

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

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

**CASE NO. 24503**

**EXHIBIT INDEX**

Compulsory Pooling Checklist

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A-2	C-102
A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties
A-4	Sample Well Proposal Letter & AFEs
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Chris Cantin
B-1	Regional Locator Map
B-2	Cross Section Location Map
B-3	Second Bone Spring Subsea Structure Map
B-4	Stratigraphic Cross-Section
B-5	Gun Barrel Development Plan
Exhibit C	Self-Affirmed Statement of Dana S. Hardy
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C-4	Affidavit of Publication for May 14, 2024

**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 24503</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: June 13, 2024</b>	
Applicant	Permian Resources Operating, LLC & Earthstone Permian, LLC
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (OGRID No. 372165)
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of Permian Resources Operating, LLC and Earthstone Permian, LLC for Compulsory Pooling, Lea County, New Mexico.
Entries of Appearance/Intervenors:	N/A
Well Family	Chokeberry
<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:	Grama Ridge; Bone Spring, North Pool (Code 28434)
Well Location Setback Rules:	Statewide
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	quarter-quarter
Orientation:	South to North
Description: TRS/County	W/2 W/2 of Sections 12 and 13, Township 21 South, Range 34 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	Chokeberry 13-12 State Com 121H (API # pending) SHL: 897' FSL & 1125' FWL (Unit M), Section 13, T21S-R34E BHL: 100' FNL & 660' FWL (Unit D), Section 12, T21S-R34E Completion Target: Bone Spring (Approx. 10,250' TVD)
Horizontal Well First and Last Take Points	Exhibit A-2

Completion Target (Formation, TVD and MD)	Exhibit A-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit A
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-2
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>	N/A
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>	6/6/2024



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

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

**CASE NO. 24503**

**SELF-AFFIRMED STATEMENT  
OF MASON MAXWELL**

1. I am a landman for Permian Resources Operating, LLC (“Permian Resources”). Earthstone Permian, LLC (“Earthstone”), is a wholly owned subsidiary of 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. I am familiar with the land matters involved in the above-referenced cases. Copies of Permian Resources’ and Earthstone’s (“Applicants”) application and proposed hearing notice are attached as **Exhibit A-1**.

3. Applicants seek an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 12 and 13, Township 21 South, Range 34 East, Lea County, New Mexico (“Unit”).

4. Applicants each own a working interest in the Unit.

5. The Unit will be dedicated to the **Chokeberry 13-12 State Com #121H** well (“Well”), which will produce from a first take point in the SW/4 SW/4 (Unit M) of Section 13 to a last take point in the NW/4 NW/4 (Unit D) of Section 12.

**Permian Resources Operating, LLC  
Case No. 24503  
Exhibit A**

6. The Well will be completed in the Grama Ridge; Bone Spring, North pool (Code 28434).

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

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

9. **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 Applicants seek to pool highlighted in yellow. All of the parties are locatable in that Applicants believe it located valid addresses for them.

10. Applicants have undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but have been unable to obtain voluntary agreements from all interest owners.

11. **Exhibit A-4** contains a sample well proposal letter that was sent to interest owners for the Well. The estimated costs reflected on the AFEs 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.

12. In my opinion, Applicants 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**.

13. In order to allow applicants to obtain their just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Permian Resources (OGRID No. 372165) should be designated as operator of the Well and the Unit.

14. 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.

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

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

17. 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.

  
Mason Maxell

  
Date

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

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

**CASE NO. 24503**

**APPLICATION**

Pursuant to NMSA § 70-2-17, Permian Resources Operating, LLC (OGRID No. 372165) and Earthstone Permian, LLC, a wholly owned subsidiary of Permian Resources Operating, LLC, (hereinafter referred to as “Applicants”) apply for an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 12 and 13, Township 21 South, Range 34 East, Lea County, New Mexico (“Unit”). In support of this application, Applicants state the following:

1. Applicants are working interest owners in the Unit and have the right to drill wells thereon.
2. The Unit will be dedicated to the **Chokeberry 13-12 State Com #121H** well (“Well”), which will produce from a first take point in the SW/4 SW/4 (Unit M) of Section 13 to a last take point in the NW/4 NW/4 (Unit D) of Section 12.
3. The completed interval of the Well will be orthodox.
4. Applicants have undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but have 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. 24503  
Exhibit A-1**

6. In order to allow Applicants to obtain their just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Permian Resources Operating, LLC (OGRID No. 372165) should be designated as operator of the Well and the Unit.

WHEREFORE, Applicants request that this application be set for hearing before an Examiner of the Oil Conservation Division on June 13, 2024, 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 the 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,

HINKLE SHANOR LLP

*/s/ Dana S. Hardy* \_\_\_\_\_

Dana S. Hardy

Jaclyn M. McLean

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

[dhardy@hinklelawfirm.com](mailto:dhardy@hinklelawfirm.com)

[jmclean@hinklelawfirm.com](mailto:jmclean@hinklelawfirm.com)

*Counsel for Earthstone Permian, LLC and  
Permian Resources Operating, LLC*

**Application of Permian Resources Operating, LLC and Earthstone Permian, LLC for Compulsory Pooling, Lea County, New Mexico.** Permian Resources Operating, LLC and Earthstone Permian, LLC (collectively “Applicants”) apply for an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 12 and 13, Township 21 South, Range 34 East, Lea County, New Mexico (“Unit”). The Unit will be dedicated to the **Chokeberry 13-12 State Com #121H** well (“Well”), which will produce from a first take point in the SW/4 SW/4 (Unit M) of Section 13 to a last take point in the NW/4 NW/4 (Unit D) of Section 12. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Permian Resources Operating, LLC as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 16 miles west of Eunice, New Mexico.



District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Artec, NM 87410  
District IV  
1220 S. St Francis Dr., NM 87505  
Phone: (505) 476-3460 Fax (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code <b>28434</b>		<sup>3</sup> Pool Name <b>Gramma Ridge; Bone Spring, North</b>	
<sup>4</sup> Property Code		<sup>5</sup> Property Name <b>CHOKEBERRY 13-12 STATE</b>			<sup>6</sup> Well Number <b>121H</b>
<sup>7</sup> OGRID No. <b>372165</b>		<sup>8</sup> Operator Name <b>PERMIAN RESOURCES OPERATING, LLC</b>			<sup>9</sup> Elevation <b>3,652.02'</b>

