

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

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

CASE NO. 24497

NOTICE OF INTERVENTION AND OBJECTION

Permian Resources Operating, LLC (“Permian”) hereby appears in the above-referenced case and objects to the pooling application filed by Avant in this matter. Permian has standing to appear and intervene because it has a farmout agreement that covers the NW/4 SE/4 of Section 22, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico, and has proposed wells in Section 22 to meet the obligations under the farmout agreement. Permian’s development plan therefore overlaps Avant’s proposed plans in Section 22. *See Exhibit A*, Permian Well Proposal. Permian did not receive notice of the hearing in this matter presumably because Permian does not hold a working interest in the acreage that Avant seeks to pool.

The Division has authority to allow late intervenors to participate when a final order has not been issued. 19.15.4.11.B NMAC; Commission Order R-21454. The Division has not yet entered a final pooling order in Case No. 24497. Therefore, the Division can, and should, allow Permian to intervene in this matter, allow Permian to file its competing pooling applications and set the matters for a contested hearing if the parties cannot reach agreement on a development plan for the subject acreage. *See Commission Order No. R-21454.*

Respectfully submitted,

HOLLAND & HART, LLP



Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
pmvance@hollandhart.com

**ATTORNEYS FOR PERMIAN RESOURCES OPERATING,
LLC**

CERTIFICATE OF SERVICE

I hereby certify that on July 3, 2024, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

Deana Bennett
Earl E. DeBrine, Jr.
Yarithza Peña
Modrall, Sperling, Roehl, Harris & Sisk, P.A.
Post Office Box 2168
Albuquerque, New Mexico 87103-2168
(505) 848-1800
deana.bennett@modrall.com
earl.debrine@modrall.com
yarithza.pena@modrall.com

Attorneys for Avant Operating, LLC



Paula M. Vance



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

OFFICE 432.695.4222
FAX 432.695.4063

June 17, 2024

Via USPS Certified Mail

Avant Operating, LLC
1515 Wynkoop Street, Suite 700
Denver, CO 80202

RE: Well Proposals: Explorer 27-22 Fed #113H, 114H, 223H, 224H
Section 22: E2
Section 27: E2
T19S-R33E, Lea County, New Mexico
Bone Spring Formation

To Whom It May Concern:

Permian Resources Operating, LLC, as operator ("Permian"), hereby proposes the drilling and completion of the following four (4) Explorer 27-22 Fed wells at the following approximate locations within Township 19 South, Range 33 East:

- 1. Explorer 27-22 Fed #113H**
SHL: 100' FSL & 1650' FEL of Section 27
BHL: 100' FNL & 1650' FEL of Section 22
FTP: 100' FSL & 1650' FEL of Section 27
LTP: 100' FNL & 1650' FEL of Section 22
TVD: 9,226'
TMD: Approximately 19,511'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE
- 2. Explorer 27-22 Fed #114H**
SHL: 100' FSL & 330' FEL of Section 27
BHL: 100' FNL & 300' FEL of Section 22
FTP: 100' FSL & 330' FEL of Section 27
LTP: 100' FNL & 330' FEL of Section 22
TVD: 9,226'
TMD: Approximately 19,511'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE
- 3. Explorer 27-22 Fed #223H**
SHL: 100' FSL & 1650' FEL of Section 27
BHL: 100' FNL & 1650' FEL of Section 22
FTP: 100' FSL & 1650' FEL of Section 27
LTP: 100' FNL & 1650' FEL of Section 22
TVD: 10,096'



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

OFFICE 432.695.4222
FAX 432.695.4063

TMD: Approximately 20,381'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE

4. Explorer 27-22 Fed #224H

SHL: 100' FSL & 330' FEL of Section 27
BHL: 100' FNL & 330' FEL of Section 22
FTP: 100' FSL & 330' FEL of Section 27
LTP: 100' FNL & 330' FEL of Section 22
TVD: 10,096'
TMD: Approximately 20,381'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 2nd 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. 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 available upon request. 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 previously proposed AFE, and your geologic well requirements to the above address or by email to Kimberly.Smith@permianres.com.

