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

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

CASE NO. 24857

HEARING EXHIBITS

Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Travis Macha
A-1	Application & Proposed Notice
A-2	C-102
A-3	Plat of Tracts, Tract Ownership, Pooled Parties, Unit Recapitulation
A-4	Sample Well Proposal Letter & AFE
A-5	Summary of Communications
Exhibit B	Self-Affirmed Statement of Chris Reudelhuber
B-1	Regional Locator Map
B-2	Cross Section Location Map
B-3	Subsea Structure Map for the First Bone Spring Formation
B-4	Subsea Structure Map for the Third Bone Spring Formation
B-5	Stratigraphic Cross-Section
B-6	Gun Barrel Development Plan
Exhibit C	Self-Affirmed Statement of Dana S. Hardy
C-1	Sample Notice Letter sent September 17, 2024
C-2	Notice Letter Chart

- C-3 Copy of Certified Mail Receipts and Returns
- C-4 Affidavit of Publication for September 20, 2024

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24857	APPLICANT'S RESPONSE
Hearing Date: October 10, 2024	
Applicant	Permian Resources Operating, 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 for Compulsory Pooling and Overlapping Spacing Unit, Lea County, New Mexico.
Entries of Appearance/Intervenors:	Northern Oil & Gas Inc.
Well Family	Tour Bus
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	First Bone Spring
Pool Name and Pool Code:	Ojo Chiso; Bone Spring pool (Code 96553)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	quarter-quarter
Orientation:	North to South
Description: TRS/County	E/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	Yes. Applicant 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).
Proximity Tracts: If yes, description	No.
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard gangingtands/2024 4:31:40 PM	Add wells as needed

Received by OCD: 10/3/2024 1:34:38 P/M	
Forms, Figures and Tables	
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-5
Additional Information	N/A
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pro	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	10/3/2024

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

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

CASE NO. 24857

SELF-AFFIRMED STATEMENT OF TRAVIS MACHA

- 1. I am employed by Permian Resources Operating, LLC ("Permian Resources") as the New Mexico Land Manager. 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 case. Copies of Permian Resources' (OGRID No. 372165) ("Applicant") application and proposed hearing notice are attached as **Exhibit A-1**.
- 3. Applicant seeks 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 ("Unit"); and (2) pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying the Unit.
 - 4. Applicant owns a working interest in the Unit.
- 5. The Unit will be dedicated to the **Tour Bus 23-26 Federal Com 304H** well ("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.
 - 6. The Well will be completed in the Ojo Chiso; Bone Spring pool (Code 96553).

Permian Resources Operating, LLC Case No. 24857 Exhibit A

- 7. The completed interval of the Well will be orthodox.
- 8. Due to a depth severance within the Unit, Applicant 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.
- 9. 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).
 - 10. **Exhibit A-2** contains the C-102 for the Well.
- 11. **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 Applicant seeks to pool highlighted in yellow. All of the parties are locatable in that Applicant believes it located valid addresses for them. Exhibit A-3 also depicts the overlapping spacing unit.
- 12. Permian Resources has conducted a diligent search of all county public records including phone directories and computer databases, as well as internet searches, to locate the interest owners it seeks to pool.
- 13. **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.

14. In my opinion, Applicant 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.

15. In order to allow applicant to obtain its 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 should be designated as operator of the Well and the Unit.

16. 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.

17. The attached exhibits were either prepared by me or under my supervision or were

compiled from company business records.

18. In my opinion, the granting of Applicant's application would serve the interests of

conservation, the protection of correlative rights, and the prevention of waste.

19. 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.

Travis Macha

10/2/2024

Date

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

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

CASE NO. 24857

APPLICATION

Pursuant to NMSA § 70-2-17, Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) 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 ("Unit"); and (2) pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying the Unit. In support of its application, Applicant states the following.

- 1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
- 2. The Unit will be dedicated to the **Tour Bus 23-26 Federal Com 304H** well ("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.
 - 3. The completed interval of the Well will be orthodox.
- 4. 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).
- 5. Due to a depth severance within the Unit, Applicant seeks to pool uncommitted interests from the top of the First Bone Spring interval at a stratigraphic equivalent of

Permian Resources Operating, LLC Case No. 24857 Exhibit A-1 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.

- 6. Applicant has undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.
- 7. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 8. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the Well and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 10, 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. Approving the proposed overlapping spacing unit;
- D. Designating Permian Resources Operating, LLC as operator of the Unit and the
 Well to be drilled thereon;
- E. Authorizing Permian Resources Operating, LLC to recover its costs of drilling, equipping, and completing the Well;

- F. 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
- G. 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 Dylan M. Villescas P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com dvillescas@hinklelawfirm.com

Counsel for Permian Resources Operating,

LLC

Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Lea County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) 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 ("Unit"); 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 23-26 Federal Com 304H well ("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 completed interval of the Well will be orthodox. 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 the Unit, Applicant 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. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 17 miles southwest of Eunice, New Mexico.

Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

Permian Resources Operating, LLC

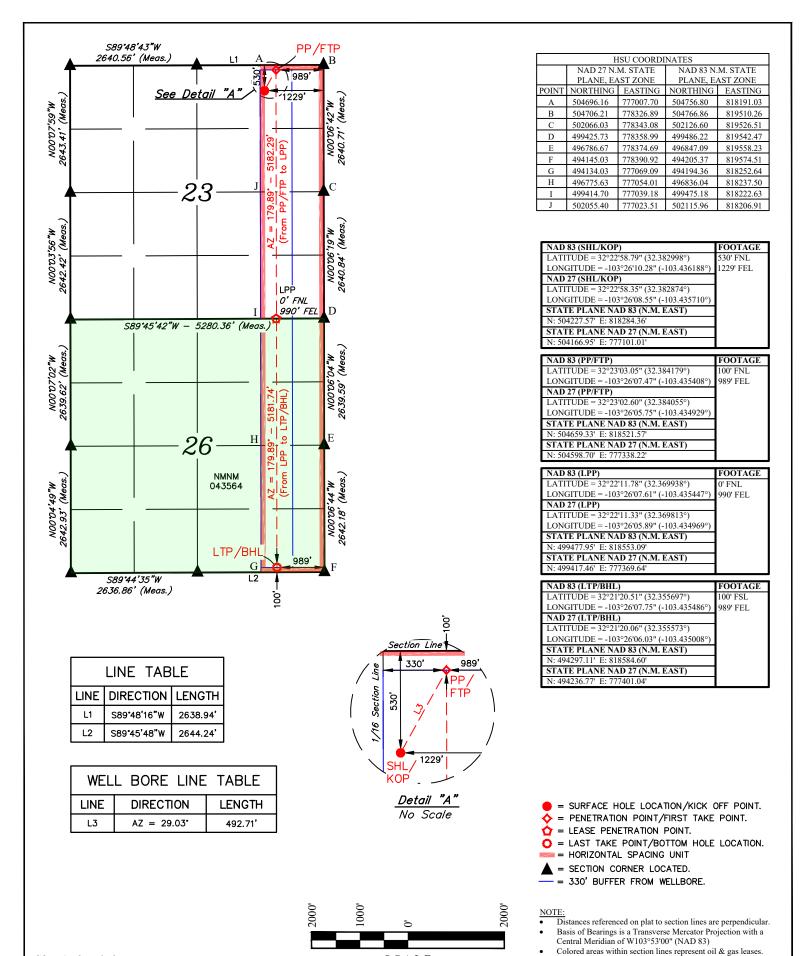
Certificate Number

Date of Survey

Printed Name

Email Address

Property Name
TOUR BUS 23 FED COM
Well Number
304H
Z.L. 10-05-23
Revised By
REV. 4 T.I.R. 08-08-24 (UPDATE WELLBORE)



SCALE

Released to Imaging: 10/3/2024 4:31:40 PM

Sheet 2 of 2

Permian Resources Operating, LLC Case No. 24857

Exhibit A-3



Case 24857 - Tour Bus 23-26 Federal Com 304H

Tract Capitulation			
Owner	Legal	WI	
Permian Resources Operating LLC	Sec 23: All	1	
BTA Oil Producers, LLC	Sec 26: All	0.628106	
COG Operating LLC	Sec 26: All	0.25	
Northern Oil and Gas, Inc.	Sec 26: All	0.100223	
Ryan A. Pace Management Trust	Sec 26: All	0.005417	
Clinton Pace (Estate)	Sec 26: All	0.005417	
Tara N. Pace	Sec 26: All	0.005417	
Aleyna N. Pace	Sec 26: All	0.005417	

Unit Conity lotion / All Tour Bus	Malla)
Unit Capitulation (All Tour Bus	weiis)
Owner	WI
Permian Resources Operating LLC	50.000%
BTA Oil Producers, LLC	31.406%
COG Operating LLC	12.500%
Northern Oil and Gas, Inc.	5.011%
Ryan A. Pace Management Trust	0.271%
Clinton Pace	0.271%
Tara N. Pace	0.271%
Aleyna N. Pace	0.271%
Total	100.000%

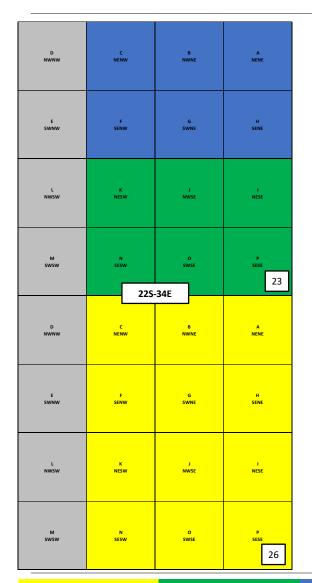
Owner	Pooling?	Owner Type	Comments
Permian Resources Operating LLC	N/A	WI/RT	
BTA Oil Producers, LLC	N	WI	All docs executed
COG Operating LLC	Υ	WI/RT	COG close to signing JOA - likely to drop from pooling
Northern Oil and Gas, Inc.	Υ	WI	
Ryan A. Pace Management Trust	Υ	WI/RT	
Clinton Pace (Estate)	Υ	WI/RT	
Tara N. Pace	Υ	WI/RT	
Aleyna N. Pace	Υ	WI/RT	
Hunt Oil Co	N	RT	Seeking Com Signatures
Devon Energy Prod. Co LP	N	RT	Seeking Com Signatures
Samson Resources Co	N	RT	Seeking Com Signatures
Axis Energy Corp	N	RT	Seeking Com Signatures
Alpha Energy Partners, LLC	N	RT	Seeking Com Signatures