<sup>10</sup> Surface Location

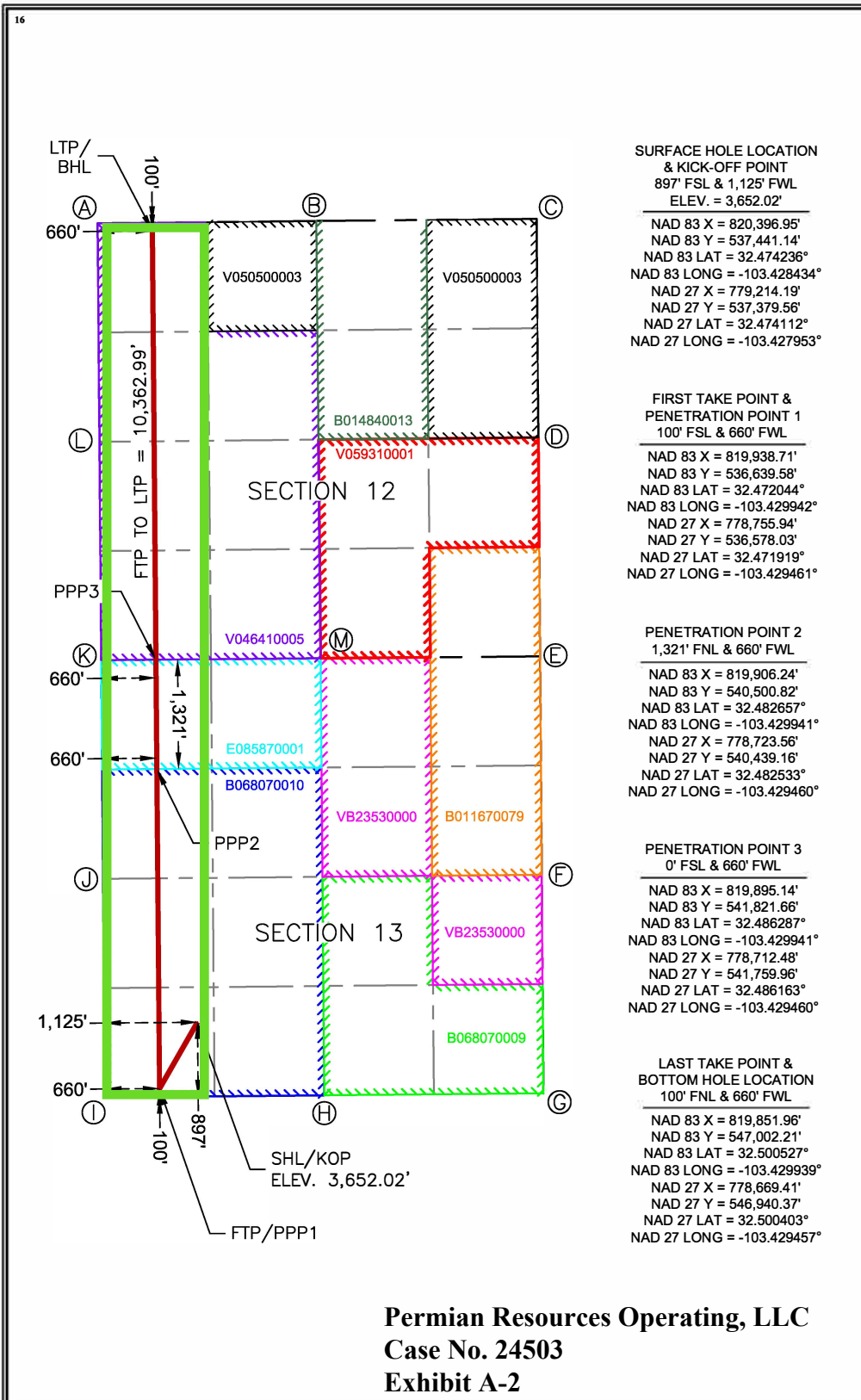
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>13</b>	<b>21 S</b>	<b>34 E</b>		<b>897'</b>	<b>SOUTH</b>	<b>1,125'</b>	<b>WEST</b>	<b>LEA</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>D</b>	<b>12</b>	<b>21 S</b>	<b>34 E</b>		<b>100'</b>	<b>NORTH</b>	<b>660'</b>	<b>WEST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.



<sup>17</sup> OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature \_\_\_\_\_ Date \_\_\_\_\_

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

Email Address \_\_\_\_\_

<sup>18</sup> SURVEYOR CERTIFICATION

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.

CORNER COORDINATES NEW MEXICO EAST - NAD 83	
A - IRON PIPE W/ BRASS CAP	N:547,095.19' E:819,191.16'
B - IRON PIPE W/ BRASS CAP	N:547,123.27' E:821,832.03'
C - IRON PIPE W/ BRASS CAP	N:547,148.52' E:824,492.23'
D - 1/2" CAPPED IRON ROD	N:544,506.94' E:824,513.04'
E - CALCULATED CORNER	N:541,862.38' E:824,533.87'
F - CALCULATED CORNER	N:539,223.55' E:824,554.28'
G - 3/4" IRON ROD	N:536,581.76' E:824,574.71'
H - IRON PIPE W/ BRASS CAP	N:536,558.77' E:821,927.92'
I - IRON PIPE	N:536,533.22' E:819,279.65'
J - IRON PIPE W/ BRASS CAP	N:539,173.79' E:819,257.66'
K - IRON PIPE W/ BRASS CAP	N:541,815.84' E:819,235.17'
L - IRON PIPE W/ BRASS CAP	N:544,455.72' E:819,213.31'
M - 5/8" IRON ROD	N:541,839.19' E:821,884.50'

**PRELIMINARY**

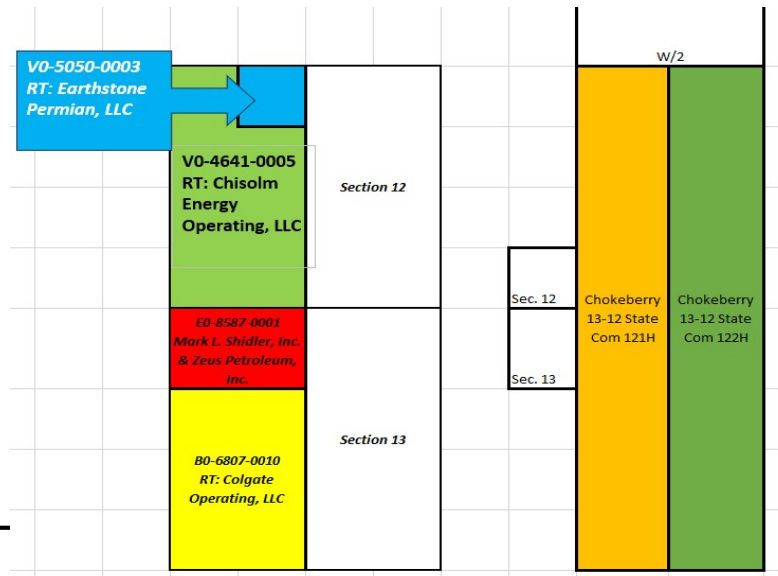
THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.

MARK J. MURRAY P.L.S. NO. 12177

Permian Resources Operating, LLC  
Case No. 24503  
Exhibit A-2



**Land Exhibit: Chokeberry 13-12 State Com #121H & 122H**  
W/2 of Sections 13 & 12, T21S-R34E, Lea County, New Mexico



**Owners to Pool in Yellow**

Owner	Pooling?	Documents Sent			Notes
		Proposal	JOA	Com Agmt	
Permian Resources Operating, LLC/Earthstone Permian, LLC	N/A	N/A	N/A	N/A	N/A
Mark L. Shidler, Inc. & Zeus Petroleum, Inc.	Y	N	N	Y	RT Owners
Timothy R. MacDonald	Y	Y	Y	Y	
Maverick Oil & Gas Corp.	Y	Y	Y	Y	
Kaiser-Francis Oil Company	N	Y	Y	Y	Executed all Docs

Leasehold Ownership	
Owner	Section 12: W/2
Permian Resources Operating, LLC/Earthstone Permian, LLC	99.860250%
Timothy R. MacDonald	0.104813%
Maverick Oil & Gas Corp.	0.034937%
Leasehold Ownership	
Owner	Section 13: W/2
Permian Resources Operating, LLC/Earthstone Permian, LLC	77.906980%
Kaiser-Francis Oil Company	22.093020%
Unit Capitulation	
Owner	WI
Permian Resources Operating, LLC/Earthstone Permian, LLC	88.883615%
Timothy R. MacDonald	0.052407%
Maverick Oil & Gas Corp.	0.017469%
Kaiser-Francis Oil Company	11.046510%
<b>TOTAL</b>	<b>100.000000%</b>

**Permian Resources Operating, LLC**  
**Case No. 24503**  
**Exhibit A-3**



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

OFFICE 432.695.4222  
FAX 432.695.4063

March 28, 2024

*Via Certified Mail*

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

RE: **Well Proposals – Chokeberry 13 State Com 121H, 122H**  
Sections 12 & 13, T21S-R34E  
Lea County, New Mexico

To Whom It May Concern:

Permian Resources Operating, LLC (“Permian”), as successor Operator to Earthstone Operating, LLC, hereby proposes the drilling and completion of the following wells referenced above in the Second Bone Spring formation, at approximate measured depth specified below. The location and target are subject to change depending on the surface or subsurface issues encountered.

