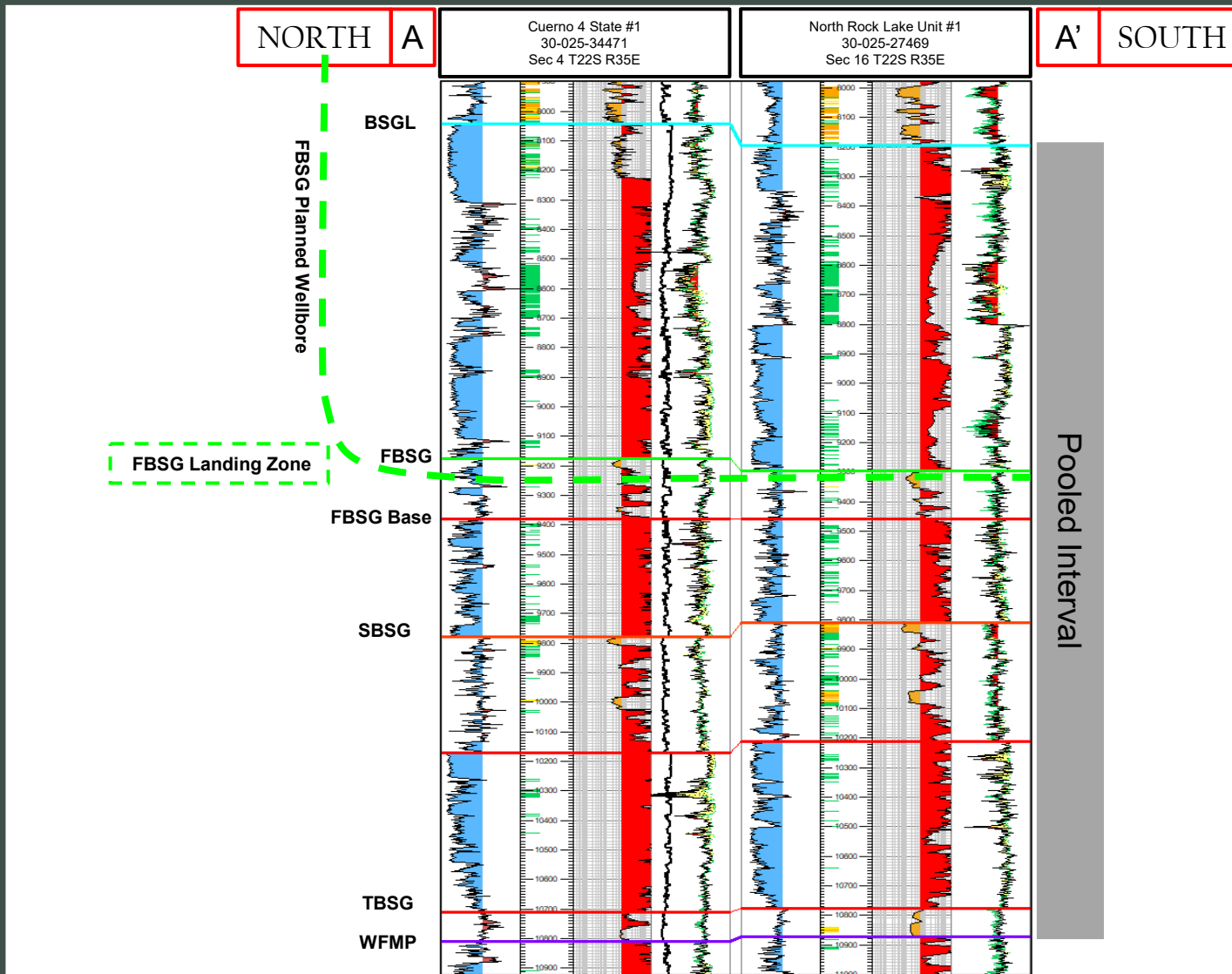
