APPLICATION OF PERMIAN RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

**CASE NO. 24751** 

#### **NOTICE OF AMENDED EXHIBITS**

Permian Resources Operating, LLC is providing the attached amended exhibit packet, which includes an updated C-102.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy Jaclyn M. McLean P.O. Box 2068 Santa Fe, NM 87504-2068

Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com

Counsel for Permian Resources Operating, LLC

#### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was sent to the following counsel of record on this November 1, 2024:

Jordan Kessler EOG Resources, Inc. 125 Lincoln Ave., Suite 213 Santa Fe, NM 87501 Phone: (432) 488-6108 Jordan\_kessler@eogresources.com

/s/ Dana S. Hardy

APPLICATION OF PERMIAN RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

**CASE NO. 24751** 

#### **EXHIBIT INDEX**

#### **Compulsory Pooling Checklist**

Exhibit A	Self-Affirmed Statement of Travis Macha
A-1	Application & Proposed Notice of Hearing
A-2	C-102
A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties
A-4	Sample Well Proposal Letter & AFE
A-5	Chronology of Contact
Exhibit B	<b>Self-Affirmed Statement of Christopher Cantin</b>
B-1	Regional Locator Map
B-2	Cross-Section Location Map
B-3	Subsea Structure Map
B-4	Stratigraphic Cross-Section
B-5	Gun Barrel Diagram
Exhibit C	Self-Affirmed Statement of Dana S. Hardy
C-1	Notice Letter to All Interested Parties Sent July 31, 2024
C-2	Chart of Notice to All Interested Parties
C-3	Copies of Certified Mail Receipts and Returns
C-4	Affidavit of Publication for August 8, 2024

## **COMPULSORY POOLING APPLICATION CHECKLIST**

#### ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24751	APPLICANT'S RESPONSE
Date	November 7, 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, Eddy County, New Mexico.
Entries of Appearance/Intervenors:	EOG Resources, Inc.
Well Family	Morbucks
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code (Only if NSP is requested):	Hackberry, NW; Bone Spring (Code 97020)
Well Location Setback Rules (Only if NSP is Requested):	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	280 acres
Building Blocks:	quarter-quarter
Orientation:	East to West
Description: TRS/County	NW/4 SE/4 and N/2 SW/4 of Section 25, and the N/2 S/2 of Section 26, Township 19 South, Range 30 East, Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	No.
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 or non-standard)	Add wells as needed
Well #1	Morbucks 25-26 Federal Com 123H (API # pending) SHL: 1258' FSL & 1422' FEL (Unit O), Section 25, T19S-R30E BHL: 1980' FSL & 100' FWL (Unit L), Section 26, T19S-R30E Completion Target: Bone Spring (Approx. 8,904' TVD)
Released to Imaging: 11/4/2024 8:42:37 AM AFE Capex and Operating Costs	

Received by OCD: 11/1/2024 1:16:48 PM	Page 5 of 50
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit A-4
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits C-1, C-2, C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List	
(including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above &	.,,,,
below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-5
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-4
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 Released to Imaging: 11/4/2024 8:42:37 AM	Exhibit B-3
Neteusea to Imaging. 11/4/2024 6.42.5/ AM	-

Received by OCD: 11/1/2024 1:16:48 PM	Page 6 of 50
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provi	ded 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:	10/29/2024

APPLICATION OF PERMIAN RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

**CASE NO. 24751** 

## SELF-AFFIRMED STATEMENT OF TRAVIS MACHA

- 1. I am a the New Mexico Land Lead for 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 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' application and proposed hearing notice are attached as **Exhibit A-1**.
- 3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit; therefore I do not expect any opposition at hearing.
- 4. Permian Resources seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 280-acre, more or less, standard horizontal spacing unit comprised of the NW/4 SE/4 and N/2 SW/4 of Section 25, and the N/2 S/2 of Section 26, Township 19 South, Range 30 East, Eddy County, New Mexico ("Unit").
- 5. The Unit will be dedicated to the **Morbucks 25-26 Federal Com 123H** well ("Well"), which will be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 25, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 26.
- 6. The Well will be completed in the Hackberry, NW; Bone Spring pool (Code 97020).

Permian Resources Operating, LLC Case No. 24751 Exhibit A

- 7. The completed interval of the Well will be orthodox.
- 8. **Exhibit A-2** contains the C-102 for the Well.
- 9. **Exhibit A-3** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Permian Resources seeks to pool highlighted in yellow. All of the parties are locatable in that Permian Resources believes it located valid addresses for them.
- 10. 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.
- 11. **Exhibit A-4** contains a sample well proposal letter that was sent to interest owners for the Well. The estimated costs reflected on the AFEs are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.
- 12. In my opinion, Permian Resources made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as indicated by the chronology of contact described in **Exhibit A-5**.
- 13. Permian Resources requests that it be designated as operator of the Unit and the Well.
- 14. Permian Resources requests overhead and administrative rates of \$10,000 per month while the Well is being drilled, and \$1,000 per month while the Well is producing. These rates are fair and are comparable to the rates charged by Permian Resources and other operators in the vicinity.
- 15. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

- 16. In my opinion, the granting of Permian Resources' application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.
- 17. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date next to my electronic signature below.

Travis Macha

10/28/2024

Date

APPLICATION OF PERMIAN RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

**CASE NO. 24751** 

#### **APPLICATION**

Pursuant to NMSA § 70-2-17, Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 280-acre, more or less, standard horizontal spacing unit comprised of the NW/4 SE/4 and N/2 SW/4 of Section 25, and the N/2 S/2 of Section 26, Township 19 South, Range 30 East, Eddy County, New Mexico ("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 **Morbucks 25-26 Federal Com 123H** well ("Well"), which will be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 25, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 26.
  - 3. The completed interval of the Well will be orthodox.
- 4. 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.
- 5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
  - 6. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying

Permian Resources Operating, LLC Case No. 24751 Exhibit A-1 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 August 22, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Well in the Unit;
- C. Designating Applicant as operator of the Unit and the Well to be drilled thereon;
- D. Applicant to recover its costs of drilling, equipping, and completing the Well;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy Jaclyn M. McLean

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com

Counsel for Permian Resources Operating,

LLC

Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 280-acre, more or less, standard horizontal spacing unit comprised of the NW/4 SE/4 and N/2 SW/4 of Section 25, and the N/2 S/2 of Section 26, Township 19 South, Range 30 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Morbucks 25-26 Federal Com 123H well ("Well"), which will be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 25, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 26. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of 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 23 miles northeast of Carlsbad, 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.