**1. Chokeberry 13 State Com 121H**

SHL: From a legal location within the SW/4 of Section 13  
BHL: 100’ FSL & 660’ FWL of Section 12  
FTP: 100’ FNL & 660’ FWL of Section 13  
LTP: 100’ FSL & 660’ FWL of Section 12  
TVD: 10,250’  
TMD: 21,145’  
Total Cost: See attached AFE

**2. Chokeberry 13 State Com 122H**

SHL: From a legal location within the SW/4 of Section 13  
BHL: 100’ FSL & 660’ FWL of Section 12  
FTP: 100’ FNL & 1980’ FWL of Section 13  
LTP: 100’ FSL & 1980’ FWL of Section 12  
TVD: 10,250’  
TMD: 21,145’  
Total Cost: See attached AFE

The locations, TVDs, and targets are approximate and subject to change dependent on surface or subsurface issues encountered. Permian is proposing to drill these wells under the modified terms of the 1989 AAPL Operating Agreement and a form of said Operating Agreement will be furnished upon request. The Operating Agreement has the following general provisions:

- 100%/300%/300% non-consent provisions
- \$10,000/\$1,000 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.

**Permian Resources Operating, LLC**  
**Case No. 24503**  
**Exhibit A-4**

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 432.400.0188 or by email at [mason.maxwell@permianres.com](mailto:mason.maxwell@permianres.com)

Respectfully,

A handwritten signature in blue ink, appearing to read "Mason Maxwell".

Mason Maxwell  
Landman

Enclosures

**Chokeberry 12 State Com 121H & Chokeberry 12 State Com 122H**

<b>Well Elections</b> <b>(Please indicate your responses in the spaces below)</b>		
<b>Well(s)</b>	<b>Elect to Participate</b>	<b>Elect to NOT participate</b>
Chokeberry 13 State Com 121H		
Chokeberry 13 State Com 122H		

**Timothy R. MacDonald**

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

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

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

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: \_\_\_\_\_



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

OFFICE 432.695.4222  
FAX 432.695.4063

May 1, 2024

Via Certified Mail

Kaiser-Francis Oil Company  
6733 South Yale Avenue  
Tulsa, OK 74136

RE: **Correction to Well Proposals – Chokeberry 13 State Com 121H, 122H**  
Sections 12 & 13, T21S-R34E  
Lea County, New Mexico

To Whom It May Concern:

Permian Resources Operating, LLC (“Permian”), as operator previously proposed the drilling and completion of the following two (2) wells in the Chokeberry Unit at the approximate locations within Township 21 South, Range 34 East, Lea Co., NM. The purpose of this letter is to give notice of a correction as it relates to the First Take Point, Last Take Point and Bottom Hole Location on the below captioned wells:

**1. Chokeberry 13-12 State Com 121H**

SHL: From a legal location within the SW/4 of Section 13  
BHL: 100’ FNL & 660’ FWL of Section 12  
FTP: 100’ FSL & 660’ FWL of Section 13  
LTP: 100’ FNL & 660’ FWL of Section 12  
TVD: 10,250’  
TMD: 21,145’  
Total Cost: See attached AFE

**2. Chokeberry 13-12 State Com 122H**

SHL: From a legal location within the SW/4 of Section 13  
BHL: 100’ FNL & 1,980’ FWL of Section 12  
FTP: 100’ FSL & 1980’ FWL of Section 13  
LTP: 100’ FNL & 1980’ FWL of Section 12  
TVD: 10,250’  
TMD: 21,145’  
Total Cost: See attached AFE

WHEREAS, the FTP, LTP, & BHL of the two captioned wells contained incorrect footage calls and is corrected herein above. Thank you for your time and consideration, if you have any questions at all, please don’t hesitate to contact me at 432.400.0188 or by email at [mason.maxwell@permianres.com](mailto:mason.maxwell@permianres.com)

Respectfully

Mason Maxwell  
Landman

<b>AFE Number:</b> 501577	<b>Description:</b> Chokeberry 13 State Com 121H
<b>AFE Name:</b> Chokeberry 13 State Com 121H	<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>Drilling Intangible</b>		
8015.4300	IDC - WELLSITE SUPERVISION	\$98,600.00
8015.3100	IDC - CASING CREW & TOOLS	\$70,000.00
8015.1500	IDC - RIG MOB / TRUCKING	\$127,500.00
8015.2350	IDC - FUEL/MUD	\$86,000.00
8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$66,831.25
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$27,000.00
8015.5000	IDC - WELL CONTROL INSURANCE	\$9,350.00
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00
8015.3700	IDC - DISPOSAL	\$144,501.00
8015.2150	IDC - DRILL BIT	\$98,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$42,500.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$36,300.00
8015.2300	IDC - FUEL / POWER	\$158,950.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$56,286.00
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00
8015.4100	IDC - RENTAL EQUIPMENT	\$93,500.00
8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$95,625.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$269,000.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$25,500.00
8015.4200	IDC - MANCAMP	\$44,200.00
8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$12,500.00
8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$18,700.00
8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$279,968.75
8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$37,000.00
8015.1300	IDC - SURFACE DAMAGE / ROW	\$35,000.00
8015.1700	IDC - DAYWORK CONTRACT	\$655,668.75
8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$222,329.19
8015.5200	IDC - CONTINGENCY	\$130,142.70
8015.2400	IDC - RIG WATER	\$21,250.00
	<b>Sub-total</b>	<b>\$3,022,202.64</b>
<b>Drilling Tangible</b>		
8020.1100	TDC - CASING - SURFACE	\$89,006.69
8020.1500	TDC - WELLHEAD EQUIPMENT	\$53,125.00
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$188,110.31
8020.1400	TDC - CASING - PRODUCTION	\$650,939.56
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$53,125.00
	<b>Sub-total</b>	<b>\$1,034,306.56</b>