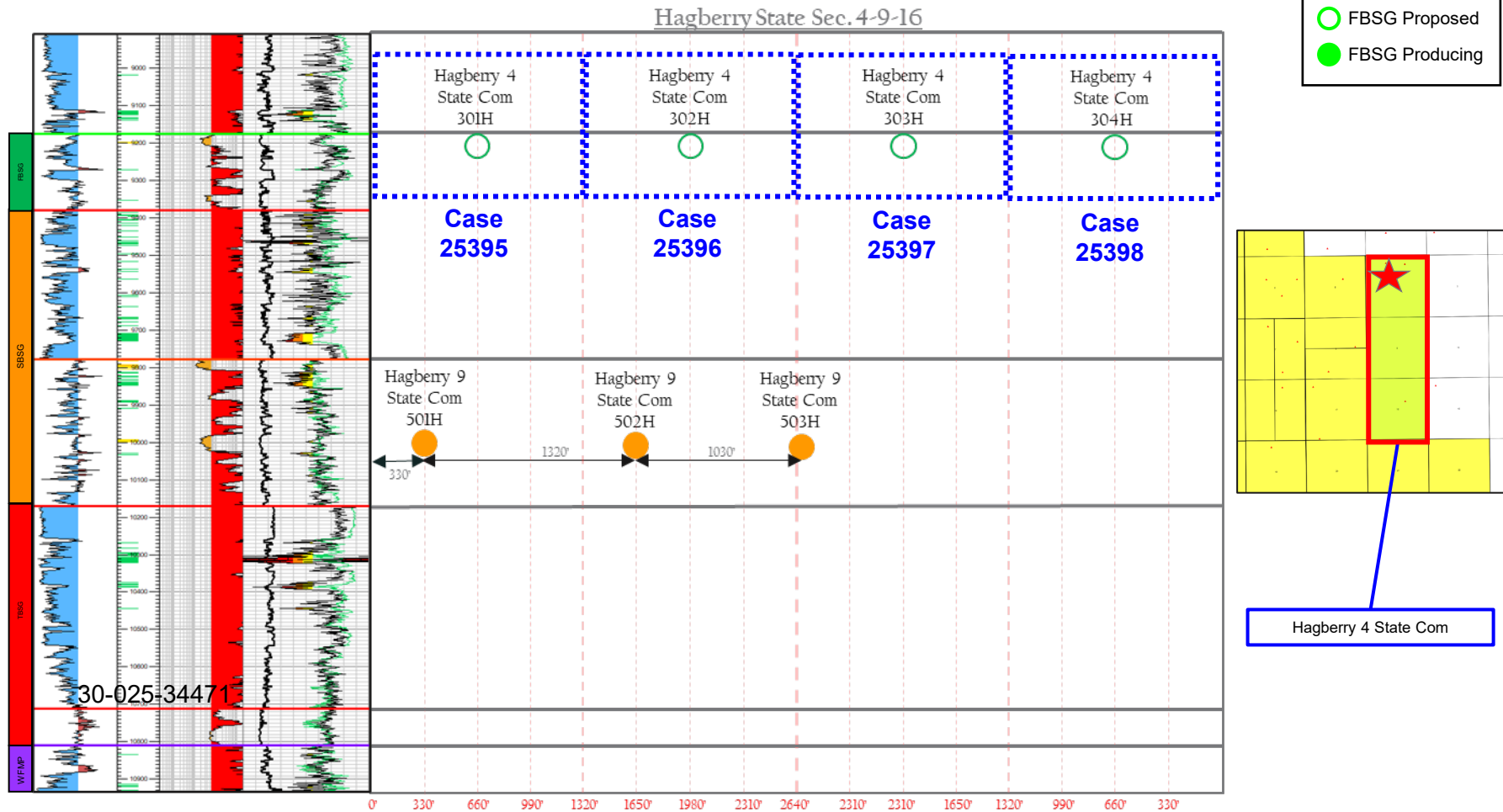




