

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

**APPLICATIONS OF PERMIAN RESOURCES
OPERATING, LLC FOR APPROVAL OF AN
OVERLAPPING HORIZONTAL WELL SPACING
UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NOS. 24028 & 24029

PERMIAN'S CONSOLIDATED PRE-HEARING STATEMENT

Permian Resources Operating, LLC ("Permian" or "Applicant"), the applicant in the above-referenced matters, submits this Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Permian Resources Operating, LLC

ATTORNEY

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APPLICANT'S STATEMENT OF THE CASE

Under these consolidated cases, Permian seeks orders pooling all uncommitted interests in the Bone Spring (Ojo Chiso; Bone Spring [96553]) formation underlying the referenced acreage all in Township 21 South, Range 35 East, NMPM, Lea County, New Mexico, as follows:

- In **Case No. 24028**, Permian seeks an order (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in an interval of the Bone Spring formation comprised of the W/2 E/2 of Section 31, Township 21 South, Range 35 East, and the W/2 E/2 of Section 6, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in the correlative stratigraphic interval from 9,465 feet TVD to 9,660 feet TVD, that being the First Bone Spring, as shown in the New Mexico 'DA' State #001 (API: 30-025-27360). Permian proposes to dedicate the above-referenced spacing unit to the proposed initial **Eric Cartman 6 State Com 303H** well, to be horizontally drilled from a surface location and with a first take point in the SW/4 SE/4 (Unit O) of Section 6, Township 22 South, Range 35 East and a bottom hole location in the NW/4 NE/4 (Unit B) of Section 31, Township 21 South, Range 35 East. This 320-acre horizontal well spacing unit will overlap the following existing horizontal well spacing unit:
 - 160-acre horizontal well spacing unit comprised of the W/2 E/2 of Section 31, Township 21 South, Range 35 East, dedicated to the Eric Cartman 31 State Com 504H (API: 30-025-50159) and Eric Cartman 31 State Com 505H (API: 30-025-50160).
- In **Case No. 24029**, Permian seeks an order (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in an interval of the Bone Spring formation 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, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in the correlative stratigraphic interval from 9,465 feet TVD to 9,660 feet TVD, that being the First Bone Spring, as shown in the New Mexico 'DA' State #001 (API: 30-025-

27360). Permian proposes to dedicate the above-referenced spacing unit to the proposed initial **Eric Cartman 6 State Com 304H** well, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 6, Township 22 South, Range 35 East, a first take point in the SE/4 SE/4 (Unit P) of Section 6, Township 22 South, Range 35 East, and a bottom hole location in the NE/4 NE/4 (Unit A) of Section 31, Township 21 South, Range 35 East. This 320-acre horizontal well spacing unit will overlap the following existing horizontal well spacing unit:

- o 400-acre 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, dedicated to the Eric Cartman 31 State Com 506H (API: 30-025-50161) well.¹

The completed interval for the wells will comply with statewide setbacks for oil wells. Permian has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject acreage.

APPLICANT’S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Chris Astwood, Landman	Self-Affirmed Statement	Approx. 7
Ira Bradford, Geologist	Self-Affirmed Statement	Approx. 5


PROCEDURAL MATTERS

Permian requests that these matters be consolidated for hearing and intends to present these cases by self-affirmed statement if there is no opposition at the time of hearing.

¹ Permian is simultaneously applying to contract the vertical interval for the Eric Cartman 31 State Com 506H spacing unit. Once approved, these spacing units will no longer overlap.

Respectfully submitted,

HOLLAND & HART LLP

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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 289822

QUESTIONS

Operator: Permian Resources Operating, LLC 1001 17th Street, Suite 1800 Denver, CO 80202	OGRID: 372165
	Action Number: 289822
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>