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
<b>Flowback Intangible</b>		
8040.1100	IFC - ROADS LOCATIONS / PITS	\$5,000.00
8040.1899	IFC - FRAC WATER RECOVERY	\$141,100.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$125,000.00
8040.3420	IFC - TANK RENTALS	\$20,000.00
8040.3430	IFC - SURFACE PUMP RENTAL	\$20,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$10,000.00
8040.4000	IFC - CHEMICALS	\$15,000.00
	<b>Sub-total</b>	<b>\$356,100.00</b>
<b>Artificial Lift Intangible</b>		
8060.1200	IAL - WORKOVER RIG	\$17,000.00
8060.1400	IAL - WIRELINE OPEN/CASED HOLE	\$10,000.00
8060.1900	IAL - INSPECTION & TESTING	\$3,000.00
8060.2000	IAL - TRUCKING/VACUUM/TRANSP	\$5,000.00
8060.2010	IAL - KILL TRUCK	\$5,000.00
8060.2300	IAL - COMPLETION FLUIDS	\$5,000.00
8060.2600	IAL - CONTRACT LABOR/ROUSTABOUT	\$15,000.00
8060.3400	IAL - RENTAL EQUIPMENT	\$5,000.00
8060.3410	IAL - LAYDOWN MACHINE	\$5,000.00
8060.3420	IAL - REVERSE UNIT RENTAL	\$5,000.00
8060.3500	IAL - WELLSITE SUPERVISION	\$5,000.00
	<b>Sub-total</b>	<b>\$80,000.00</b>
<b>Artificial Lift Tangible</b>		
8065.1100	TAL - TUBING	\$125,000.00
8065.1320	TAL - GAS LIFT EQUIPMENT/INSTALL	\$30,000.00
8065.2000	TAL - WELLHEAD EQUIPMENT	\$60,000.00
8065.2300	TAL - GAS LIFT INJECTION LINE & INSTALL	\$80,000.00
8065.2400	TAL - COMPRESSOR INSTALL & STARTUP	\$70,000.00
8065.2500	TAL - VALVES/CONNECTIONS/FTGS	\$15,000.00
8065.3100	TAL - MEASUREMENT EQUIPMENT	\$30,000.00
8065.3200	TAL - COMM, TELEMETRY & AUTOMA	\$10,000.00
	<b>Sub-total</b>	<b>\$420,000.00</b>
<b>Completion Intangible</b>		
8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00
8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$40,000.00
8025.1500	ICC - FUEL / POWER	\$532,120.00
8025.1600	ICC - COILED TUBING	\$184,906.00
8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$18,113.00
8025.2000	ICC - TRUCKING	\$14,375.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$370,799.00
8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,919,299.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00
8025.3000	ICC - WATER HANDLING	\$149,660.00
8025.3050	ICC - SOURCE WATER	\$264,399.00



<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00
8025.3400	ICC - RENTAL EQUIPMENT	\$181,260.00
8025.3500	ICC - WELLSITE SUPERVISION	\$56,700.00
8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00
8025.3800	ICC - OVERHEAD	\$10,000.00
	<b>Sub-total</b>	<b>\$3,837,131.00</b>
<b>Completion Tangible</b>		
8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
	<b>Sub-total</b>	<b>\$47,250.00</b>
<b>Facilities</b>		
8035.1300	FAC - SURFACE DAMAGE / ROW	\$833.00
8035.1310	FAC - PERMANENT EASEMENT	\$3,333.00
8035.1400	FAC - ROAD LOCATIONS PITS	\$26,667.00
8035.1500	FAC - MATERIALS & SUPPLIES	\$5,000.00
8035.1600	FAC - TRANSPORTATION TRUCKING	\$5,000.00
8035.1700	FAC - RENTAL EQUIPMENT	\$20,000.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$500.00
8035.2100	FAC - INSPECTION & TESTING	\$833.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$33,333.00
8035.2400	FAC - SUPERVISION	\$10,000.00
8035.2500	FAC - CONSULTING SERVICES	\$1,667.00
8035.2900	FAC - TANK BATTERY	\$65,000.00
8035.3000	FAC - HEATER TREATER/SEPARATOR	\$116,667.00
8035.3100	FAC - DEHYDRATOR EQUIPMENT	\$2,500.00
8035.3200	FAC - VALVES FITTINGS & PIPE	\$108,333.00
8035.3300	FAC - CIRCULATING TRANSFER PUMP	\$13,500.00
8035.3400	FAC - METER & LACT	\$72,000.00
8035.3500	FAC - COMPRESSOR	\$5,000.00
8035.3600	FAC - ELECTRICAL	\$50,000.00
8035.3700	FAC - AUTOMATION MATERIAL	\$20,833.00
8035.4400	FAC - COMPANY LABOR	\$833.00
8035.4500	FAC - CONTINGENCY	\$15,355.00
	<b>Sub-total</b>	<b>\$577,187.00</b>
<b>Pipeline</b>		
8036.1310	PLN - PERMANENT EASEMENT	\$33,600.00
8036.2200	PLN - CONTRACT LABOR	\$88,704.00
8036.2800	PLN - FLOWLINE MATERIAL	\$88,704.00
8036.3200	PLN - VALVES FITTINGS & PIPE	\$25,000.00
8036.3600	PLN - ELECTRICAL SUPPLIES	\$15,000.00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$16,667.00
8036.3620	PLN - POWER DISTRIBUTION LABOR	\$16,667.00
	<b>Sub-total</b>	<b>\$284,342.00</b>
<b>Accepted and Approved By:</b>		<b>Grand Total</b>
		<b>\$9,658,519.20</b>

Company Name (If Applicable):

By: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

# **PERMIAN**

## **R E S O U R C E S**

### **Chokeberry – Chronology of Communication**

March 28, 2024 – Proposals sent to all Working Interest Parties

April 3, 2024 – Correspondence with Kaiser-Francis Oil Company regarding Interest and JOA

April 15, 2024 – Correspondence with Timothy R. MacDonald regarding Working Interest

April 30, 2024 – JOA sent to Kaiser-Francis Oil Company, Timothy R. MacDonald, Maverick Oil & Gas Corporation

May 1, 2024 – Correction letter to proposals sent to all working interest parties.

May 21, 2024 – Received executed JOA from Kaiser-Francis Oil Company

**Permian Resources Operating,  
LLC Case No. 24503  
Exhibit A-5**

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

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

CASE NOS. 24503 & 24504

SELF-AFFIRMED STATEMENT  
OF CHRIS CANTIN

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 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 Chokeberry 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 (“Units”) within the Bone Spring formation. The approximate wellbore paths for the proposed **Chokeberry 13-12 State Com #121H** well and **Chokeberry 13-12 State Com #122H** well (“Wells”) are represented by dashed lines. Existing producing wells in the targeted interval are represented by solid lines. This map identifies the cross-section running from A-A’ with the cross-section wells name and a black line in proximity to the proposed Wells. The pooling units area is defined by blue boxes and are labeled with their respective case numbers.

**Permian Resources Operating, LLC**  
**Case No. 24503**  
**Exhibit B**

5. **Exhibit B-3** is a Subsea Structure map on the Second Bone Spring formation in TVD subsea with a contour interval of 50 ft. The map identifies the approximate wellbore paths for the proposed Wells with a orange dashed 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 east-southeast 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** is a Subsea Structure map on the Third Bone Spring formation in TVD subsea with a contour interval of 50 ft. The map identifies the approximate wellbore paths for the proposed Wells with a red dashed 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 east-southeast in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

7. **Exhibit B-5** is a stratigraphic cross-section from A to A' using the representative wells identified on Exhibit B-4. It contains gamma ray, resistivity, and porosity logs. The cross section is oriented from west to east and is hung on the top of the Wolfcamp formation. The proposed landing zones for the Wells are labeled on the exhibit. The approximate well-paths for the proposed Wells are indicated by dashed lines to be drilled from west to east across the units. This cross-section demonstrates the target intervals are continuous across the Unit.