Exhibit B-5

# Gun Barrel Development Plan

Hagberry 4 State Com 301H, Hagberry 4 State Com 302H, Hagberry 4 State Com 303H, and Hagberry 4 State Com 304H



**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 AN OVERLAPPING  
SPACING UNIT, 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**

**SELF-AFFIRMED STATEMENT  
OF JACLYN M. MCLEAN**

1. I am attorney in fact and authorized representative of Permian Resources Operating, LLC ("Permian Resources") the Applicant herein.
2. I am familiar with the Notice Letter attached as **Exhibit C-1**, and caused the Notice Letter, along with the Application in this case, to be sent to the parties listed in the Postal Delivery Report attached as **Exhibit C-2**.
3. Exhibit C-2 also provides the date the Notice Letter was sent, along with the delivery status of each.
4. Electronic return receipts are attached as **Exhibit C-3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.
5. On May 13, 2025, I caused a notice to be published in the Hobbs News-Sun. The notice, along with a copy of the Notice Publication, is attached as **Exhibit C-4**.
6. I understand this Self-Affirmed Statement will be used as written testimony in the subject case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

/s/Jaclyn M. McLean  
Jaclyn M. McLean

May 28<sup>th</sup>, 2025  
Date

**Permian Resources Operating, LLC  
Case No. 25398  
Exhibit C**





May 8, 2025

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO: ALL PARTIES ENTITLED TO NOTICE**

**Re: Case Nos. 25395 - 25398 - Applications of Permian Resources Operating, LLC  
for Compulsory Pooling, Lea County, New Mexico.**

To whom it may concern:

This letter is to advise you that the enclosed applications were filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **June 5, 2025**, beginning at 9:00 a.m.

The hearing will be conducted in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1<sup>st</sup> Floor, Santa Fe, NM 87505. The hearing may be held only virtually at the discretion of the Division. To confirm the manner in which the hearing will be held, and to participate virtually, please visit the OCD Hearings website at the following link: <https://www.emnrd.nm.gov/oed/hearing-info/>. You are not required to attend this hearing, but as an owner of an interest that may be affected by these applications, 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.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days prior to the scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. If you are not registered with the OCD's E-Permitting system, you must submit the statement via e-mail to [ocd.hearings@emnrd.nm.gov](mailto:ocd.hearings@emnrd.nm.gov) and should include: the names of the parties; whether or not the parties are represented by counsel; a concise statement of the case; the names of witnesses anticipated to be called to testify at the hearing; the approximate amount of time needed to present the case; and an identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about these applications, please contact Travis Macha, New Mexico Land Lead, at [Travis.Macha@permianres.com](mailto:Travis.Macha@permianres.com).

---

125 Lincoln Avenue, Suite 223  
Santa Fe, NM 87501  
505-230-4410

HardyMcClean.com

**Writer:**  
Jaclyn M. McLean  
Managing Partner  
[jmclean@hardymcClean.com](mailto:jmclean@hardymcClean.com)

**Permian Resources Operating, LLC**  
**Case No. 25398**  
**Exhibit C-1**

Hardy McLean LLC  
May 8, 2025

Page 2

Sincerely,  
/s/ Jaclyn M. McLean  
Jaclyn M. McLean

## Postal Delivery Report

### Permian Resources - Hagberry - Case Numbers 25395-25398

Recipient	Date Mailed	USPS Tracking Number	Date Received	Status
EOG Resources INC	5/8/2025	9414836208551282291596	1/1/1900	In Transit to Next Facility, Arriving Late
FR Energy, LLC	5/8/2025	9414836208551282291619	5/15/2025	Delivered, Left with Individual
S.E.S Energy, LTD.	5/8/2025	9414836208551282291626	5/15/2025	Delivered, Left with Individual MIDLAND, TX 79701
EAU Rouge, LLC	5/8/2025	9414836208551282291602	1/1/1900	In Transit to Next Facility, Arriving Late
Maverick Oil and Gas	5/8/2025	9414836208551282291640	5/13/2025	Delivered, Left with Individual
Timothy R. MacDonald	5/8/2025	9414836208551282291657	5/13/2025	Delivered, Left with Individual
Devon Energy Production	5/8/2025	9414836208551282291633	5/14/2025	Delivered, Individual Picked Up at Postal Facility
Dean A. Horning	5/8/2025	9414836208551282291664	5/13/2025	Delivered, Left with Individual
CLF Operating	5/8/2025	9414836208551282291671	5/14/2025	Delivered, Left with Individual