D	C	B	A
NWNW	NENW	NWNE	NENE
E	F	G	H
SWNW	SENW	SWNE	SENE
L	K	J	I
NWSW	NESW	NWSE	NESE
M	N	o	sese 23
SWSW	SESW	swse	
D	C	B	A
NWNW	NENW	NWNE	NENE
E	F	G	H
SWNW	SENW	SWNE	SENE
L	K	J	I
NWSW	NESW	NWSE	NESE

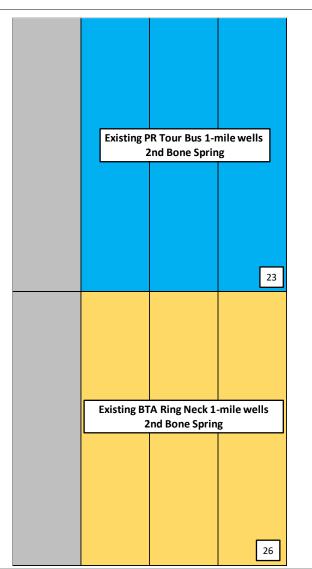
Tour Bus 23-26 Fed Com 302H & 602H Spacing	Tour Bus 23-26 Fed Com 303H & 603H Spacing	Tour Bus 23-26 Fed Com 304H & 604H Spacing
Tour Bus 23-26 Fed C	Tour Bus 23-26 Fed C	Tour Bus 23-26 Fed C
		26

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Overlapping Spacing Unit Commentary



Tour Bus 23-26 Fed Com 302H & 602H Spacing	Tour Bus 23-26 Fed Com 303H & 603H Spacing	Tour Bus 23-26 Fed Com 304H & 604H Spacing
Тог	Tou	26



All interest owners in overlapping spacing units have been noticed



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

OFFICE 432.695.4222 **FAX** 432.695.4063

August 7, 2024 Via Certified Mail

Northern Oil & Gas, Inc 4350 Baker Rd., Suite 400 Minnetonka, MN 55343

Tour Bus 23-26 Federal Com - Well Proposals

All of Sections 23 and 26, T22S-R34E Lea County, New Mexico

To Whom It May Concern:

Permian Resources Operating, LLC ("Permian"), hereby proposes the drilling and completion of the following six (6) wells, the Tour Bus 23-26 Federal Com wells at the following approximate location within Township 22 South, Range 34 East:

1. Tour Bus 23-26 Federal Com 302H - Existing Pad

SHL: 527' FNL & 1,295' FEL of Section 23 (or at a legal location in Unit A)

BHL: 100' FSL & 1,656' FWL of Section 26 FTP: 100' FNL & 1,656' FWL of Section 23 LTP: 100' FSL & 1,656' FWL of Section 26

TVD: Approximately 9,600' TMD: Approximately 19,960'

Proration Unit: E2W2 of Sections 23 & 26, T22S-R34E

Targeted Interval: 1st Bone Spring Total Cost: See attached AFE

2. Tour Bus 23-26 Federal Com 303H - Existing Pad

SHL: 529' FNL & 1,262' FEL of Section 23 (or at a legal location in Unit A)

BHL: 100' FSL & 2,296' FEL of Section 26 FTP: 100' FNL & 2,296' FEL of Section 23 LTP: 100' FSL & 2,296' FEL of Section 26

TVD: Approximately 9,600' TMD: Approximately 19,960'

Proration Unit: W2E2 of Sections 23 & 26, T22S-R34E

Targeted Interval: 1st Bone Spring Total Cost: See attached AFE

3. Tour Bus 23-26 Federal Com 304H – Existing Pad

SHL: 530' FNL & 1,229' FEL of Section 23 (or at a legal location in Unit A)

BHL: 100' FSL & 990' FEL of Section 26 FTP: 100' FNL & 989' FEL of Section 23

LTP: 100' FSL & 990' FEL of Section 26

TVD: Approximately 9,600' TMD: Approximately 19,960'

Proration Unit: E2E2 of Sections 23 & 26, T22S-R34E

Targeted Interval: 1st Bone Spring Total Cost: See attached AFE

4. Tour Bus 23-26 Federal Com 602H - Existing Pad

SHL: 397' FNL & 1,290' FEL of Section 23 (or at a legal location in Unit A)

BHL: 100' FSL & 1,986' FWL of Section 26 FTP: 100' FNL & 1,986' FWL of Section 23 LTP: 100' FSL & 1,986' FWL of Section 26

TVD: Approximately 11,150' TMD: Approximately 21,685'

Proration Unit: E2W2 of Sections 23 & 26, T22S-R34E

Targeted Interval: 3rd Bone Spring Total Cost: See attached AFE

5. Tour Bus 23-26 Federal Com 603H - Existing Pad

SHL: 399' FNL & 1,257' FEL of Section 23 (or at a legal location in Unit A)

BHL: 100' FSL & 2,194' FEL of Section 26 FTP: 100' FNL & 2,194' FEL of Section 23 LTP: 100' FSL & 2,194' FEL of Section 26

TVD: Approximately 11,150' TMD: Approximately 21,685'

Proration Unit: W2E2 of Sections 23 & 26, T22S-R34E

Targeted Interval: 3rd Bone Spring Total Cost: See attached AFE

6. Tour Bus 23-26 Federal Com 604H - Existing Pad

SHL: 400' FNL & 1,224' FEL of Section 23 (or at a legal location in Unit A)

BHL: 100' FSL & 990' FEL of Section 26 FTP: 100' FNL & 990' FEL of Section 23 BHL: 100' FSL & 990' FEL of Section 26

TVD: Approximately 11,150' TMD: Approximately 21,685'

Proration Unit: E2E2 of Sections 23 & 26, T22S-R34E

Targeted Interval: 3rd 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. These locations do fall within an approved potash drill island, so any surface changes remain subject to BLM approval. 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 enclosed. 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 proposed AFE, and your geologic well requirements.