8. **Exhibit B-6** is a gun barrel diagram that shows the proposed Wells in the Bone Spring formation. The spacing units are defined by blue dashed boxes and are labeled with their respective case numbers.

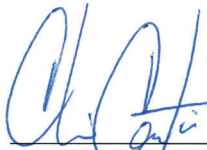
9. In my opinion, a laydown orientation for the Wells is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and is the preferred fracture orientation in this portion of the trend.

10. 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.

11. In my opinion, granting the application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

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

13. 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 Cantin

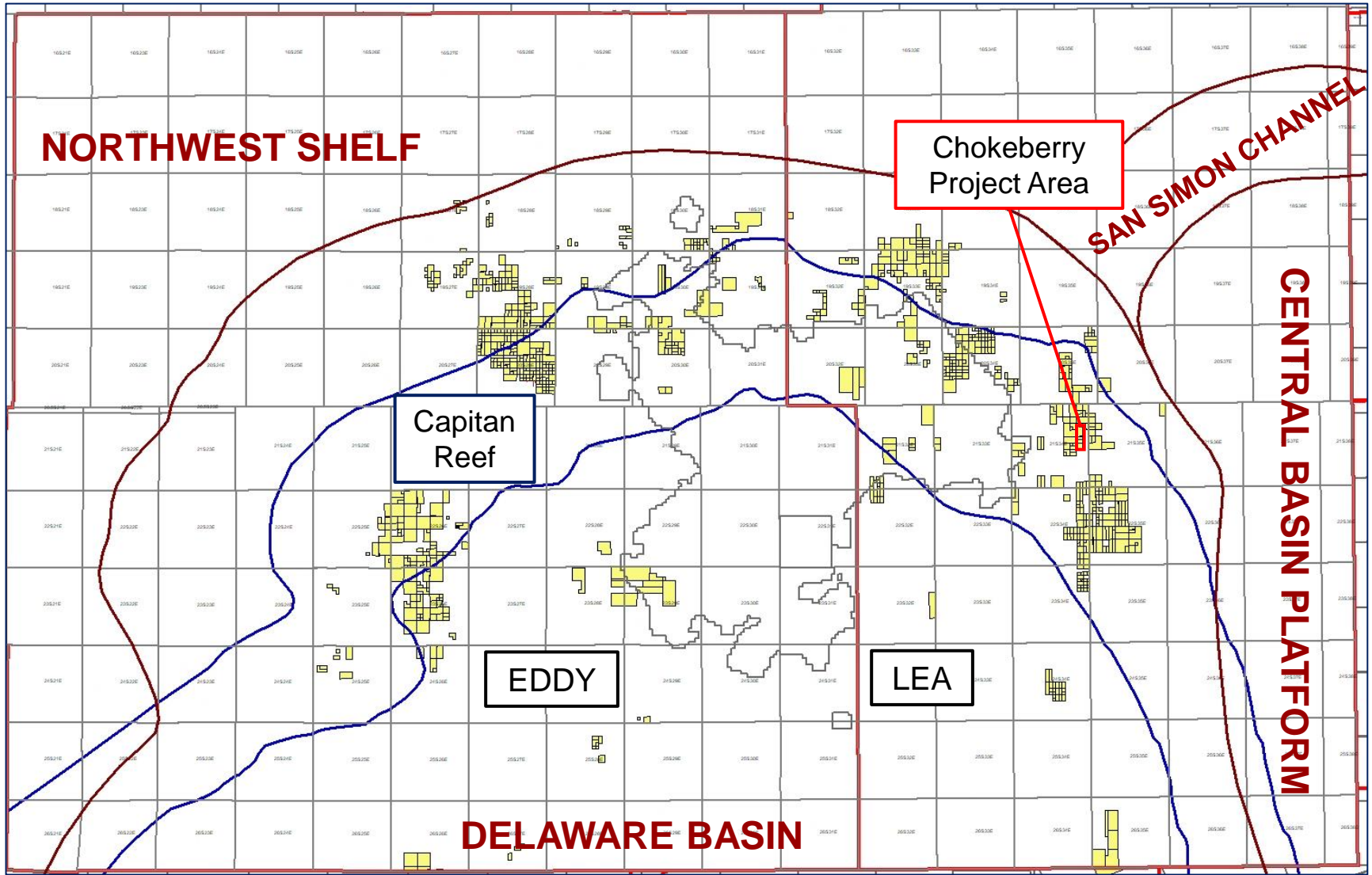
06/06/2024  
Date





# Regional Locator Map

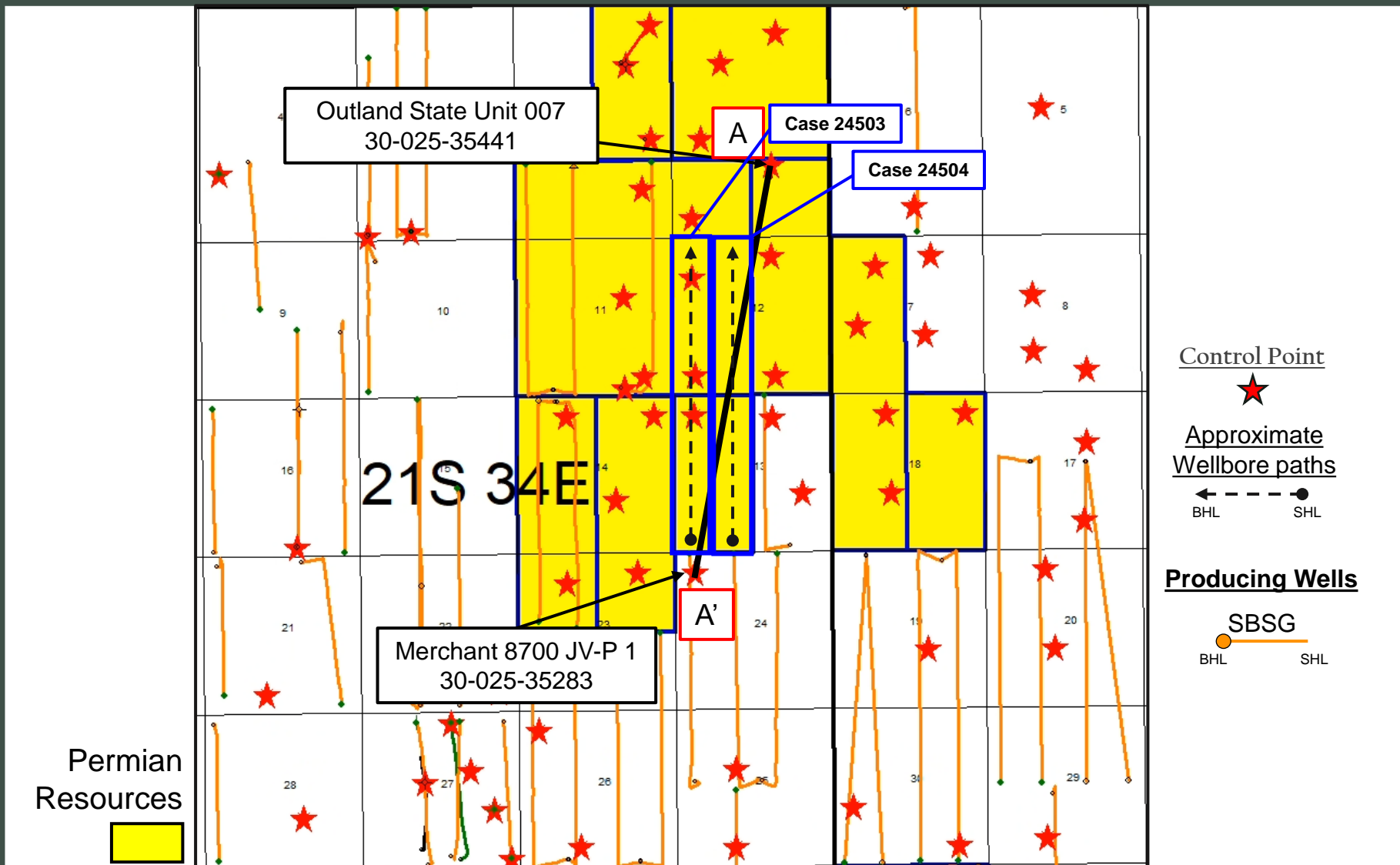
Chokeberry 13-12 State Com #121H, Chokeberry 13-12 State Com #122H