Permian Resources Operating, LLC  
Case No. 25398  
Exhibit C-2



May 15, 2025

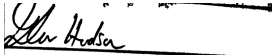
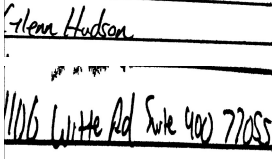
Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9414 8362 0855 1282 2916 19.**

#### Item Details

<b>Status:</b>	Delivered, Left with Individual
<b>Status Date / Time:</b>	May 15, 2025, 1:19 pm
<b>Location:</b>	HOUSTON, TX 77055
<b>Postal Product:</b>	First-Class Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic
<b>Recipient Name:</b>	FR Energy LLC

#### Recipient Signature

Signature of Recipient:	
Address of Recipient:	

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

FR Energy, LLC  
1106 Witte Rd  
Suite 400  
Houston, TX 77055  
Reference #: Permian Resources Hagberry 25395-25398  
Item ID: Permian Resources Hagberry 25395-25398

Permian Resources Operating, LLC  
Case No. 25398  
Exhibit C-3



May 15, 2025

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9414 8362 0855 1282 2916 26.**

#### Item Details

<b>Status:</b>	Delivered, Left with Individual
<b>Status Date / Time:</b>	May 15, 2025, 11:35 am
<b>Location:</b>	MIDLAND, TX 79701
<b>Postal Product:</b>	First-Class Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic
<b>Recipient Name:</b>	S E S Energy LTD

#### Recipient Signature

Signature of Recipient:

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

S.E.S Energy, LTD.  
223 W. Wall Street  
Suite 900  
Midland, TX 79705  
Reference #: Permian Resources Hagberry 25395-25398  
Item ID: Permian Resources Hagberry 25395-25398



May 13, 2025

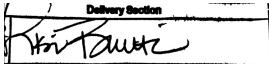
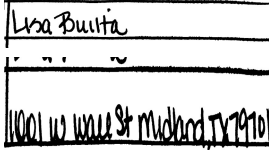
Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9414 8362 0855 1282 2916 40.**

#### Item Details

<b>Status:</b>	Delivered, Left with Individual
<b>Status Date / Time:</b>	May 13, 2025, 9:09 am
<b>Location:</b>	MIDLAND, TX 79701
<b>Postal Product:</b>	First-Class Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic
<b>Recipient Name:</b>	Maverick Oil and Gas

#### Recipient Signature

Signature of Recipient:	
Address of Recipient:	

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

Maverick Oil and Gas  
Corporation  
1001 W. Wall Street  
Midland, TX 79701  
Reference #: Permian Resources Hagberry 25395-25398  
Item ID: Permian Resources Hagberry 25395-25398



May 13, 2025

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9414 8362 0855 1282 2916 57.**

#### Item Details

<b>Status:</b>	Delivered, Left with Individual
<b>Status Date / Time:</b>	May 13, 2025, 12:02 pm
<b>Location:</b>	COLLEGE STATION, TX 77845
<b>Postal Product:</b>	First-Class Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic
<b>Recipient Name:</b>	Timothy R MacDonald

#### Recipient Signature

Signature of Recipient:

Address of Recipient:

3003 PALEO PT, COLLEGE  
STATION, TX 77845

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

Timothy R. MacDonald  
3003 Paleo Point  
College Station, TX 77845  
Reference #: Permian Resources Hagberry 25395-25398  
Item ID: Permian Resources Hagberry 25395-25398



May 14, 2025

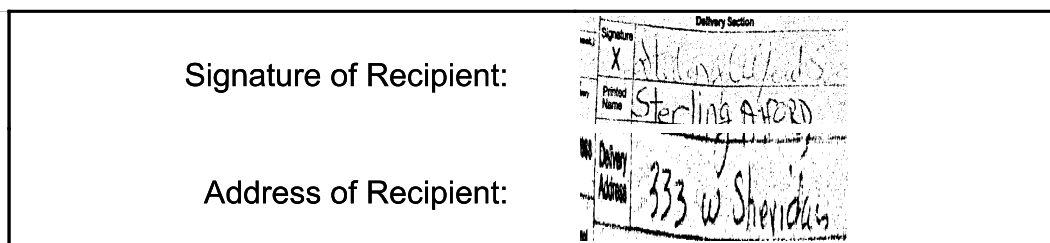
Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9414 8362 0855 1282 2916 33.**