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

Respectfully,

Mason Maxwell

Many Mountl

Landman

Enclosures

Elections on page to follow.

Tour Bus 23-26 Federal Com Elections:

We	ell Elections:	
(Please indicate your	responses in the spa	aces below)
Well(s)	Elect to Participate	Elect to <u>NOT</u> Participate
Tour Bus 23-26 Federal Com 302H		
Tour Bus 23-26 Federal Com 303H		
Tour Bus 23-26 Federal Com 304H		
Tour Bus 23-26 Federal Com 602H		
Tour Bus 23-26 Federal Com 603H		
Tour Bus 23-26 Federal Com 604H		

Company Name ((If Applicable):
By:	
Printed Name:	
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:
Compo	any Name (If Applicable)
D	
Ву:	
Printed	d Name:
Title:_	

Permian Resources Operating, LLC 300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063

	ESTIMATE O	F COSTS AND AUTHO	ORIZATION FOR EXPENDI	TURE	
_	7.2024			AFE NO.:	1
_	our Bus 23-26 Federal Co			FIELD:	Bone Spring
_	ection 23 & 26, T22S-R34	E		MD/TVD:	19,960' / 9,600'
COUNTY/STATE: Lea County, New Mexico				LATERAL LENGTH:	10,000'
ermian WI:	BSG			DRILLING DAYS:	19.6 18.6
_		all and complete with	n 44 stages. AFE includes	COMPLETION DAYS:	
	oriii a norizontai FBSG w ostall cost	and complete witr	1 77 Stages, AFE IIICIUGES (WDACK AND HIIIIAI AL
INTANGIBLE CO	STS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
Land/Legal/Regulatory	\$	48,916	-		\$ 48,916
Location, Surveys & Damages Freight / Transportation	_	241,634 39,949	15,154 36,720	18,231	256,789 94,900
Rental - Surface Equipment	=	104,282	180,687	86,596	371,566
Rental - Downhole Equipmen	t <u> </u>	172,305	50,163		222,468
Rental - Living Quarters Directional Drilling, Surveys	_	40,331 360,291	45,696	-	86,027 360,291
1 Drilling	-	632,287	-		632,287
2 Drill Bits	-	84,025	-	-	84,025
Fuel & Power	=	158,474 204,071	608,165		766,639
4 Cementing & Float Equip 5 Completion Unit, Swab, CTU	-	204,071		13,673	204,071
6 Perforating, Wireline, Slicklin		-	329,754		329,754
7 High Pressure Pump Truck	- -	-	103,400	-	103,400
3 Completion Unit, Swab, CTU 3 Mud Circulation System	-	88,247	122,867		122,867 88,247
1 Mud Logging	_	14,703			14,703
2 Logging / Formation Evaluati	on	6,098	6,994	-	13,092
3 Mud & Chemicals 4 Water	_	303,499 36,452	367,540 554,956	9,115 227.885	680,154 819,293
5 Stimulation	-	-	682,793	-	682,793
6 Stimulation Flowback & Disp	, <u> </u>	-	102,001	136,731	238,/32
8 Mud / Wastewater Disposal	- -	161,971	51,292 111,909	40.777	213,263
0 Rig Supervision / Engineerin 2 Drlg & Completion Overhead		101,656 8,743	- 111,909	13,673	227,239 8,743
5 Labor	-	128,633	58,286	13,673	200,592
4 Proppant	<u>-</u> -	-	1,052,856	-	1,052,856
5 Insurance 7 Contingency	=	12,296	20,484	-	12,296 20,484
9 Plugging & Abandonment	-	-	- 20,404	-	20,469
	TOTAL INTANGIBLES >	2,948,865	4,501,717	519,578	7,970,16
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE COS	TS	COSTS	COSTS	COSTS	COSTS
Surface Casing	\$	102,527	-	-	\$ 102,527
1 Intermediate Casing	-	305,581	-	-	305,581
2 Drilling Liner 3 Production Casing	_	576,273	-		576,273
4 Production Liner	-	-	-	-	
5 Tubing	-	-	-	127,616	127,616
6 Wellhead	_	54,369	-	36,462	90,831
7 Packers, Liner Hangers 8 Tanks	-	12,357		18,231	30,587
9 Production Vessels	-	-		-	-
0 Flow Lines	_	-	-	-	-
1 Rod string 2 Artificial Lift Equipment	_	-		82,039	82,039
3 Compressor	-	-		-	
4 Installation Costs	=	-	-	50,641	50,641
5 Surface Pumps	_	-	-	-	-
6 Downhole Pumps 7 Measurement & Meter Install	lation	-		27,346	27,346
78 Gas Conditioning / Dehydration		-			-
9 Interconnecting Facility Pipir	ng	-	-	18,231	18,231
0 Gathering / Bulk Lines 1 Valves, Dumps, Controllers	-	-			
2 Tank / Facility Containment	=	-	-	-	-
3 Flare Stack	<u>-</u> -	-		15,192	15,192
4 Electrical / Grounding 5 Communications / SCADA	-			35,449	35,449 10,128
6 Instrumentation / Safety	-	-	-	5,064	5,064
, ,	TOTAL TANGIBLES >	1,051,107	0	426,399	1,477,50
	TOTAL COSTS >	3,999,972	4,501,717	945,977	9,447,66
'ARED BY Permian Resour	ces Operating, LLC:				
Drilling Engineer:	PS				
Completions Engineer:	NH				
Production Engineer:	DC				
ian Resources Operating, L	I C APPROVATO				
	LC AITROVAL.				
Co-CEO WH		Co-C	EO	VP - Opera	
VP - Land & Legal	WП	VP - Geoscien	ŕ		CRM
vr - Land & Legal	BG	vr - Geoscien	SO		
			-		
OPERATING PARTNER	APPROVAL:				
Company Name:			Working Interest (%):	Ta	ax ID:
Signed by:			Date:		