Certificate Number

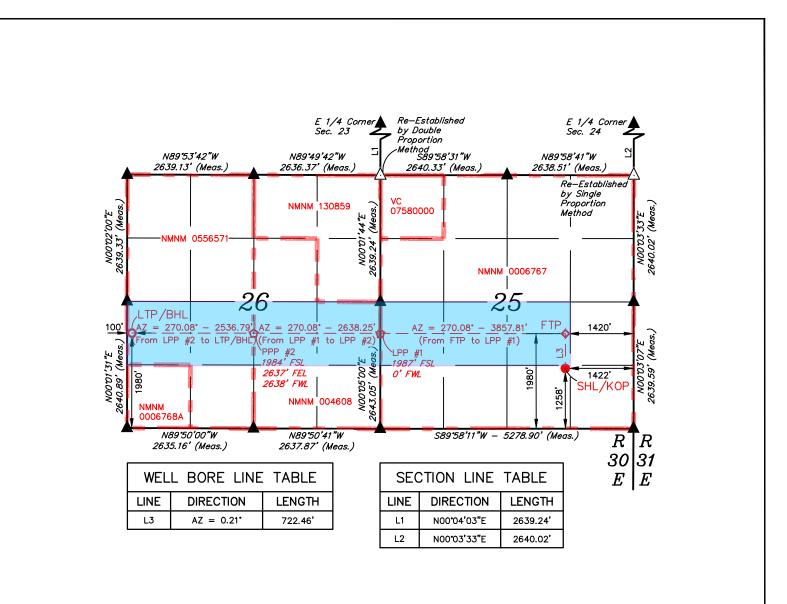
Date of Survey

ashley.brown@permianres.com

Printed Name

Email Address

Property Name Well Number Drawn By MORBUCKS 25-26 FED 123H N.D.T. 04-18-23 REV. 2 Z.L. 07-19-24 (FORM UPDATE)



#### **LEGEND:**

= SURFACE HOLE/KICK OFF POINT.

♦ = FIRST TAKE POINT.

LEASE PENETRATION POINT.

= LAST TAKE POINT/BOTTOM HOLE LOCATION.

NAD 83 (FIRST TAKE POINT)

N: 592903.57' E: 617887.71'

 $\triangle$  = SECTION CORNERS LOCATED.

∴ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)

= LEASE LINE.

N: 592910.79' E: 620423.97

NAD 83 (SHL/KOP)

		<b>LATITUDE</b> = $32^{\circ}3/39.08^{\circ}(32.62/523^{\circ})$	LATITUDE = $32^{\circ}3/46.23^{\circ}$ ( $32.629509^{\circ}$ )
	-	LONGITUDE = -103°55'17.69" (-103.921582°)	LONGITUDE = -103°55'17.67" (-103.921574°)
2000' 1000' 0'	00	NAD 27 (SHL/KOP)	NAD 27 (FIRST TAKE POINT)
0, 00, 00, 00, 00, 00, 00, 00, 00, 00,	50	<b>LATITUD</b> E = 32°37'38.65" (32.627404°)	LATITUDE = 32°37'45.80" (32.629389°)
		LONGITUDE = -103°55'15.89" (-103.921080°)	LONGITUDE = -103°55'15.86" (-103.921072°)
		STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
SCALE		N: 592269.35' E: 668099.02'	N: 592991.66' E: 668098.61'
SCALE		STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
		N: 592206.99' E: 626919.08'	N: 592929.29' E: 626918.68'
	NAD 83 (LPP #1)	NAD 83 (LPP #2)	NAD 83 (LTP/BHL)
	1.110 05 (E11 1/1)		
NOTE:	LATITUDE = 32°37'46.27" (32.629519°)	LATITUDE = 32°37'46.29" (32.629525°)	LATITUDE = 32°37'46.31" (32.629530°)
Distances referenced on plat to	,	,	,
Distances referenced on plat to section lines are perpendicular.	LATITUDE = 32°37'46.27" (32.629519°)	LATITUDE = 32°37'46.29" (32.629525°)	LATITUDE = 32°37'46.31" (32.629530°)
<ul> <li>Distances referenced on plat to section lines are perpendicular.</li> <li>Basis of Bearings is a Transverse</li> </ul>	LATITUDE = 32°37'46.27" (32.629519°) LONGITUDE = -103°56'02.77" (-103.934103°)	LATITUDE = 32°37'46.29" (32.629525°) LONGITUDE = -103°56'33.61" (-103.942671°)	LATITUDE = 32°37'46.31" (32.629530°) LONGITUDE = -103°57'03.27" (-103.950909°)
Distances referenced on plat to section lines are perpendicular. Basis of Bearings is a Transverse Mercator Projection with a Central	LATITUDE = 32°37'46.27" (32.629519°) LONGITUDE = -103°56'02.77" (-103.934103°) NAD 27 (LPP #1)	LATITUDE = 32 <sup>5</sup> 37'46.29" (32.629525°) LONGITUDE = -103°56'33.61" (-103.942671°) NAD 27 (LPP #2)	LATITUDE = 32°37'46.31" (32.629530°) LONGITUDE = -103°57'03.27" (-103.950909°) NAD 27 (LTP/BHL)
<ul> <li>Distances referenced on plat to section lines are perpendicular.</li> <li>Basis of Bearings is a Transverse</li> </ul>	LATITUDE = 32°37'46.27" (32.629519°) LONGITUDE = -103°56'02.77" (-103.934103°) NAD 27 (LPP #1) LATITUDE = 32°37'45.84" (32.629399°) LONGITUDE = -103°56'00.96" (-103.933600°) STATE PLANE NAD 83 (N.M. EAST)	LATITUDE = 32°37'46.29" (32.629525°) LONGITUDE = -103°56'33.61" (-103.942671°) NAD 27 (LPP #2) LATITUDE = 32°37'45.86" (32.629406°) LONGITUDE = -103°56'31.80" (-103.942168°) STATE PLANE NAD 83 (N.M. EAST)	LATITUDE = 32°37'46.31" (32.629530°) LONGITUDE = -103°57'03.27" (-103.950909°) NAD 27 (LTP/BHL) LATITUDE = 32°37'45.88" (32.629411°) LONGITUDE = -103°57'01.46" (-103.950406°) STATE PLANE NAD 83 (N.M. EAST)
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Distances referenced on plat to section lines are perpendicular. Basis of Bearings is a Transverse Mercator Projection with a Central	LATITUDE = 32°37'46.27" (32.629519°) LONGITUDE = -103°56'02.77" (-103.934103°) NAD 27 (LPP #1) LATITUDE = 32°37'45.84" (32.629399°) LONGITUDE = -103°56'00.96" (-103.933600°) STATE PLANE NAD 83 (N.M. EAST)	LATITUDE = 32°37'46.29" (32.629525°) LONGITUDE = -103°56'33.61" (-103.942671°) NAD 27 (LPP #2) LATITUDE = 32°37'45.86" (32.629406°) LONGITUDE = -103°56'31.80" (-103.942168°) STATE PLANE NAD 83 (N.M. EAST)	LATITUDE = 32°37'46.31" (32.629530°) LONGITUDE = -103°57'03.27" (-103.950909°) NAD 27 (LTP/BHL) LATITUDE = 32°37'45.88" (32.629411°) LONGITUDE = -103°57'01.46" (-103.950406°) STATE PLANE NAD 83 (N.M. EAST)