# Cross-Section Locator Map

Chokeberry 13-12 State Com #121H, Chokeberry 13-12 State Com #122H

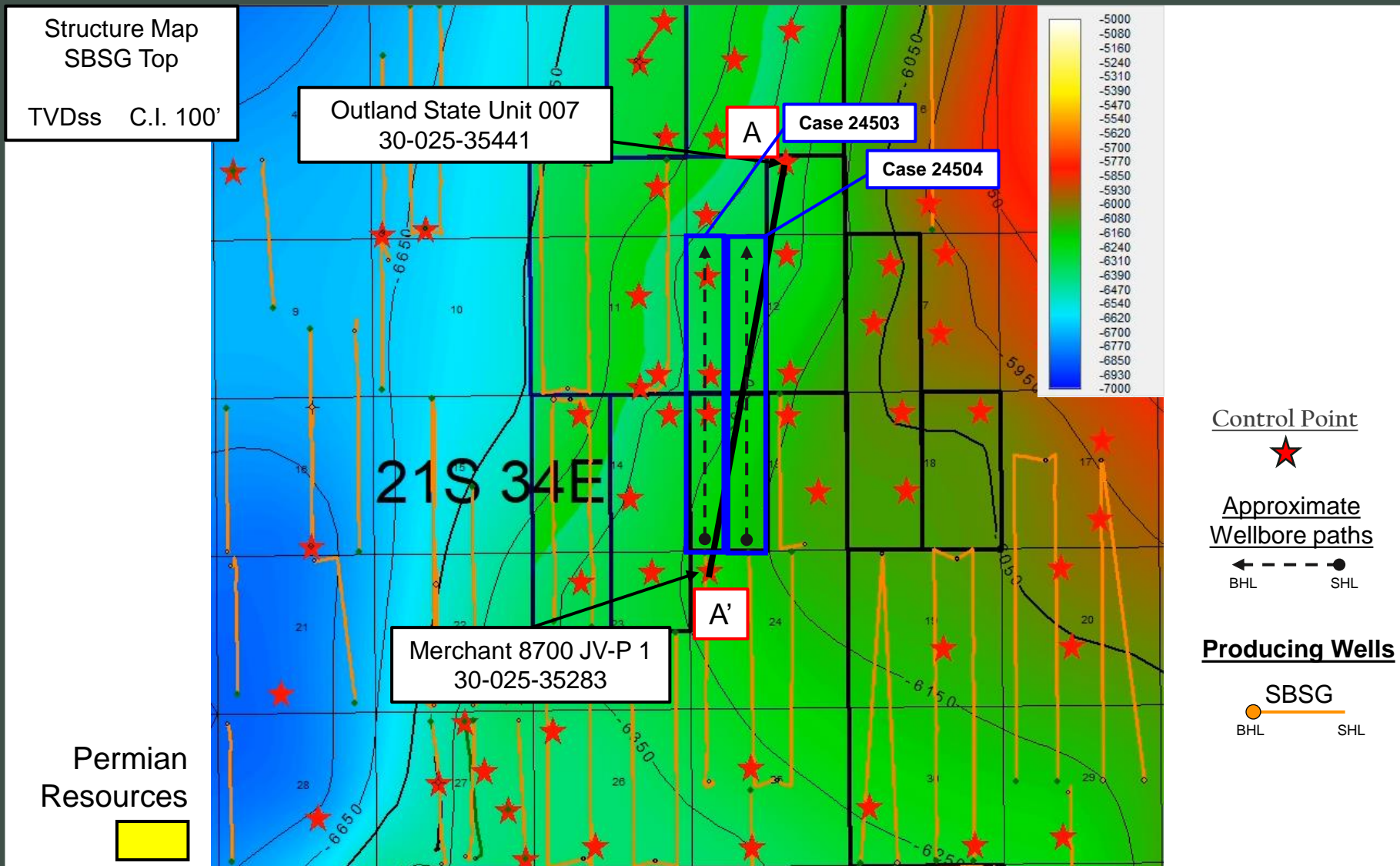




# Second Bone Spring – Structure Map

Chokeberry 13-12 State Com #121H, Chokeberry 13-12 State Com #122H

**Exhibit B-3**



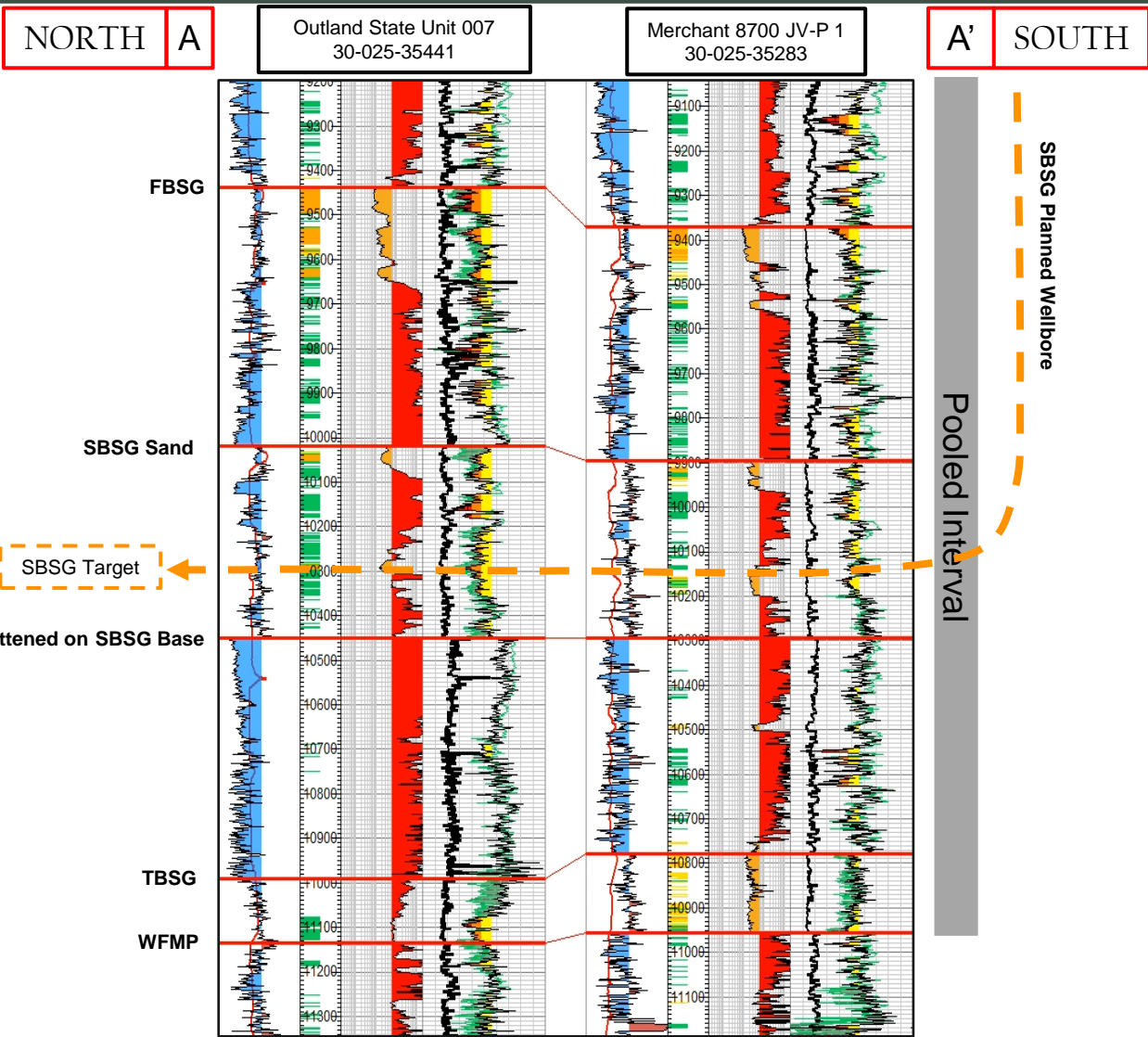




# Stratigraphic Cross-Section A-A'

Chokeberry 13-12 State Com #121H, Chokeberry 13-12 State Com #122H

Exhibit B-4

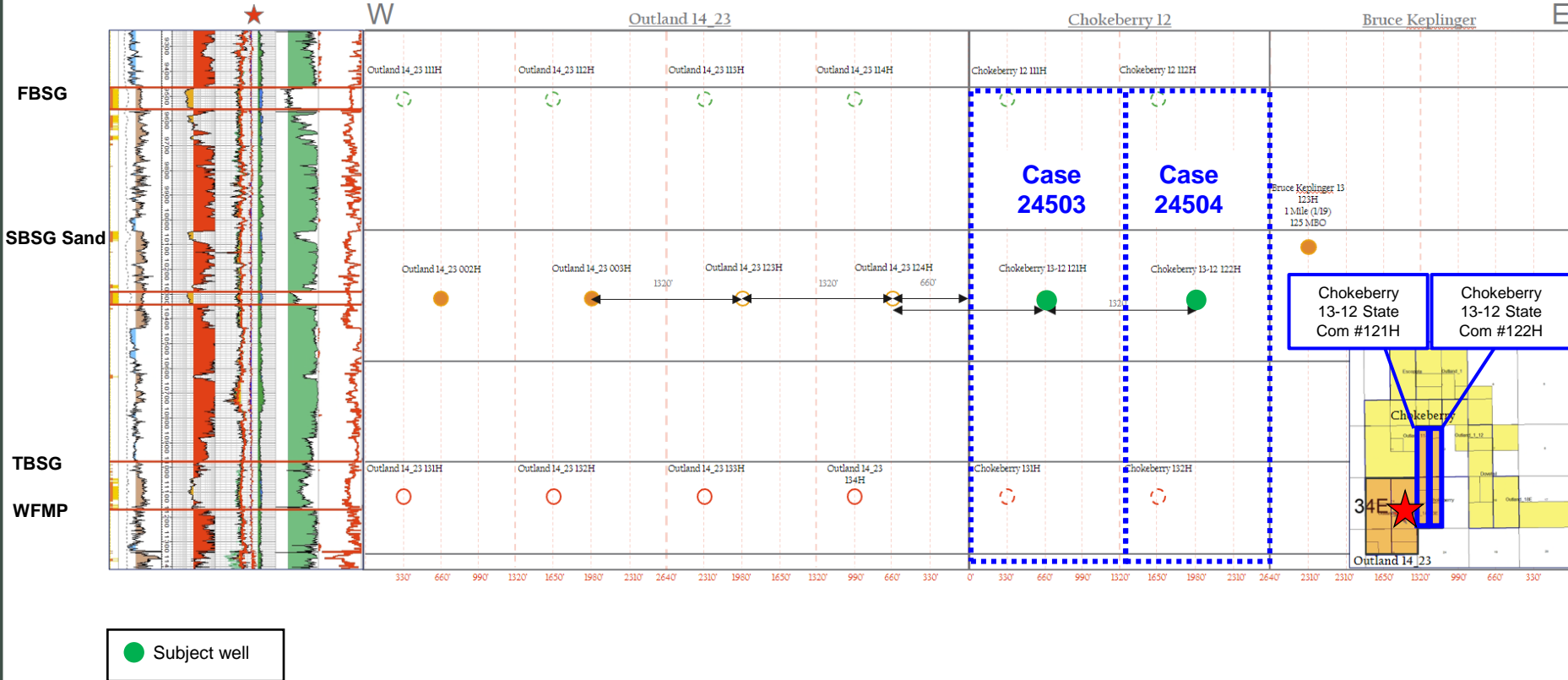




# Gun Barrel Development Plan

Chokeberry 13-12 State Com #121H, Chokeberry 13-12 State Com #122H

**Exhibit B-5**



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

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

**CASE NO. 24503**

**SELF-AFFIRMED STATEMENT  
OF DANA S. HARDY**

1. I am attorney in fact and authorized representative of Permian Resources Operating, LLC, 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 set out in the chart attached as **Exhibit C-2**.

3. Exhibit C-2 also provides the date each Notice Letter was sent and the date each return was received.

4. Copies of the certified mail green cards and white slips are attached as **Exhibit C-3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.

5. On May 14, 2024, I caused a notice to be published to all interested parties in the Hobbs News-Sun. An Affidavit of Publication from the Legal Clerk of the Hobbs News-Sun, 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 cases. I affirm that my testimony above is true and correct and it 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/ Dana S. Hardy  
Dana S. Hardy

June 5, 2024  
Date

**Permian Resources Operating, LLC  
Case No. 24503  
Exhibit C**



hinklelawfirm.com

# HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER:  
Dana S. Hardy, Partner  
dhardy@hinklelawfirm.com

May 9, 2024

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

**TO ALL PARTIES ENTITLED TO NOTICE**

**Re: Case Nos. 24503 & 24504 – Applications of Permian Resources Operating, LLC and Earthstone Permian, 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 13, 2024**, beginning at 8:15 a.m.

The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate virtually, 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.

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 in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (<https://wwwapps.emnrd.nm.gov/ocd/ocdpermitting/>) or via e-mail to [ocd.hearings@emnrd.nm.gov](mailto:ocd.hearings@emnrd.nm.gov) and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this application, please contact Mason Maxwell, New Mexico Landman, Permian Resources – 432-400-0188, [mason.maxwell@permianres.com](mailto:mason.maxwell@permianres.com).