Tour Bus - Cases 24855 – 24858, 24862, and 24863 – Contact Chronology



March 2023: Original 2-mile Tour Bus well proposals sent

March 2023 to January 2024: Negotiations with BTA on co-development of Sections 23 & 26

Miscellaneous contact and negotiations with COG, NOG, and Pace family during this time

April 2024: BTA executes Tour Bus JOA

May 2024: BTA spuds its Section 26 2nd Bone "Ring Neck" unit (overlapping spacing unit)

August 2024: Tour Bus re-proposals sent to all parties upon agreement with BTA

September 2024: Com Agreements sent out, JOA negotiations with COG & NOG

October 2024: Continuing JOA negotiations with COG & NOG – COG expected to execute JOA prior to

hearing date

Permian Resources Operating, LLC Case No. 24857 Exhibit A-5

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

SELF-AFFIRMED STATEMENT OF CHRIS REUDELHUBER

- 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 Tour Bus 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 Tour Bus 23-26 Federal Com 302H, Tour Bus 23-26 Federal Com 303H, Tour Bus 23-26 Federal Com 304H, Tour Bus 23-26 Federal Com 602H, Tour Bus 23-26 Federal Com 603H, Tour Bus 23-26 Federal Com 604H wells ("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

Permian Resources Operating, LLC Case No. 24857 Exhibit B Released to Imaging: 10/3/2024 4:31:40 PM

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proximity to the proposed Wells. The pooling unit areas are defined by blue boxes and are labeled with their respective case numbers.

- 5. **Exhibit B-3** is a Subsea Structure map on the Top First Bone Spring formation in TVD subsea with a contour interval of 100 ft. The map identifies the approximate wellbore paths for the proposed Wells with a green 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 South-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 Base Third Bone Spring formation in TVD subsea with a contour interval of 100 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 South 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-3. It contains gamma ray, resistivity, and porosity logs. The cross section is oriented from North to South and is hung on the Base Third Bone Spring 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 North to South 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 standup 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 Reudelhuber

Received by OCD: 10/3/2024 1:54:58 PM

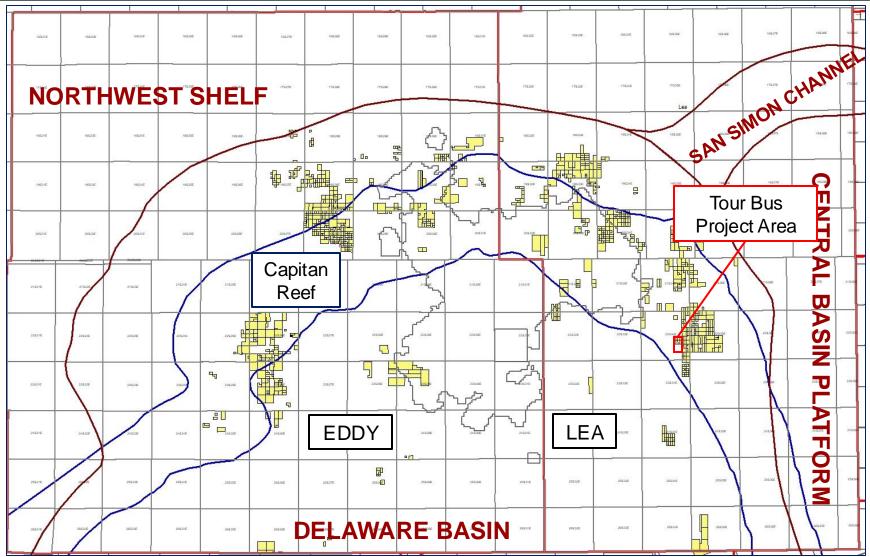
Date

Regional Locator Map

Tour Bus 23-26 Federal 302H, Tour Bus 23-26 Federal 303H, Tour Bus 23-26 Federal 304H, Tour Bus 23-26 Federal 602H, Tour Bus 23-26 Federal 603H, Tour Bus 23-26 Federal 604H