N: 592918.30' E: 623061.67

Sheet 2 of 2

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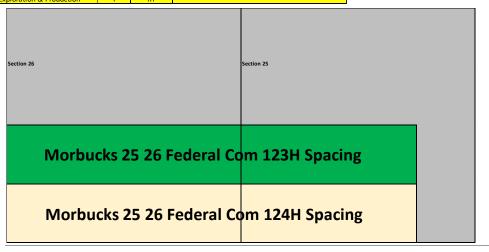
## Morbucks 25 26 Federal Com 123H

PR
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Owner	Pooling?	Owner Type	Comments
rmian Resources Operating LLC	N/A	WI/RT	
occidental Petroleum LP	Υ	WI	
🛐 ipsis Oil & Gas, Inc.	N	WI	Seeking Com Signatures
Ard Oil Itd* (And successors)	Υ	WI	
⊭in <mark>dy's Living Trust</mark>	Υ	WI	
Delmar Hudson Lewis Liv Trust	Υ	WI	
PBEX LLC	Υ	WI	
Javelina Partners	N	WI	Seeking Com Signatures
Zorro Partners	N	WI	Seeking Com Signatures
Prime Rock Resources	Υ	WI	
Tandem Oil Company	Υ	WI	
Chevron USA Inc	Υ	WI	
EOG Resources Inc	Υ	WI	
Thomas E Schneider LLC	N/A	RT	Seeking Com Signatures
Tom Schneider LLC	N/A	RT	Seeking Com Signatures
Shackelford Oil Company	N/A	RT	Seeking Com Signatures
Mary T Ard	Υ	See Notes	Pooling out of caution -Ard Oil Title discrpancy
Julian Ard	Υ	RT	
RKI Exploration & Production	Υ	RT	

Tract Capitulation (LEASEHOLD Interest - Not Contractual)			
Owner	Sec 25: SW	Sec 25: W2SE	Sec 26: S2
Permian Resources Operating LLC	0.53109775	0.21851375	1
Occidental Petroleum LP	0.143448	0.23911	(
Ellipsis Oil & Gas, Inc.	0.036834	0.06128	(
Ard Oil Itd*	0.12746503	0.212475	(
Lindy's Living Trust	0.03498206	0.05831	(
Delmar Hudson Lewis Liv Trust	0.03498206	0.05831	(
PBEX LLC	0.01872825	0.03121625	(
Javelina Partners	0.04331112	0.07219332	(
Zorro Partners	0.02332137	0.03887332	(
Josephine Hudson Test. Trust	0.00583036	0.00971836	(
	•		

Unit Capitulation (INCLUDES Contractual Into	erest)
Owner	wı $\frac{48}{8}$
Permian Resources Operating LLC	79.274%
Occidental Petroleum LP	3.4🕸%
Ellipsis Oil & Gas, Inc.	0.891%
Ard Oil Itd (and its successors, Llano, DSD, Calvary)*	3.084%
Lindy's Living Trust	0.846%
Delmar Hudson Lewis Liv Trust	0.846%
PBEX LLC	1.119%
Javelina Partners	1.048%
Zorro Partners	0.564%
Josephine Hudson Test. Trust	0.141%
Tandem Oil Company	0.105%
Chevron USA Inc	6.125%
EOG Resources Inc	2.488%





Lease # NMNM 0006767 Lease # NMNM 004608 Lease # NMNM 0556571 Lease # NMNM 0006768 A

<sup>\*</sup>Ard Oil term assigned a partial interest after proposals to Llano, DSD, and Calvary – PR ahs been in contact

Permian Resources Operating, LLC

Case No. 24751 Exhibit A-3



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

**OFFICE** 432.695.4222 **FAX** 432.695.4063

October 29, 2024

Via Certified Mail

Chevron USA Inc 6301 Deauville Blvd Midland, TX 79706

**RE:** Well Proposals – Morbucks 25-26 Fed Com Proposals

S2 of Section 26, SW/4 and W2SE of Section 25 T19S-R30E

Eddy County, New Mexico

To Whom It May Concern:

Permian Resources Operating, LLC ("Permian"), as operator for Colgate Production, LLC, hereby proposes the drilling and completion of the following six (6) wells, the Morbucks 25-26 Federal Com wells at the following approximate locations within Township 19 South, Range 30 East, Eddy Co., NM:

#### **FIRST BONE SPRING FORMATION:**

#### 1. Morbucks 25-26 Federal Com 113H

SHL: 1,319' FSL & 1,446' FEL (or at a legal location in Unit O) of Section 25

FTP: 1,420' FEL & 1,980' FSL of Section 25 LTP: 100' FWL & 1,980' FSL of Section 26 BHL: 10' FWL & 1,980' FSL of Section 26

Standard Spacing Unit: NWSE, N2SW of Section 25 N2S2 of Section 26, T19S-R30E

TVD: 7,958' TMD: 16,543'

#### 2. Morbucks 25-26 Federal Com 114H

SHL: 1,288' FSL & 1,433' FEL (or at a legal location in Unit O) of Section 25

FTP: 1,420' FEL & 660' FSL of Section 25 LTP: 100' FWL & 660' FSL of Section 26 BHL: 10' FWL & 660' FSL of Section 26

Standard Spacing Unit: SWSE, S2SW of Section 25 S2S2 of Section 26, T19S-R30E

TVD: 7,958' TMD: 16,543'

Continued Next Page.