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 negotiation.

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

Respectfully,

A handwritten signature in blue ink, appearing to read "Kevin Woolley".

Kevin Woolley
Senior Staff
Landman



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

OFFICE 432.695.4222
FAX 432.695.4063

Well Elections: <i>(Please indicate your responses in the spaces below)</i>		
Well(s)	Elect to Participate	Elect to <u>NOT</u> Participate
Explorer 27-22 Fed #113H		
Explorer 27-22 Fed #114H		
Explorer 27-22 Fed #223H		
Explorer 27-22 Fed #224H		

Avant Operating, LLC:

By: _____

Printed Name: _____

Date: _____



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

OFFICE 432.695.4222
FAX 432.695.4063

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:

Avant Operating, LLC:

By: _____

Printed Name: _____

Title: _____



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

OFFICE 432.695.4222
FAX 432.695.4063

June 17, 2024

Via USPS Certified Mail

Legion Production Partners, LLC
1515 Wynkoop Street, Suite 700
Denver, CO 80202

RE: Well Proposals: Explorer 27-22 Fed #113H, 114H, 223H, 224H

Section 22: E2
Section 27: E2
T19S-R33E, Lea County, New Mexico
Bone Spring Formation

To Whom It May Concern:

Permian Resources Operating, LLC, as operator ("Permian"), hereby proposes the drilling and completion of the following four (4) Explorer 27-22 Fed wells at the following approximate locations within Township 19 South, Range 33 East:

5. Explorer 27-22 Fed #113H

SHL: 100' FSL & 1650' FEL of Section 27
BHL: 100' FNL & 1650' FEL of Section 22
FTP: 100' FSL & 1650' FEL of Section 27
LTP: 100' FNL & 1650' FEL of Section 22
TVD: 9,226'
TMD: Approximately 19,511'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE

6. Explorer 27-22 Fed #114H

SHL: 100' FSL & 330' FEL of Section 27
BHL: 100' FNL & 300' FEL of Section 22
FTP: 100' FSL & 330' FEL of Section 27
LTP: 100' FNL & 330' FEL of Section 22
TVD: 9,226'
TMD: Approximately 19,511'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE

7. Explorer 27-22 Fed #223H

SHL: 100' FSL & 1650' FEL of Section 27
BHL: 100' FNL & 1650' FEL of Section 22
FTP: 100' FSL & 1650' FEL of Section 27
LTP: 100' FNL & 1650' FEL of Section 22
TVD: 10,096'



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MIDLAND, TX 79701

OFFICE 432.695.4222
FAX 432.695.4063

TMD: Approximately 20,381'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE

8. Explorer 27-22 Fed #224H

SHL: 100' FSL & 330' FEL of Section 27
BHL: 100' FNL & 330' FEL of Section 22
FTP: 100' FSL & 330' FEL of Section 27
LTP: 100' FNL & 330' FEL of Section 22
TVD: 10,096'
TMD: Approximately 20,381'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 2nd 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. 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 available upon request. 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 previously proposed AFE, and your geologic well requirements to the above address or by email to Kimberly.Smith@permianres.com.

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 negotiation.

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

Respectfully,

A handwritten signature in blue ink, appearing to read "Kevin Woolley".

Kevin Woolley
Senior Staff
Landman



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

OFFICE 432.695.4222
FAX 432.695.4063

Well Elections: <i>(Please indicate your responses in the spaces below)</i>		
Well(s)	Elect to Participate	Elect to <u>NOT</u> Participate
Explorer 27-22 Fed #113H		
Explorer 27-22 Fed #114H		
Explorer 27-22 Fed #223H		
Explorer 27-22 Fed #224H		

Legion Production Partners, LLC:

By: _____

Printed Name: _____

Date: _____



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

OFFICE 432.695.4222
FAX 432.695.4063

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:

Legion Production Partners, LLC:

