

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

**APPLICATION OF PERMIAN RESOURCES
OPERATING, LLC FOR APPROVAL
OF A NON-STANDARD HORIZONTAL
SPACING UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

Case No. 24750

PREHEARING STATEMENT

Applicant Permian Resources Operating, LLC (“Applicant” or “Permian”), provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

PERMIAN RESOURCES
OPERATING, LLC

ATTORNEY:

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INTERESTED PARTY

None at this time.

STATEMENT OF THE CASE

Applicant in the above-styled cause seeks an order from the Oil Conservation Division approving a non-standard proration unit and pooling all uncommitted mineral interests in the Bone Spring formation (MESCALERA ESCARPE; BONESPRING [45793]) in a non-standard 1,280-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of Sections 9 and 10, all in Township 19 South, Range 33 East, in Lea County, New Mexico. Applicant proposes to drill the following 2-mile wells in the HSU: (1) Delorean 9 10 Fed Com 221H well (API# 30-025-

52949), to be horizontally drilled from a surface location in Section 9, Township 19S-33E, with a first take point located 100' FWL & 990' FNL of Section 9, and a last take point located 100' FEL & 990' FNL of Section 10, Township 19S, Range 33E; (2) Delorean 9 10 Fed Com 222H well (API# 30-025-52953), to be horizontally drilled from a surface location in Section 9, Township 19S-33E, with a first take point located 100' FWL & 2310' FNL of Section 9, and a last take point located 100' FEL & 2310' FN of Section 10, Township 19S, Range 33E; (3) Delorean 9 10 Fed Com 223H well (API# 30-025-52951), to be horizontally drilled from a surface location in Section 9, Township 19S-33E, with a first take point located 100' FWL & 1650' FSL of Section 9, and a last take point located 100' FEL & 1650' FSL of Section 10, Township 19S, Range 33E; and (4) Delorean 9 10 Fed Com 224H well (API# 30-025-52952), to be horizontally drilled from a surface location in Section 9, Township 19S-33E, with a first take point located 100' FWL & 330' FSL of Section 9, and a last take point located 100' FEL & 330' FSL of Section 10, Township 19S, Range 33E. Additional considerations will be the cost of drilling and completing the wells and allocation of such costs, the designation of Applicant as operator of the HSU and wells to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the wells. Earthstone is a working interest owner in the proposed HSU and has the right to drill thereon.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES	EST. TIME	EXHIBITS
Kevin Woolley, Landman	Presentation by affidavit	6-8
Cole Hendrickson, Geologist	Presentation by affidavit	6-8

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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 381140

QUESTIONS

Operator: Permian Resources Operating, LLC 300 N. Marienfeld St Ste 1000 Midland, TX 79701	OGRID: 372165
	Action Number: 381140
	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>