Permian Resources Operating, LLC Case No. 24751 Exhibit A-4



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

**OFFICE** 432.695.4222 **FAX** 432.695.4063

#### SECOND BONE SPRING FORMATION:

#### 3. Morbucks 25-26 Federal Com 123H

SHL: 1,258' FSL & 1,421' FEL (or at a legal location in Unit O) of Section 25

FTP: 1,420' FEL & 1,980' FSL of Section 25 LTP: 100' FWL & 1,980' FSL of Section 26 BHL: 10' FWL & 1,980' FSL of Section 26

Standard Spacing Unit: NWSE, N2SW of Section 25 N2S2 of Section 26, T19S-R30E

TVD: 8,904' TMD: 17,489'

#### 4. Morbucks 25-26 Federal Com 124H

SHL: 1,227' FSL & 1,408' FEL (or at a legal location in Unit O) of Section 25

FTP: 1,420' FEL & 660' FSL of Section 25 LTP: 100' FWL & 660' FSL of Section 26 BHL: 10' FWL & 660' FSL of Section 26

Standard Spacing Unit: SWSE, S2SW of Section 25 S2S2 of Section 26, T19S-R30E

TVD: 8,906' TMD: 17,491'

#### THIRD BONE SPRING FORMATION:

#### 5. Morbucks 25-26 Federal Com 133H

SHL: 1,197' FSL & 1,396' FEL (or at a legal location in Unit O) of Section 25

FTP: 1,420' FEL & 1,980' FSL of Section 25 LTP: 100' FWL & 1,980' FSL of Section 26 BHL: 10' FWL & 1,980' FSL of Section 26

Standard Spacing Unit: NWSE, N2SW of Section 25 N2S2 of Section 26, T19S-R30E

TVD: 9,830' TMD: 18,415'

#### 6. Morbucks 25-26 Federal Com 134H

SHL: 1,166' FSL & 1,383' FEL (or at a legal location in Unit O) of Section 25

FTP: 1,420' FEL & 660' FSL of Section 25 LTP: 100' FWL & 660' FSL of Section 26 BHL: 10' FWL & 660' FSL of Section 26

Standard Spacing Unit: SWSE, S2SW of Section 25 S2S2 of Section 26, T19S-R30E

TVD: 9,831' TMD: 18,416'



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

**OFFICE** 432.695.4222 **FAX** 432.695.4063

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 enclosed. The Operating Agreement has the following general provisions:

- 100%/300%/300% non-consent provisions
- \$10,000/\$1,000 drilling and producing rates
- Permian Resources Operating, LLC named as Operator

Please indicate your election to participate in the drilling and completion of the proposed wells on the enclosed ballot. Please sign and return one copy of this letter, signed copies of the proposed AFEs, a signed copy of the enclosed insurance declaration, 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 spacing units for the proposed wells. 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.

Please further note that it is the intention of Colgate Production, LLC to relinquish all interest in this unit unto its parent company, Permian Resources Operating, LLC in the near future.

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 Landman

Many Manuel

**Enclosures** 

ELECTIONS ON PAGE TO FOLLOW.



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

**OFFICE** 432.695.4222 **FAX** 432.695.4063

#### **Morbucks 25-26 Fed Com Elections:**

Well Elections:			
(Please indicate your responses in the spaces below)			
Well(s)	Elect to Participate	Elect to NOT Participate	
Morbucks 25-26 Fed Com 113H			
Morbucks 25-26 Fed Com 114H			
Morbucks 25-26 Fed Com 123H			
Morbucks 25-26 Fed Com 124H			
Morbucks 25-26 Fed Com 133H			
Morbucks 25-26 Fed Com 134H			

Company Name (If Applicable):	
Ву:	
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.