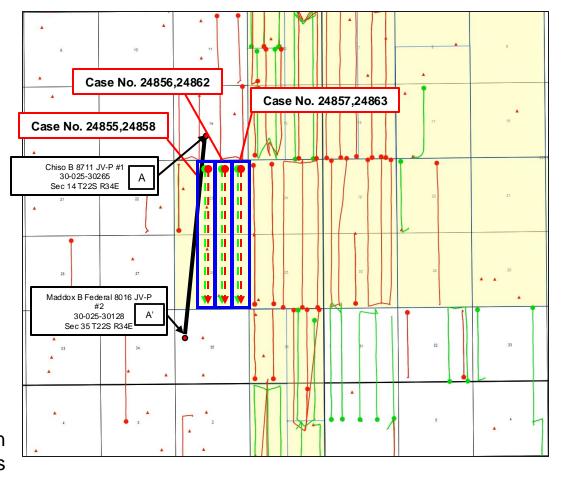


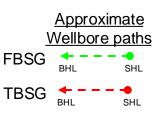
Cross-Section Locator Map

Received by OCD: 10/3/2024 1:54:58 PM

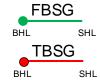


Tour Bus 23-26 Federal 302H, Tour Bus 23-26 Federal 303H, Tour Bus 23-26 Federal 304H, Tour Bus 23-26 Federal 602H, Tour Bus 23-26 Federal 603H, Tour Bus 23-26 Federal 604H









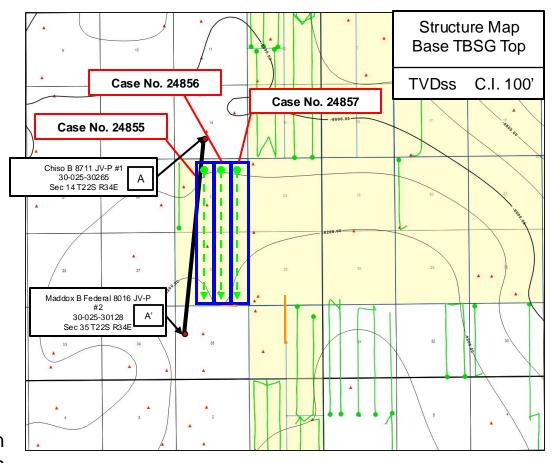
Permian Resources



First Bone Spring – FBSG SSTVD Structure Map

Tour Bus 23-26 Federal 302H, Tour Bus 23-26 Federal 303H, Tour Bus 23-26 Federal 304H





Control Point



Approximate Wellbore paths



Producing Wells



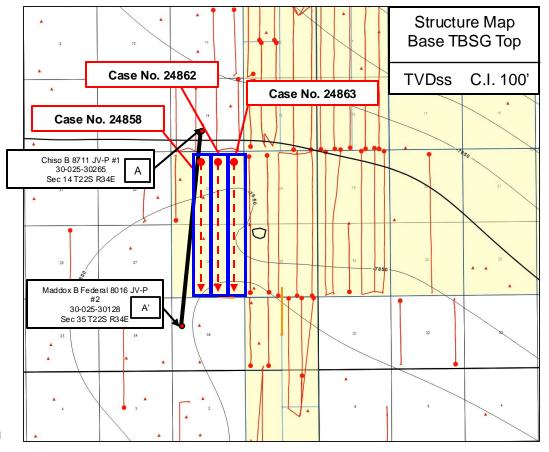
Permian Resources





Third Bone Spring – Base TBSG SSTVD Structure Map

Tour Bus 23-26 Federal 602H, Tour Bus 23-26 Federal 603H, Tour Bus 23-26 Federal 604H







Approximate Wellbore paths



Producing Wells



Permian Resources



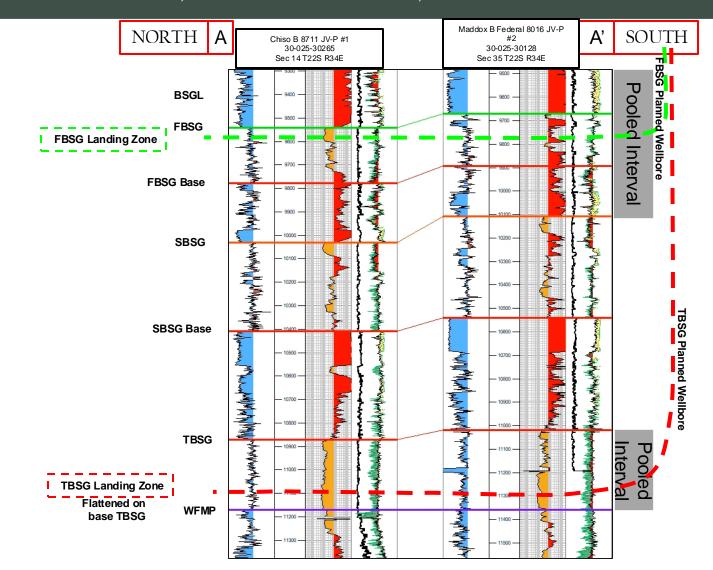
Exhibit B-4

Stratigraphic Cross-Section A-A'

Exhibit B-5



Tour Bus 23-26 Federal 302H, Tour Bus 23-26 Federal 303H, Tour Bus 23-26 Federal 304H, Tour Bus 23-26 Federal 602H, Tour Bus 23-26 Federal 603H, Tour Bus 23-26 Federal 604H

