

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

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

**CASE NOS. 24855, 24856,
24857, 24858, 24862, 24863**

CONSOLIDATED PRE-HEARING STATEMENT

Permian Resources Operating, LLC (“Permian Resources” or “Applicant”) submits its Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

Permian Resources Operating, LLC

ATTORNEYS

Dana S. Hardy
Jaclyn M. McLean
Dylan M. Villescascas
Hinkle Shanor LLP
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
dhardy@hinklelawfirm.com
jmclean@hinklelawfirm.com
dvillescascas@hinklelawfirm.com

INTERESTED PARTY

Northern Oil & Gas Inc.

ATTORNEY

Andrew R. Clinton
Matthew Dishong
R. Reese & Associates PLLC
524 E. Lamar Blvd., Suite 235
Arlington, TX 76011
Phone: (682) 318-3427
aclinton@rreeselaw.com
mdishong@rreeselaw.com

STATEMENT OF THE CASES

Case Nos. 24855, 24856, 24857 – First Bone Spring Cases

In **Case No. 24855**, Permian Resources applies for an order: (1) establishing a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of the E/2 W/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico; and (2) pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying the unit. The unit will be dedicated to the **Tour Bus 23 Fed Com 302H** well, which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 23 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 26. The unit will partially overlap with the spacing unit for the Ring Neck 8817 26 Federal #003H (API No. 30-025-52613), which is located in the E/2 W/2 of Section 26, Township 22 South, Range 34 East, Lea County, and produces from the Ojo Chiso; Bone Spring pool (Code 96553).

In **Case No. 24856**, Permian Resources applies for an order: (1) establishing a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of the W/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico; and (2) pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying the unit. The unit will be dedicated to the **Tour Bus 23 Fed Com 303H** well, which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 23 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 26. The unit will partially overlap with the spacing unit for the Ring Neck 8817 26 Federal #004H (API No. 30-025-52614), which is located in the W/2 E/2 of Section 26, Township 22 South, Range 34 East, Lea County, and produces from the Ojo Chiso; Bone Spring pool (Code 96553).

In **Case No. 24857**, Permian Resources applies for an order: (1) establishing a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of the E/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico; and (2) pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying the unit. The unit will be dedicated to the **Tour Bus 23 Fed Com 304H** well, which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 23 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 26. The unit will partially overlap with the spacing unit for the Ring Neck 8817 26 Federal #005H (API No. 30-025-52615), which is located in the E/2 E/2 of Section 26, Township 22 South, Range 34 East, Lea County, and produces from the Ojo Chiso; Bone Spring pool (Code 96553).

Due to a depth severance within these units, in Case Nos. 24855, 24856 and 24857, Permian Resources seeks to pool uncommitted interests from the top of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,674' TVD to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,867' TVD as shown on the Ojo Chiso Federal #003 (API #30-025-30733) well log.

Case Nos. 24858, 24862, 24863 – Third Bone Spring Cases

In **Case No. 24858**, Permian Resources applies for an order: (1) establishing a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of the E/2 W/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying the unit. The unit will be dedicated to the **Tour Bus 23 Fed Com 602H** well, which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 23 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 26. The unit will partially overlap with the spacing unit for the

Ring Neck 8817 26 Federal #003H (API No. 30-025-52613), which is located in the E/2 W/2 of Section 26, Township 22 South, Range 34 East, Lea County, and produces from the Ojo Chiso; Bone Spring pool (Code 96553).

In **Case No. 24862**, Permian Resources applies for an order: (1) establishing a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of the W/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying the unit. The unit will be dedicated to the **Tour Bus 23 Fed Com 603H** well, which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 23 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 26. The unit will partially overlap with the spacing unit for the Ring Neck 8817 26 Federal #004H (API No. 30-025-52614), which is located in the W/2 E/2 of Section 26, Township 22 South, Range 34 East, Lea County, and produces from the Ojo Chiso; Bone Spring pool (Code 96553).

In **Case No. 24863**, Permian Resources applies for an order: (1) establishing a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of the E/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico; and (2) pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying the unit. The unit will be dedicated to the **Tour Bus 23 Fed Com 604H** well, which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 23 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 26. The unit will partially overlap with the spacing unit for the Ring Neck 8817 26 Federal #005H (API No. 30-025-52615), which is located in the E/2 E/2 of Section 26, Township 22 South, Range 34 East, Lea County, and produces from the Ojo Chiso; Bone Spring pool (Code 96553).

Due to a depth severance within these units, in Case Nos. 24858, 24862 and 24863, Permian Resources seeks to pool uncommitted interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 10,983' TVD to the base of the Third Bone Spring interval at a stratigraphic equivalent of approximately 11,336' TVD as shown on the Ojo Chiso Federal #3 (API # 30-025-30733) well log.

The completed intervals of the Tour Bus 23 Fed Com wells will be orthodox.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells are located approximately 17 miles southwest of Eunice, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Ryan Curry	Landman	Affidavit	Approx. 5
Chris Reudelhuber	Geologist	Affidavit	Approx. 6

PROCEDURAL MATTERS

Applicant intends to consolidate these cases for hearing and will present the cases by affidavit if there is no opposition to its applications.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy
 Dana S. Hardy
 Jaclyn M. McLean
 Dylan M. Villescas
 P.O. Box 2068
 Santa Fe, NM 87504-2068
 Phone: (505) 982-4554

Facsimile: (505) 982-8623
dhardy@hinklelawfirm.com
jmclean@hinklelawfirm.com
dvillescascas@hinklelawfirm.com
Counsel for Permian Resources Operating, LLC

CERTIFICATE OF SERVICE

I hereby certify that I sent the foregoing Pre-Hearing Statement to the following counsel of record on this 3rd day of October, 2024.

Andrew R. Clinton
Matthew Dishong
R. Reese & Associates PLLC
524 E. Lamar Blvd., Suite 235
Arlington, TX 76011
Phone: (682) 318-3427
aclinton@rreeselaw.com
mdishong@rreeselaw.com
Attorneys for Northern Oil & Gas Inc.

/s/ Dana S. Hardy

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 389754

QUESTIONS

Operator: Permian Resources Operating, LLC 300 N. Marienfeld St Ste 1000 Midland, TX 79701	OGRID: 372165
	Action Number: 389754
	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>