Company Name (If Applicable):	
_	
By:	
Printed Name:	
Date:	_

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

#### ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	9.1.23			AFE NO.:	1
WELL NAME:	Morbucks 25-26 Federal	Com 123H			ckberry; Bone Spring, NW
	Section 25, T19S-R30E	Colit 12511		MD/TVD:	17,489' / 8,904'
LOCATION:					
COUNTY/STATE:	Eddy Co., NM			LATERAL LENGTH:	8,750'
Permian WI:				DRILLING DAYS:	19.0
GEOLOGIC TARGET:	SBSG			COMPLETION DAYS:	19
REMARKS:	Drill a horizontal SBSG v install cost	vell and complete with	44 stages. AFE includes	s drilling, completions, flo	wback and Initial AL
		DRILLING	COMPLETION	PRODUCTION	TOTAL
INTERNICIPIE	COCTC	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
INTANGIBLE Of 1 Land/Legal/Regulatory	\$	51,607	-		\$ 51,607
2 Location, Surveys & Damag		251,699	15,786	12.143	2/9,628
4 Freight / Transportation	,	39,258	36,732		75,990
5 Rental - Surface Equipment	<b>!</b>	102,919	186,635	7,431	296,985
6 Rental - Downhole Equipm	ent	166,427	43,244	-	209,670
7 Rental - Living Quarters		40,258	52,760	-	93,018
10 Directional Drilling, Surve	eys	340,372	-	-	340,372
11 Drilling 12 Drill Bits		662,215 100,397	-		662,215
13 Fuel & Power		165,075	653,583		818,658
14 Cementing & Float Equip		228,518	-	-	228,518
15 Completion Unit, Swab, C	TU	<del></del>	-	14,571	14,571
16 Perforating, Wireline, Slick	kline		366,135	21,857	387,992
17 High Pressure Pump Truck	k	-	107,707	-	107,707
18 Completion Unit, Swab, C	TU	-	111,987	-	111,987
20 Mud Circulation System		91,425	-	-	91,425
21 Mud Logging	ation	16,216	7/286		16,216
22 Logging / Formation Evalu 23 Mud & Chemicals	auUII	6,302 302,668	7,286 367,445		13,588
24 Water		51,485	595,936	<del></del>	647,421
25 Stimulation		-	714,674	-	714,674
26 Stimulation Flowback & D	Disp		124,008	<del></del>	124,008
28 Mud / Wastewater Disposa	_	190,625	53,428	-	244,053
30 Rig Supervision / Engineer	ring	105,229	123,948	5,829	235,005
32 Drlg & Completion Overh	ead	9,107	-	-	9,107
35 Labor		143,001	60,714	24,286	228,000
54 Proppant		-	1,079,378	-	1,079,378
95 Insurance		10,890	21,440	8,612	10,890 30,052
97 Contingency 99 Plugging & Abandonment		<del></del>	21,440	0,012	30,032
33 Trugging to Troundomient	TOTAL INTANGIBLES >	3,075,692	4,722,826	94,728	7,893,246
	TOTAL INTANGIBLES >				
		DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE CO	OSTS	COSTS	COSTS	COSTS	COSTS
60 Surface Casing	\$	41,774			\$ 41,774
61 Intermediate Casing		79,416	-	-	79,416
62 Drilling Liner		141,346	-		141,346
63 Production Casing 64 Production Liner		541,575			541,575
65 Tubing		<del></del>	<del></del>	66,785	66,785
66 Wellhead		83,664		62,171	145,835
67 Packers, Liner Hangers		12,871		9,107	21,978
68 Tanks				20,036	20,036
69 Production Vessels					
70 Flow Lines		-	-	15,178	15,178
71 Rod string		-	-	-	-
72 Artificial Lift Equipment		-	-	48,571	48,571
73 Compressor		-		51,607	51,607
74 Installation Costs 75 Surface Pumps				6,071	6,071
76 Downhole Pumps		<del></del>			- 0,071
77 Measurement & Meter Ins	tallation	<del></del>		25,500	25,500
78 Gas Conditioning/Dehyd					
79 Interconnecting Facility Pi		-	-	-	-
80 Gathering / Bulk Lines		-		-	
81 Valves, Dumps, Controller		-	-	-	-
82 Tank / Facility Containmen	nt	-	-	-	-
83 Flare Stack				77 -701:	77 1701
84 Electrical / Grounding 85 Communications / SCADA	<b>\</b>	-		66,785	66,785
86 Instrumentation / Safety	-	<del>-</del>	<del>-</del>	<del></del>	<del></del>
,	TOTAL TANGIBLES >	919,027		379,400	1,298,427
	TOTAL COSTS >	3,994,719	4,722,826	474,128	9,191,673
EPARED BY Permian Reso	: PS				
Completions Engineer: Production Engineer:	: TD				
rmian Resources Operating	, LLC AFFROVAL:				
Co-CEO	)	Co-C	EO	VP - Operat	ions
CO CHO	WH	23 0	JW	Operat	CRM
VP - Land & Legal	BG BG	VP - Geoscien	ces		
ON OPERATING PARTNE	R APPROVAL:				
Company Name:	·		Working Interest (%):	т	(ID:
Company Name:	:		. rorking interest (70).	10)	
Signed by:	:		Date:		
,					<del></del>
Title	:		Approval:	Yes	No (mark one)

## PR

### **Morbucks-** Contact Chronology

May 2023: Morbucks Drill Island and Potash DA notice sent out to all parties

July 2023: Morbucks DI and DA approved

October 2023-January 2024: Well proposals sent to all parties/further title/diligence conducted December 2023: Javelina/Zorro JOAs signed – Need Coms to drop from pooling

January 2024: Ellipsis JOA signed – Need Com to drop from pooling

April 2024: Correspondence with Occidental

June/July 2024: Correspondence with Ard and its potential successors at the time

August 2024: Correspondence with EOG

Permian Resources Operating, LLC Case No. 24751 Exhibit A-5

Received by OCD: 11/1/2024 1:16:48 PM

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

APPLICATION OF COLGATE PRODUCTION, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 24751 & 24752

## SELF-AFFIRMED STATEMENT OF CHRISTOPHER CANTIN

- 1. I am a geologist with Permian Resources Operating, LLC ("Permian Resources"). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division") and my credentials as an expert in geology were accepted and made a matter of record.
  - 2. I am familiar with the geological matters that pertain to the above-referenced cases.
- 3. **Exhibit B-1** is a regional locator map that identifies the Morbucks project area, in proximity to the Capitan Reef within the Delaware Basin, for the Bone Spring horizontal spacing units that are the subject of this application.
- 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 **Morbucks 25-26 Federal Com 123H** and **Morbucks 25-26 Federal Com 124H** 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 well's name and a black line in proximity to the proposed Wells. The Unit areas are defined by blue boxes and are labeled with their respective case numbers.
- 5. **Exhibit B-4** is a Subsea Structure map on the Base of the Second Bone Spring formation in TVD subsea with a contour interval of 50 ft. The map identifies the approximate

wellbore paths for the proposed Wells with a orange dashed line. It also identifies the location of the cross-section running from A-A' in proximity to the proposed Wells. The data points are indicated by red stars. The map demonstrates the formation is gently dipping to the east-southeast in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

- 6. **Exhibit B-6** is a stratigraphic cross-section from A to A' using the representative wells identified on Exhibit B-4. It contains gamma ray, resistivity, and porosity logs. The cross section is oriented from west to east and is hung on the top of the Wolfcamp formation. The proposed landing zones for the Wells are labeled on the exhibit. The approximate well-paths for the proposed Wells are indicated by dashed lines to be drilled from west to east across the units. This cross-section demonstrates the target intervals are continuous across the Unit.
- 7. **Exhibit B-7** is a gun barrel diagram that shows the proposed Wells in the Bone Spring formation. Pooling units area defined by blue boxes and are labeled with their respective case numbers.
- 8. In my opinion, a laydown orientation for the Wells is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and is the preferred fracture orientation in this portion of the trend.
- 9. 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.
- 10. In my opinion, the granting of Colgate's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