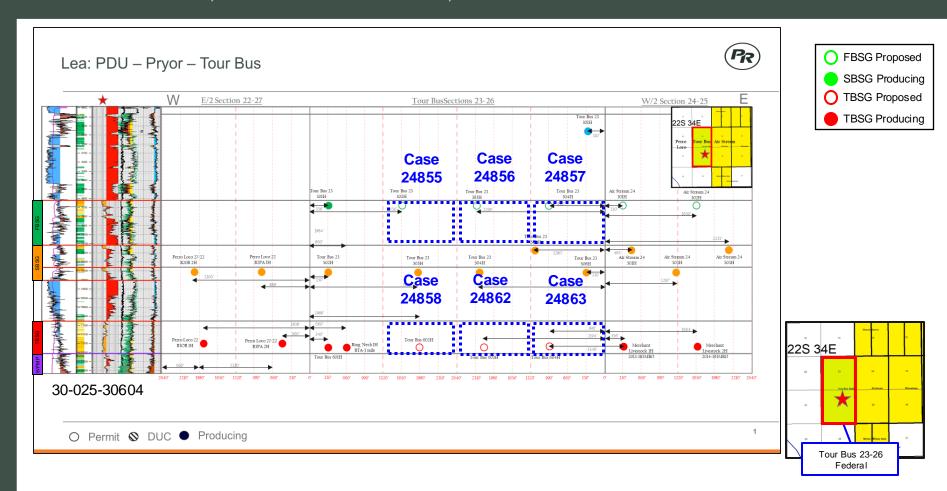


Gun Barrel Development Plan

Exhibit B-6



Tour Bus 23-26 Federal 302H, Tour Bus 23-26 Federal 303H, Tour Bus 23-26 Federal 304H, Tour Bus 23-26 Federal 602H, Tour Bus 23-26 Federal 603H, Tour Bus 23-26 Federal 604H



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

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

CASE NO. 24857

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 September 20, 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 is 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

October 2, 2024

Date

Permian Resources Operating, LLC Case No. 24857

Exhibit C



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

hinklelawfirm.com

September 17, 2024

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case Nos. 24855, 24856, 24857, 24858, 24862, & 24863 Applications of Permian Resources Operating LLC for Compulsory Pooling and Overlapping Spacing Units, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **October 10, 2024**, beginning at 8:15 a.m.

The hearing will be conducted in a hybrid fashion, both virtually and 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. 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://www.apps.emnrd.nm.gov/ocd/ocdpermitting/) or via e-mail to 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 Travis Macha, New Mexico Land Manager at: travis.macha@permianres.com or by phone at (432) 400-1037.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Permian Resources Operating, LLC Case No. 24857 Exhibit C-1

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

APPLICATION OF PERMIAN RESOURCES OPERATING, LLC FOR COMPULSORY POOLING AND OVERLAPPING SPACING UNIT, LEA COUNTY, NEW MEXICO,

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

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Briana Cooper,	09/17/2024	09/23/2024
Permanent Guardian of the Estate of	9589071052701152549857	
Clinton Harrison Pace		
P.O. Box 65305		
Lubbock, TX 79464		
BTA Oil Producers, LLC	09/17/2024	USPS Tracking
104 S. Pecos	9589071052701152549833	10/02/2024: Item
Midland, TX 79701		delivered 09/23/2024
COG Operating, LLC	09/17/2024	USPS Tracking
600 W. Illinois Ave	9589071052701152549826	10/02/2024: Item
Midland, TX 79701		delivered 09/23/2024
Northern Oil & Gas, Inc	09/17/2024	09/26/2024
4350 Baker Rd., Suite 400	9589071052701152549840	
Minnetonka, MN 55343		
Nuray K. Pace, Guardian for Aleyna N.	09/17/2024	USPS Tracking
Pace, a minor	9589071052701152549871	10/02/2024: Item in
15 Maroon Creek Ct		transit to next facility
Spring,TX 77389		
Nuray K. Pace, Guardian for Tara N.	09/17/2024	USPS Tracking
Pace, a minor	9589071052701152549864	10/02/2024: Item in
15 Maroon Creek Ct		transit to next facility
Spring,TX 77389		
Terri Rutter and Rita Robins,	09/17/2024	USPS Tracking
Co-Trustees of the Ryan A. Pace	9589071052701152549888	10/02/2024: Item
Management		delivered 10/01/2024
PO Box 12103		
El Paso, TX 79913		

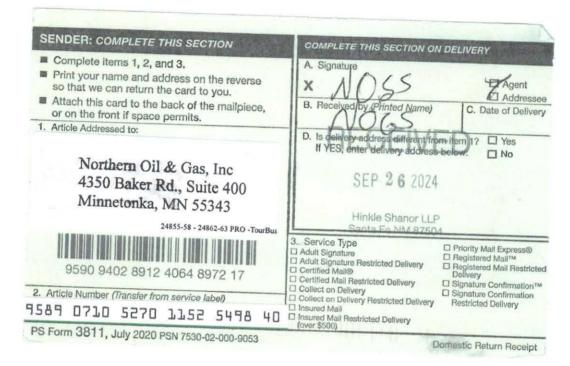
Permian Resources Operating, LLC Case No. 24857 Exhibit C-2