By: _____

Printed Name: _____

Title: _____



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

OFFICE 432.695.4222
FAX 432.695.4063

June 17, 2024

Via USPS Certified Mail

Double Cabin Minerals, LLC
1515 Wynkoop Street, Suite 700
Denver, CO 80202

RE: Well Proposals: Explorer 27-22 Fed #113H, 114H, 223H, 224H

Section 22: E2
Section 27: E2
T19S-R33E, Lea County, New Mexico
Bone Spring Formation

To Whom It May Concern:

Permian Resources Operating, LLC, as operator ("Permian"), hereby proposes the drilling and completion of the following four (4) Explorer 27-22 Fed wells at the following approximate locations within Township 19 South, Range 33 East:

9. Explorer 27-22 Fed #113H

SHL: 100' FSL & 1650' FEL of Section 27
BHL: 100' FNL & 1650' FEL of Section 22
FTP: 100' FSL & 1650' FEL of Section 27
LTP: 100' FNL & 1650' FEL of Section 22
TVD: 9,226'
TMD: Approximately 19,511'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE

10. Explorer 27-22 Fed #114H

SHL: 100' FSL & 330' FEL of Section 27
BHL: 100' FNL & 300' FEL of Section 22
FTP: 100' FSL & 330' FEL of Section 27
LTP: 100' FNL & 330' FEL of Section 22
TVD: 9,226'
TMD: Approximately 19,511'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE

11. Explorer 27-22 Fed #223H

SHL: 100' FSL & 1650' FEL of Section 27
BHL: 100' FNL & 1650' FEL of Section 22
FTP: 100' FSL & 1650' FEL of Section 27
LTP: 100' FNL & 1650' FEL of Section 22
TVD: 10,096'



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MIDLAND, TX 79701

OFFICE 432.695.4222
FAX 432.695.4063

TMD: Approximately 20,381'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE

12. Explorer 27-22 Fed #224H

SHL: 100' FSL & 330' FEL of Section 27
BHL: 100' FNL & 330' FEL of Section 22
FTP: 100' FSL & 330' FEL of Section 27
LTP: 100' FNL & 330' FEL of Section 22
TVD: 10,096'
TMD: Approximately 20,381'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 2nd 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. 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 available upon request. 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 previously proposed AFE, and your geologic well requirements to the above address or by email to Kimberly.Smith@permianres.com.

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 negotiation.

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

Respectfully,

A handwritten signature in blue ink, appearing to read "Kevin Woolley".

Kevin Woolley
Senior Staff
Landman



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

OFFICE 432.695.4222
FAX 432.695.4063

Well Elections: <i>(Please indicate your responses in the spaces below)</i>		
Well(s)	Elect to Participate	Elect to <u>NOT</u> Participate
Explorer 27-22 Fed #113H		
Explorer 27-22 Fed #114H		
Explorer 27-22 Fed #223H		
Explorer 27-22 Fed #224H		

Double Cabin Minerals, LLC:

By: _____

Printed Name: _____

Date: _____



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

OFFICE 432.695.4222
FAX 432.695.4063

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:

Double Cabin Minerals, LLC:

By: _____

Printed Name: _____

Title: _____



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

OFFICE 432.695.4222
FAX 432.695.4063

June 17, 2024

Via USPS Certified Mail

Occidental Oil & Gas Corporation
1600 Gehrig Dr.
Midland, TX 79706

RE: Well Proposals: Explorer 27-22 Fed #113H, 114H, 223H, 224H

Section 22: E2
Section 27: E2
T19S-R33E, Lea County, New Mexico
Bone Spring Formation

To Whom It May Concern:

Permian Resources Operating, LLC, as operator ("Permian"), hereby proposes the drilling and completion of the following four (4) Explorer 27-22 Fed wells at the following approximate locations within Township 19 South, Range 33 East:

13. Explorer 27-22 Fed #113H

SHL: 100' FSL & 1650' FEL of Section 27
BHL: 100' FNL & 1650' FEL of Section 22
FTP: 100' FSL & 1650' FEL of Section 27
LTP: 100' FNL & 1650' FEL of Section 22
TVD: 9,226'
TMD: Approximately 19,511'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE

14. Explorer 27-22 Fed #114H

SHL: 100' FSL & 330' FEL of Section 27
BHL: 100' FNL & 300' FEL of Section 22
FTP: 100' FSL & 330' FEL of Section 27
LTP: 100' FNL & 330' FEL of Section 22
TVD: 9,226'
TMD: Approximately 19,511'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE

15. Explorer 27-22 Fed #223H

SHL: 100' FSL & 1650' FEL of Section 27
BHL: 100' FNL & 1650' FEL of Section 22
FTP: 100' FSL & 1650' FEL of Section 27
LTP: 100' FNL & 1650' FEL of Section 22
TVD: 10,096'



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

OFFICE 432.695.4222
FAX 432.695.4063

TMD: Approximately 20,381'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE

16. Explorer 27-22 Fed #224H

SHL: 100' FSL & 330' FEL of Section 27
BHL: 100' FNL & 330' FEL of Section 22
FTP: 100' FSL & 330' FEL of Section 27
LTP: 100' FNL & 330' FEL of Section 22
TVD: 10,096'
TMD: Approximately 20,381'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 2nd 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. 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 available upon request. 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 previously proposed AFE, and your geologic well requirements to the above address or by email to Kimberly.Smith@permianres.com.

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

Respectfully,

A handwritten signature in blue ink, appearing to read "Kevin Woolley".

Kevin Woolley
Senior Staff
Landman



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

OFFICE 432.695.4222
FAX 432.695.4063

Well Elections: <i>(Please indicate your responses in the spaces below)</i>		
Well(s)	Elect to Participate	Elect to <u>NOT</u> Participate
Explorer 27-22 Fed #113H		
Explorer 27-22 Fed #114H		
Explorer 27-22 Fed #223H		
Explorer 27-22 Fed #224H		

Occidental Oil & Gas Corporation:

By: _____

Printed Name: _____

Date: _____



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

OFFICE 432.695.4222
FAX 432.695.4063

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:

Occidental Oil & Gas Corporation:

By: _____

Printed Name: _____

Title: _____



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

OFFICE 432.695.4222
FAX 432.695.4063

June 17, 2024

Via USPS Certified Mail

Cibolo Resources, LLC
3600 Bee Cave Rd., Ste. 102
West Lake Hills, TX 78746

RE: Well Proposals: Explorer 27-22 Fed #113H, 114H, 223H, 224H

Section 22: E2
Section 27: E2
T19S-R33E, Lea County, New Mexico
Bone Spring Formation

To Whom It May Concern:

Permian Resources Operating, LLC, as operator ("Permian"), hereby proposes the drilling and completion of the following four (4) Explorer 27-22 Fed wells at the following approximate locations within Township 19 South, Range 33 East:

17. Explorer 27-22 Fed #113H

SHL: 100' FSL & 1650' FEL of Section 27
BHL: 100' FNL & 1650' FEL of Section 22
FTP: 100' FSL & 1650' FEL of Section 27
LTP: 100' FNL & 1650' FEL of Section 22
TVD: 9,226'
TMD: Approximately 19,511'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE

18. Explorer 27-22 Fed #114H

SHL: 100' FSL & 330' FEL of Section 27
BHL: 100' FNL & 300' FEL of Section 22
FTP: 100' FSL & 330' FEL of Section 27
LTP: 100' FNL & 330' FEL of Section 22
TVD: 9,226'
TMD: Approximately 19,511'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE

19. Explorer 27-22 Fed #223H

SHL: 100' FSL & 1650' FEL of Section 27
BHL: 100' FNL & 1650' FEL of Section 22
FTP: 100' FSL & 1650' FEL of Section 27
LTP: 100' FNL & 1650' FEL of Section 22
TVD: 10,096'



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

OFFICE 432.695.4222
FAX 432.695.4063

TMD: Approximately 20,381'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE

20. Explorer 27-22 Fed #224H

SHL: 100' FSL & 330' FEL of Section 27
BHL: 100' FNL & 330' FEL of Section 22
FTP: 100' FSL & 330' FEL of Section 27
LTP: 100' FNL & 330' FEL of Section 22
TVD: 10,096'
TMD: Approximately 20,381'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 2nd 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. 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 available upon request. The Operating Agreement has the following general provisions:

- 100%/300%/300% non-consent provisions
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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 previously proposed AFE, and your geologic well requirements to the above address or by email to Kimberly.Smith@permianres.com.