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

Christopher Cantin

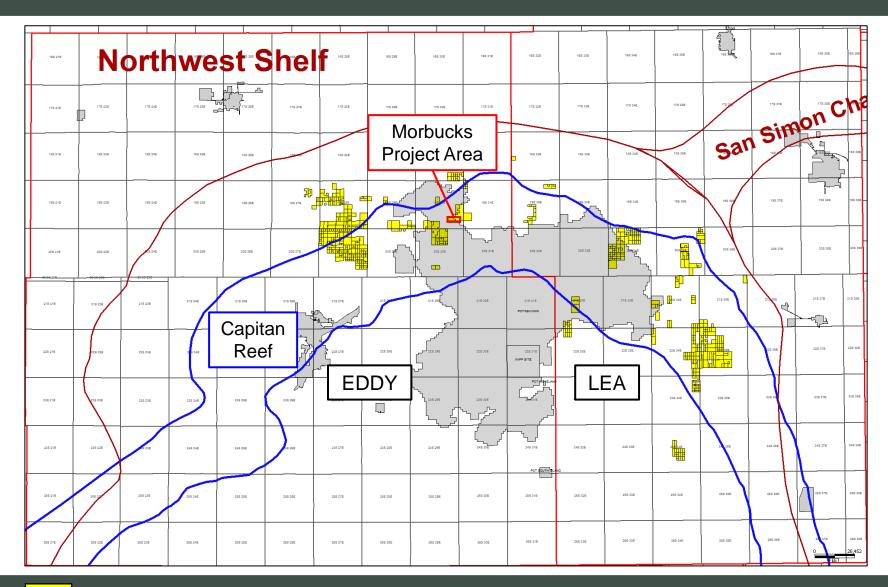
10/28/2

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Date

#### Permian Resources Operating, LLC Case No. 24751 Exhibit B-1



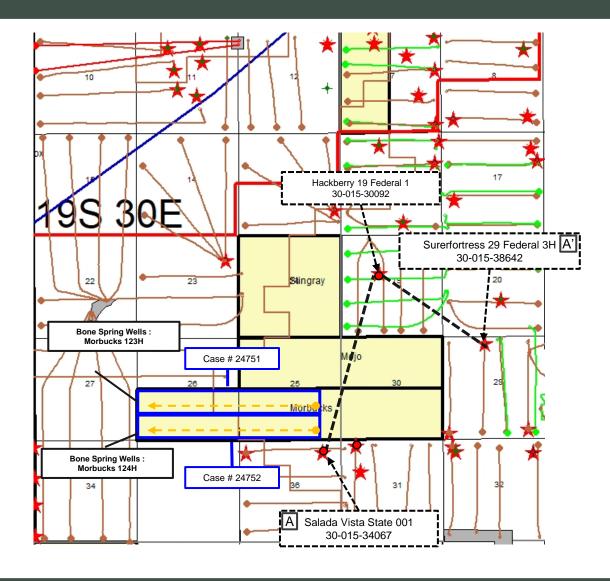


Morbucks 25-26 Fed Com

**Cross-Section Locator Map** 







Approximate Wellbore paths



**Producing Wells** 

**FBSG** 

**SBSG** 

**TBSG** 

**Control Wells** 



Permian Resources



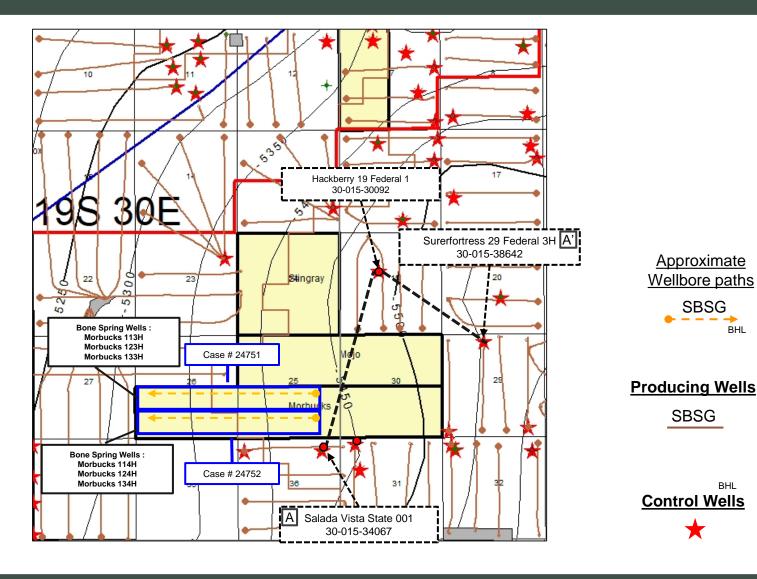
Exhibit B-3



**SBSG** 

**SBSG** 

#### Base Second Bone Spring-Structure Map (50' CI) Morbucks 25-26 Fed Com



Permian Resources



BHL





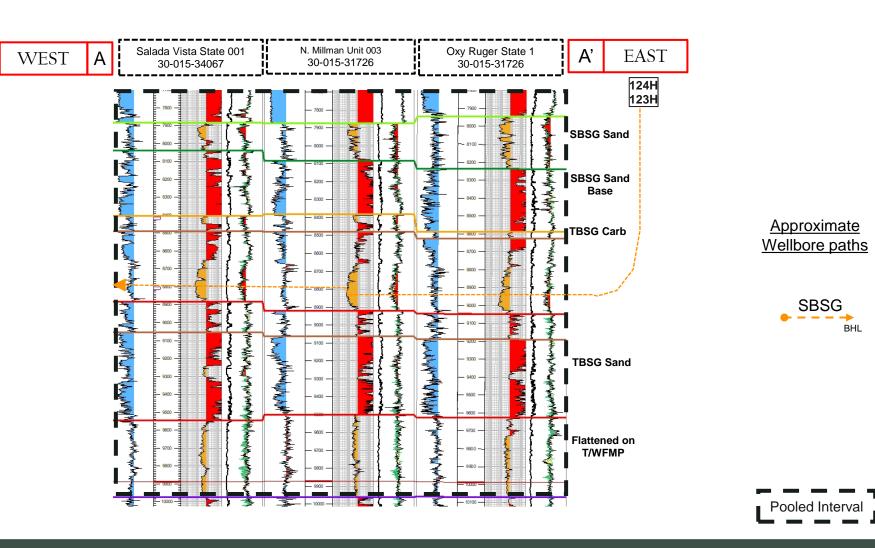
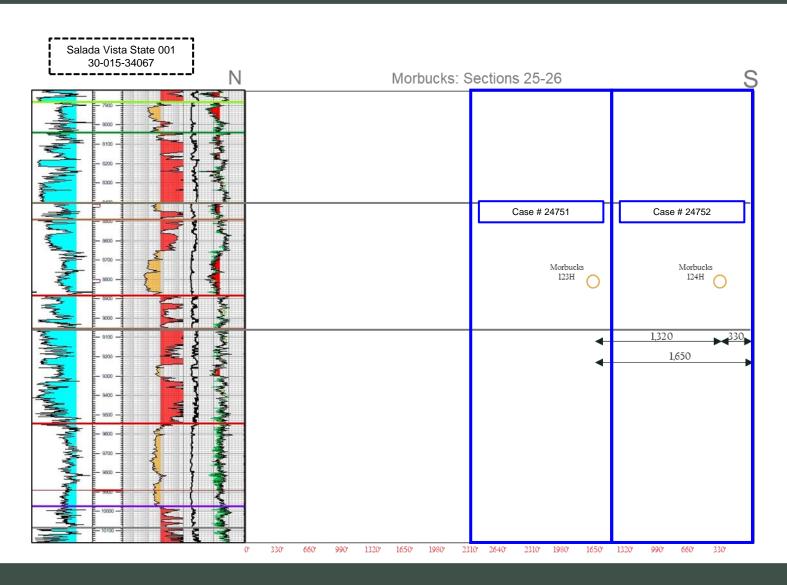


Exhibit B-5





APPLICATION OF PERMIAN RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 24751 & 24752

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 Applications 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 August 8, 2024, I caused a notice to be published to all interested parties in the

Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Carlsbad Current

Argus, 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

October 14, 2024

Date

Dana S. Hardy

Permian Resources Operating, LLC Case No. 24751 Exhibit C

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#### 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

July 31, 2024

## VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

#### TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 24751 & 24752 - Applications of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed applications were filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **August 22**, **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: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a>. 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 (<a href="https://www.apps.emnrd.nm.gov/ocd/ocdpermitting/">https://www.apps.emnrd.nm.gov/ocd/ocdpermitting/</a>) 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 these applications, please contact Mason Maxwell, Landman at Permian Resources – (432) 400-0188, mason.maxwell@permianres.com

Sincerely, /s/ Dana S. Hardy