Permian Resources Operating, LLC Case No. 24857 Exhibit C-3







USPS Tracking[®]

FAQs >

Tracking Number:

Remove X

9589071052701152549833

Add to Informed Delivery (https://informeddelivery.usps.com/) Copy

Latest Update

Your item was picked up at a postal facility at 7:30 am on September 23, 2024 in MIDLAND, TX 79701.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Delivered, Individual Picked Up at Postal Facility

MIDLAND, TX 79701 September 23, 2024, 7:30 am

In Transit to Next Facility

September 21, 2024

Departed USPS Facility

ALBUQUERQUE, NM 87101 September 17, 2024, 11:59 pm

Arrived at USPS Facility

ALBUQUERQUE, NM 87101 September 17, 2024, 11:00 pm

Hide Tracking History

What Do USPS Tracking Statuses Mean? (https://faq.usps.com/s/article/Where-is-my-package)



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FAQs >

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9589071052701152549826

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Latest Update

Your item was picked up at a postal facility at 7:50 am on September 23, 2024 in MIDLAND, TX 79701.

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USPS Tracking Plus®

Delivered

Delivered, Individual Picked Up at Postal Facility

MIDLAND, TX 79701 September 23, 2024, 7:50 am

Redelivery Scheduled for Next Business Day

MIDLAND, TX 79701 September 20, 2024, 10:26 am

In Transit to Next Facility

September 19, 2024

Departed USPS Facility

ALBUQUERQUE, NM 87101 September 17, 2024, 11:59 pm

Arrived at USPS Facility

ALBUQUERQUE, NM 87101 September 17, 2024, 11:00 pm Feedbac



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9589071052701152549871

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Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

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Out for Delivery

Preparing for Delivery

Moving Through Network

In Transit to Next Facility

September 21, 2024

Departed USPS Facility

ALBUQUERQUE, NM 87101 September 17, 2024, 11:59 pm

Arrived at USPS Facility

ALBUQUERQUE, NM 87101 September 17, 2024, 11:00 pm

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Feedbac



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Latest Update

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Delivered

Out for Delivery

Preparing for Delivery

Moving Through Network

In Transit to Next Facility

September 21, 2024

Departed USPS Facility

ALBUQUERQUE, NM 87101 September 17, 2024, 11:59 pm

Arrived at USPS Facility

ALBUQUERQUE, NM 87101 September 17, 2024, 11:00 pm

Hide Tracking History

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USPS Tracking®

FAQs >

Tracking Number:

Remove X

9589071052701152549888

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Latest Update

Your item was picked up at the post office at 9:23 am on October 1, 2024 in EL PASO, TX 79912.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Delivered, Individual Picked Up at Post Office

EL PASO, TX 79912 October 1, 2024, 9:23 am

Reminder to pick up your item before October 3, 2024

EL PASO, TX 79913 September 24, 2024

Available for Pickup

CORONADO 7383 REMCON CIR EL PASO TX 79912-9998 M-F 0830-1800; SAT 0830-1200 September 19, 2024, 10:53 am

Arrived at Post Office

EL PASO, TX 79912 September 19, 2024, 9:35 am

In Transit to Next Facility

Released to Imaging: 10/3/2024 4:31:40 PM

Feedback

LEGAL NOTICE September 20, 2024

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 September 20, 2024 and ending with the issue dated September 20, 2024.

Publisher

Sworn and subscribed to before me this 20th day of September 2024.

Business Manager

My commission expires

January 29, 2027

(Seal) STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
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 4 1937 and payment of fees for said publicat has been made.

Permian Resources Operating, LLC Case No. 24857

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This is to notify all interested parties, including COG Operating, LLC; BTA Oil Producers, LLC; Northern Oil & Gas, Inc.; Briana Cooper, Permanent Guardian of the Estate of Clinton Harrison Pace; Nuray K. Pace, Guardian for Tara N. Pace, a minor; Nuray K. Pace, Guardian for Aleyna N. Pace, a minor; Terri Rutter and Rita Robbins, Co-Trustees of the Ryan A. Pace Management; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on applications submitted by Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165), in Case Nos. 24855, 24856, 24857, 24858, 24862, and 24863. The hearing will be conducted on October 10, 2024, in a hybrid fashion, both virtually and 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. To participate virtually, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

In Case No. 24855, Applicant 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 23-26 Federal Com 302H well, which will be drilled from a surface hole location in the NE/4 (Unit A) of Section 23 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 26. The completed interval of the well will be orthodox. 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). Due to a depth severance in the unit, Applicant see

In Case No. 24856, Applicant 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 23-26 Federal 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 completed interval of the well will be orthodox. 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). Due to a depth severance within the unit, Applicant 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.

In Case No. 24857, Applicant 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 23-26 Federal 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 completed interval of the well will be orthodox. 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 in the unit, applicant 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.

In Case No. 24858, Applicant 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 23-26 Federal 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 completed interval of the well will be orthodox. 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). Due to a depth severance in the unit, Applicant 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.

In Case No. 24862, Applicant 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 23-26** Federal 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 completed interval of the well will be orthodox. 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). Due to a depth severance in the unit, Applicant 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.

In Case No. 24863, Applicant 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 23-26 Federal 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 completed interval of the well will be orthodox. 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 in the unit, Applicant 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.