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

Respectfully,

A handwritten signature in blue ink, appearing to read "Kevin Woolley".

Kevin Woolley
Senior Staff
Landman



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

OFFICE 432.695.4222
FAX 432.695.4063

Well Elections: <i>(Please indicate your responses in the spaces below)</i>		
Well(s)	Elect to Participate	Elect to <u>NOT</u> Participate
Explorer 27-22 Fed #113H		
Explorer 27-22 Fed #114H		
Explorer 27-22 Fed #223H		
Explorer 27-22 Fed #224H		

Cibolo Resources, LLC:

By: _____

Printed Name: _____

Date: _____



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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:

Cibolo Resources, LLC:

By: _____

Printed Name: _____

Title: _____



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June 17, 2024

Via USPS Certified Mail

TH McElvain Oil & Gas LLLP
1819 Denver West Dr., Ste. 260
Lakewood, CO 80401

RE: Well Proposals: Explorer 27-22 Fed #113H, 114H, 223H, 224H

Section 22: E2
Section 27: E2
T19S-R33E, Lea County, New Mexico
Bone Spring Formation

To Whom It May Concern:

Permian Resources Operating, LLC, as operator ("Permian"), hereby proposes the drilling and completion of the following four (4) Explorer 27-22 Fed wells at the following approximate locations within Township 19 South, Range 33 East:

21. Explorer 27-22 Fed #113H

SHL: 100' FSL & 1650' FEL of Section 27
BHL: 100' FNL & 1650' FEL of Section 22
FTP: 100' FSL & 1650' FEL of Section 27
LTP: 100' FNL & 1650' FEL of Section 22
TVD: 9,226'
TMD: Approximately 19,511'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE

22. Explorer 27-22 Fed #114H

SHL: 100' FSL & 330' FEL of Section 27
BHL: 100' FNL & 300' FEL of Section 22
FTP: 100' FSL & 330' FEL of Section 27
LTP: 100' FNL & 330' FEL of Section 22
TVD: 9,226'
TMD: Approximately 19,511'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 1st Bone Spring
Total Cost: See attached AFE

23. Explorer 27-22 Fed #223H

SHL: 100' FSL & 1650' FEL of Section 27
BHL: 100' FNL & 1650' FEL of Section 22
FTP: 100' FSL & 1650' FEL of Section 27
LTP: 100' FNL & 1650' FEL of Section 22
TVD: 10,096'



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TMD: Approximately 20,381'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE

24. Explorer 27-22 Fed #224H

SHL: 100' FSL & 330' FEL of Section 27
BHL: 100' FNL & 330' FEL of Section 22
FTP: 100' FSL & 330' FEL of Section 27
LTP: 100' FNL & 330' FEL of Section 22
TVD: 10,096'
TMD: Approximately 20,381'
Proration Unit: E2 of Section 27 and 22
Targeted Interval: 2nd 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. 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 available upon request. 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 previously proposed AFE, and your geologic well requirements to the above address or by email to Kimberly.Smith@permianres.com.

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 negotiation.

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

Respectfully,

A handwritten signature in blue ink, appearing to read "Kevin Woolley".

Kevin Woolley
Senior Staff
Landman



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Explorer 27-22 Fed #224H		

TH McElvain Oil & Gas, LLLP:

By: _____

Printed Name: _____

Date: _____



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I hereby elect to reject the insurance coverage arranged by Permian Resources Operating, LLC.

Agreed this _____ day of _____, 2024 by:

TH McElvain Oil & Gas, LLLP:

By: _____

Printed Name: _____

Title: _____

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