Dana S. Hardy

Enclosure

Permian Resources Operating, LLC Case No. 24751 Exhibit C-1

PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332 7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321 PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

APPLICATIONS OF PERMIAN RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 24751 & 24752

#### **NOTICE LETTER CHART**

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Ard Energy	07/31/24	08/12/2024
PO Box 101027	9589071052702159745662	
Fort Worth TX 76185		
Ard Oil Ltd.	07/31/24	08/12/2024
PO Box 101027,	9589071052702159745655	
Fort Worth TX 76185		
Julian Ard and wife, Mary T. Ard	07/31/24	09/03/2024
4808 Westridge Ave	9589071052702159745778	Return to Sender.
Fort Worth TX 76116		
Mary T. Ard	07/31/24	09/03/2024
4808 Westridge Ave	9589071052702159745907	Return to Sender.
Fort Worth TX 76116		
Chevron USA Inc	07/31/24	08/12/2024
6301 Deauville Blvd	9589071052702159745815	
Midland TX 79706		
EOG Resources	07/31/24	08/08/2024
5509 Champions Dr.	9589071052702159745792	
Midland TX 79706		
Diane L. Henley, Successor Trustee of the	07/31/24	08/20/2024
Delmar Hudson Lewis Living Trust	9589071052702159745808	Return to Sender.
6300 Ridglea Place Suite 1005-A		
Fort Worth TX 76116		
Francis Hill Hudson, Trustee of the Lindy's	07/31/24	08/07/2024
Living Trust uta 7/8/94	9589071052702159745785	
215 W. Bandera Road Suite 114-620		
Boerne TX 78006		
Llano Natural Resources, LLC	07/31/24	08/07/2024
6609 Toledo Ave Suite 2	9589071052702159745761	
Lubbock TX 79414		
Occidental Permian Limited Partnership	07/31/24	08/26/2024
5 Greenwood Plaza Suite 110	9589071052702159745891	Return to Sender.
Houston TX 77046		
PBEX LLC	07/31/24	08/07/2024
223 West Wall Street Suite 900	9589071052702159745884	
Midland TX 79701		

Permian Resources Operating, LLC Case No. 24751 Exhibit C-2

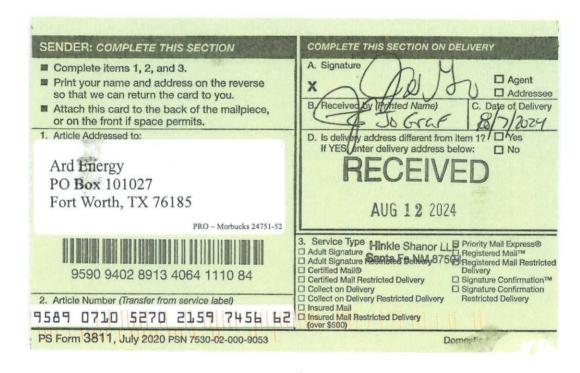
APPLICATIONS OF PERMIAN RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 24751 & 24752