Sincerely,

/s/ Dana S. Hardy  
Dana S. Hardy

**Permian Resources Operating, LLC**  
**Case No. 24503**  
**Exhibit C-1**

Enclosure

PO BOX 10  
ROSWELL, NEW MEXICO 88202  
(575) 622-6510  
FAX (575) 623-9332

7601 JEFFERSON ST NE - SUITE 180  
ALBUQUERQUE, NEW MEXICO 87109  
505-858-8320  
FAX (505) 858-8321

PO BOX 2068  
SANTA FE, NEW MEXICO 87504  
(505) 982-4554  
FAX (505) 982-8623

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

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

**CASE NOS. 24503 - 24504**

**NOTICE LETTER CHART**

<b>PARTY</b>	<b>NOTICE LETTER SENT</b>	<b>RETURN RECEIVED</b>
Kaiser-Francis Oil Company 6733 South Yale Avenue Tulsa, OK 74136	05/09/24	05/20/24
Timothy R. MacDonald 303 Paleo Point College Station, TX 77845	05/09/24	05/28/24
Maverick Oil & Gas Corporation 1001 W Wall Street Midland, TX 79701	05/09/24	05/15/24

**Permian Resources Operating, LLC  
Case No. 24503  
Exhibit C-2**



**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
*Domestic Mail Only*

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

OFFICIAL USE

Certified Mail Fee \$ _____	
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy) \$ _____	
<input type="checkbox"/> Return Receipt (electronic) \$ _____	
<input type="checkbox"/> Certified Mail Restricted Delivery \$ _____	
<input type="checkbox"/> Adult Signature Required \$ _____	
<input type="checkbox"/> Adult Signature Restricted Delivery \$ _____	
Postage \$ _____	
<b>Total Postage and Fees</b> \$ _____	
Sent To Str Kaiser-Francis Oil Company 6733 South Yale Avenue Tulsa, OK 74136	

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature <input checked="" type="checkbox"/> [Signature] <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee
1. Article Addressed to:  <div style="border: 1px solid black; padding: 5px; text-align: center;"> <p>Kaiser-Francis Oil Company 6733 South Yale Avenue Tulsa, OK 74136</p> <p style="font-size: 0.8em;">24503-04</p> <p>9590 9402 8561 3186 6050 83</p> </div>	B. Received by (Printed Name) <input checked="" type="checkbox"/> [Signature] C. Date of Delivery 5-13-24
2. Article Number (Transfer from service label) 9589 0710 5270 0415 9180 58	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input checked="" type="checkbox"/> No <div style="text-align: center; font-size: 2em; font-weight: bold; border: 2px solid black; padding: 10px;">             RECEIVED MAY 20 2024           </div>
3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	<input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

**Permian Resources Operating, LLC**  
**Case No. 24503**  
**Exhibit C-3**

9589 0710 5270 0415 9179 38

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
*Domestic Mail Only*

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

OFFICIAL RECEIPT

Certified Mail Fee \$ \_\_\_\_\_

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ \_\_\_\_\_

Return Receipt (electronic) \$ \_\_\_\_\_

Certified Mail Restricted Delivery \$ \_\_\_\_\_

Adult Signature Required \$ \_\_\_\_\_

Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage \$ \_\_\_\_\_

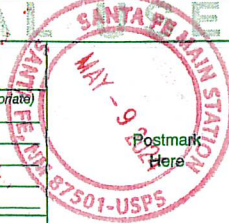
**Total Postage and Fees** \$ \_\_\_\_\_

Sent To

Street and Apt. No., or PO Box No. Timothy R. MacDonald  
 303 Paleo Point

City, State, ZIP+4® College Station, TX 77845

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY												
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul> <p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; margin: 5px 0;"> <p>Timothy R. MacDonald            303 Paleo Point            College Station, TX 77845</p> <p style="text-align: right; font-size: 0.8em;">24503-04</p> </div> <p style="text-align: center;">             9590 9402 8561 3186 6050 69         </p> <p>2. Article Number (Transfer from service label)  <b>9589 0710 5270 0415 9179 38</b></p>	<p>A. Signature  <input checked="" type="checkbox"/> Agent  <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) _____ C. Date of Delivery _____</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes        If YES, enter delivery address below. <input type="checkbox"/> No</p> <div style="text-align: center; border: 2px solid black; padding: 10px; margin: 10px 0;"> <p style="font-size: 2em; font-weight: bold; opacity: 0.5;">RECEIVED</p> <p style="font-size: 1.5em; font-weight: bold;">MAY 28 2024</p> <p style="font-size: 0.8em;">Hinkle Sharov LLP            Santa Fe NM 87501</p> </div> <p>3. Service Type <b>Santa Fe NM 87501</b></p> <table style="width: 100%; font-size: 0.8em;"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Registered Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Insured Mail</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td> </tr> </table>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Registered Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Insured Mail	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)
<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Registered Mail Express®												
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<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Signature Confirmation™												
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<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Insured Mail												
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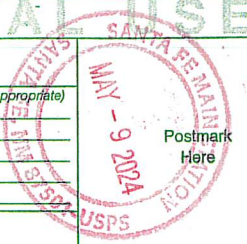
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<p>1. Article Addressed to:</p> <p>Maverick Oil &amp; Gas Corporation          1001 W Wall Street          Midland, TX 79701</p> <p style="text-align: right;">24503-04</p> <p>          9590 9402 8561 3186 6050 76</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <b>Hinkle Shanor LLP</b> Priority Mail Express®  <input type="checkbox"/> Adult Signature Restricted Delivery <b>Santa Fe, NM 87505</b> Registered Mail™  <input type="checkbox"/> Certified Mail® Registered Mail Restricted Delivery  <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™  <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery  <input type="checkbox"/> Collect on Delivery Restricted Delivery  <input type="checkbox"/> Insured Mail  <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>2. Article Number (Transfer from service label)</p> <p>9589 0710 5270 0415 9180 65</p>	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt



# Affidavit of Publication

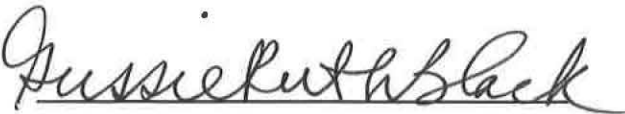
STATE OF NEW MEXICO  
COUNTY OF LEA

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 14, 2024  
and ending with the issue dated  
May 14, 2024.

  
\_\_\_\_\_  
Publisher

Sworn and subscribed to before me this  
14th day of May 2024.

  
\_\_\_\_\_  
Business Manager

My commission expires  
January 29, 2027  
(Seal)

STATE OF NEW MEXICO  
NOTARY PUBLIC  
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COMMISSION # 1087526  
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.

**LEGAL NOTICE**  
**May 14, 2024**

This is to notify all interested parties, including Kaiser-Francis Oil Company; Timothy R. MacDonald; Maverick Oil & Gas Corporation; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted Permian Resources Operating, LLC and Earthstone Permian, LLC (Case No. 24503). The hearing will be conducted on June 13, 2024 in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate virtually, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>. Permian Resources Operating, LLC and Earthstone Permian, LLC (collectively "Applicants") apply for an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 12 and 13, Township 21 South, Range 34 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the **Chokeberry 13-12 State Com #121H** well ("Well"), which will produce from a first take point in the SW/4 SW/4 (Unit M) of Section 13 to a last take point in the NW/4 NW/4 (Unit D) of Section 12. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Permian Resources Operating, LLC as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 16 miles west of Eunice, New Mexico.  
#00290321

02107475

00290321

GILBERT  
HINKLE, SHANOR LLP  
PO BOX 2068  
SANTA FE, NM 87504

**Permian Resources Operating, LLC**  
**Case No. 24503**  
**Exhibit C-4**