#### Item Details

<b>Status:</b>	Delivered, Individual Picked Up at Postal Facility
<b>Status Date / Time:</b>	May 14, 2025, 7:52 am
<b>Location:</b>	OKLAHOMA CITY, OK 73102
<b>Postal Product:</b>	First-Class Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic
<b>Recipient Name:</b>	Devon Energy Production

#### Recipient Signature



Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

Devon Energy Production  
Company L.P.  
333 West Sheridan AVE  
Oklahoma City, OK 73102  
Reference #: Permian Resources Hagberry 25395-25398  
Item ID: Permian Resources Hagberry 25395-25398





May 13, 2025

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9414 8362 0855 1282 2916 64.**

#### Item Details

<b>Status:</b>	Delivered, Left with Individual
<b>Status Date / Time:</b>	May 13, 2025, 12:58 pm
<b>Location:</b>	WIMBERLEY, TX 78676
<b>Postal Product:</b>	First-Class Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic
<b>Recipient Name:</b>	Dean A Horning

#### Recipient Signature

Signature of Recipient:

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

Dean A. Horning  
18 Par View Drive  
Wimberley, TX 78676  
Reference #: Permian Resources Hagberry 25395-25398  
Item ID: Permian Resources Hagberry 25395-25398



May 14, 2025

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9414 8362 0855 1282 2916 71.**

#### Item Details

<b>Status:</b>	Delivered, Left with Individual
<b>Status Date / Time:</b>	May 14, 2025, 1:11 pm
<b>Location:</b>	SPRING, TX 77389
<b>Postal Product:</b>	First-Class Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic
<b>Recipient Name:</b>	CLF Operating

#### Recipient Signature

Signature of Recipient:

Address of Recipient:

Handwritten signature: *Regina Adatto*  
Handwritten address: *1700 City Plaza Dr. Ste 360*

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

CLF Operating  
1700 City Plaza Drive  
Suite 360  
Spring, TX 77389  
Reference #: Permian Resources Hagberry 25395-25398  
Item ID: Permian Resources Hagberry 25395-25398

# Affidavit of Publication

STATE 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  
May 13, 2025  
and ending with the issue dated  
May 13, 2025.



Publisher

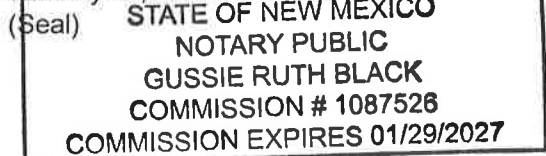
Sworn and subscribed to before me this  
13th day of May 2025.



Business Manager

My commission expires

January 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.

## LEGAL NOTICE May 13, 2025

This is to notify all interested parties, including; EOG Resources, Inc.; ER Energy, LLC; EAU Rouge, LLC; S.E.S. Energy, LTD.; Devon Energy Production Company, L.P.; Maverick Oil & Gas Corp.; Timothy R. MacDonald; Dean A. Horning; CLF Operating; and their successors and assigns; that the New Mexico Oil Conservation Division will conduct a hearing on the applications submitted Permian Resources Operating, LLC ("Applicant") for Case Nos. 25395, 25396, 25397, 25398. The hearing will be conducted on June 5, 2025, in a hybrid fashion, both virtually and in person at the Energy, Minerals, Natural Resources Department, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD website: <https://www.emnrd.nm.gov/ocd/hearing-info/>. 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 completed interval of the Well will be orthodox. 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 ("Unit"). The Unit will be dedicated to the Hagberry 4 State Com 304H well ("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 Hagberry 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 wells and the units, and a 200% charge for the risk involved in drilling and completing the wells. The Hagberry wells are located approximately 12.3 miles west of Eunice, New Mexico.  
#00300893

67118479

00300893

HARDY MCLEAN LLC  
125 LINCOLN AVE, STE. 223  
SANTA FE, NM 87501

Permian Resources Operating, LLC  
Case No. 25398  
Exhibit C-4