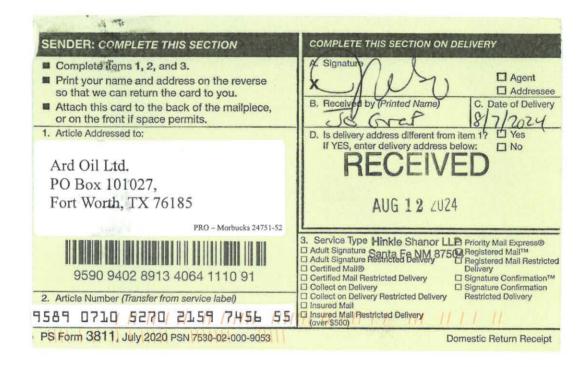
#### **NOTICE LETTER CHART**

Prime Rock Resources	07/31/24	08/07/2024
203 West Wall Suite 1000	9589071052702159745877	
Midland TX 79701		
RKI Exploration & Production, LLC	07/31/24	08/13/2024
3500 One Williams Center	9589071052702159745860	Return to Sender.
Tulsa, OK 74172		
Tandem Oil Company	07/31/24	USPS Tracking on
1543 Corinth Avenue	9589071052702159745853	10/14/2024:
Los Angeles CA 90025		Item in transit.

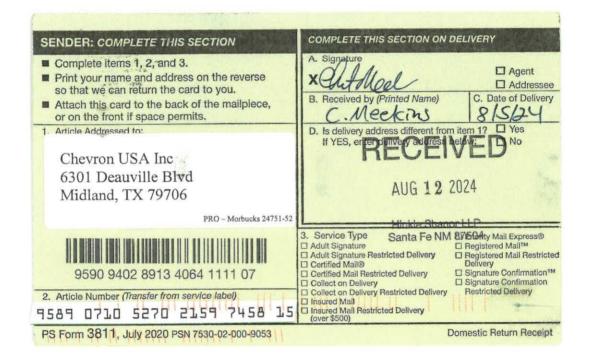




3 PN	<sup>M</sup> U.S. Postal Service <sup>™</sup>	
5.5	CERTIFIED MAIL® RECEIPT	
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5	Fort Worth TX 76185	
П	City, State, Zi PRO - Morbucks 24751-52	
	PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for I	nstructions



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	Street and 6301 Deauville Blvd				
-	Midland, TX 79706	PRO - Morbucks 24751-5	32	*******	







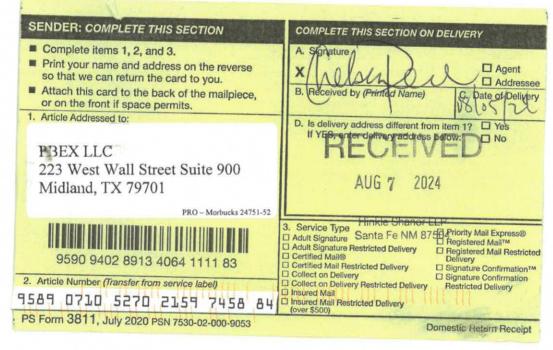


















## HINKLE SHANOR LLP

POST OFFICE BOX 2068 SANTA FE, NEW MEXICO 87504



9589 0710 5270 2159 7457 78



Julian Ard and wife, Mary T. Ard 4808 Westridge Ave Fort Worth, TX 76116

PRO - Morbucks 24751-52

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4 07	U.S. Postal Service™ CERTIFIED MAIL® RECEIPT  Domestic Mail Only				
LT.	For delivery information, visit our website at www.usps.com*.				
74	OFFICIAL	USE			
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1					
=O	Street and Apt. No., or Mary T. Ard 4808 Westridge Ave				
956	Fort Worth, TX 76116	orbucks 24751-52			
	PS Form 3800, January 2023 PSN 7530-02-000-9047	See Reverse for Instructions			

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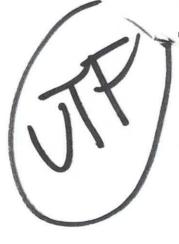
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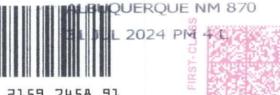
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CARLSBAD CURRENT-ARGUS **PO BOX 507** HUTCHINSON, KS 67504-0507

STATE OF NEW MEXICO SS COUNTY OF EDDY

Account Number: 94

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8030

Description:

Case #24751

Ad Cost:

\$120.71

Nicole Bitton, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

August 8, 2024

That said newspaper was regularly issued and circulated on those dates. SIGNED:

Subscribed to and sworn to me this 8th day of August KELLI METZGER 2024.

NOTARY PUBLIC, STATE OF OHIO MY COMMISSION EXPIRES OCTOBER 19, 2024

Notary Public

My commission expires:

Hinkle Shanor, Llp Pobox 2068 Santa Fe, NM 87504

### LEGAL NOTICE

This is to notify all interested parties, including Ard Energy; Ard Oil Ltd.; Chevron USA Inc; Diane L. Henly, Successor Trustee of the Delmar Hudson Lewis Living Trust; Resources; Francis Hill Hudson Trustee of the Lindy's Living Trust uta 7/8/94; Julian Ard and wife, Mary T. Ard; Llano Natural Resources, LLC; Mary T. Ard; Occidental Permian Limited Partnership; PBEX LLC; Prime Rock Resources; RKI Exploration & Production, LLC; Tandem Oil Company; and their successors assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Permian Resources Operating, LLC (Case No. 24751). The hearing will be conducted on August 22, 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 instructions posted on the OCD Hearings website: https://www. emnrd.nm.gov/ocd/hearing-info/. Permian Resources Op-erating, LLC ("Applicant") erating, LLC ("Applicant") (OGRID No. 372165) applies order pooling uncommitted interests in Bone Spring formation underlying a 280-acre, more or less, standard horizontal spacing unit comprised of the NW/4 SE/4 and N/2 SW/4 of Section 25, and the N/2 S/2 of Section 26, Township 19 South, Range 30 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Morbucks 25-26 Federal Com 123H well ("Well"), which will be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 25, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 26. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of 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 23 miles northeast of Carlsbad, New Mexico.

8030-Published in the Carlsbad Current-Argus on Aug 8, 2024.

> Permian Resources Operating, LLC Case No. 24751 Exhibit C-4