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

APPLICATIONS OF READ & STEVENS, INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NOS. 24941-24942

APPLICATIONS OF READ & STEVENS, INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NOS. 25145-25148

APPLICATIONS OF V-F PETROLEUM INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NOS. 24994-24995 & 25116

APPLICATIONS OF V-F PETROLEUM INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NOS. 25115 & 25117

JOINT MOTION TO AMEND PRE-HEARING ORDER

Read and Stevens, Inc. and Permian Resources Operating, LLC (collectively "Permian") and V-F Petroleum Inc. ("V-F Petroleum") ("Parties") jointly move to amend the Amended Pre-Hearing Order dated December 18, 2024 ("PHO") because additional competing applications have been filed by the Parties, and therefore, the PHO as currently issued accounts for only a portion of the competing lands. The Parties respectfully request that the Division grant this Motion ("Motion") to amend the PHO to add the newly filed competing applications and further request a new contested hearing date in April to allow sufficient time for notice requirements to be met and

accommodate the Division's current availability for contested hearings. In support of this Motion, the Parties state:

- 1. On October 11, 2024, Permian submitted pooling applications under Case Nos. 24941-24942 seeking to pool the First and Second Bone Spring underlying the S/2 N/2 and S/2 of Sections 14 and 15, Township 18 South, and Range 31 East, NMPM, Eddy County ("Permian's Cases under the PHO").
- 2. On December 2, 2024, V-F Petroleum submitted pooling applications in Case Nos. 24994-24995, seeking to pool the entire Bone Spring underlying the N/2 S/2 of Sections 15 and 16, and the S/2 S/2 of Sections 15 and 16, and on December 13, 2024, submitted an application in Case No. 25116, seeking to pool the First and Second Bone Spring underlying the S/2 N/2 of Sections 15 and 16, all in Township 18 South, Range 31 East, Eddy County ("V-F Petroleum's Cases under the PHO").
- 3. V-F Petroleum's Case Nos. 24994-24995 and 25116 compete with Permian's Case Nos. 24941-24942 in the overlapping acreage of Section 15, and the Division issued a Prehearing Order dated November 26, 2024 to include Permian's Cases under the PHO, which was later amended on December 18, 2024, to add V-F Petroleum's Cases under the PHO, and a contested hearing date was set for January 28, 2025.
- 4. On December 13, 2025, V-F Petroleum submitted pooling applications in Case Nos. 25115 and 25117 seeking to pool the Third Bone Spring underlying the N/2 N/2 of Sections 15 and 16 and the Third Bone Spring underlying the S/2 N/2 of Sections 15 and 16, all in Township 18 South, Range 31 East, Eddy County. These two cases did not seek to pool mineral interests that overlap or compete with Permian's Cases under the PHO, and therefore, were not included in the PHO as first amended.

- 5. On January 14, 2025, Permian submitted pooling applications in Case Nos. 25145-25148. Permian's Case No. 25145, seeking to pool the Third Bone Spring in the N/2 N/2 of Sections 14 and 15, competes with V-F Petroleum's Case No. 25115; Permian's Case No. 25146, seeking to pool the Third Bone Spring in the S/2 N/2 of Sections 14 and 15, competes with V-F Petroleum's Case No. 25117; and Permian's Case Nos. 25147 and 25148, seeking to pool the Third Bone Spring underlying the S/2 of Sections 14 and 15, competes with V-F Petroleum's Case Nos. 24994-24995.
- 6. Thus, the contested lands have expanded with the filing of the additional cases to include the N/2 N/2, S/2 N/2, and S/2 of Sections 14, 15, and 16, along with the additional Bone Spring zones, in Township 18 South, Range 31 East ("Subject Lands"), with Section 15 being the focus of the overlapping competing development plans.
- 7. Therefore, to avoid having an incomplete hearing for only a portion of the contested lands, the Parties request that the current PHO be further amended to include Permian's Case Nos. 25145-25148 and V-F Petroleum's Case Nos. 25115 and 25117 so that the Division can efficiently evaluate and adjudicate the entirety of the competing development plans without duplication of hearings.
- 8. To facilitate setting a new contested hearing date, the Parties further request a status conference be set on the January 23, 2025, docket. The Parties seek a date in April to allow for the time requirements for notice to be met for the newly filed cases and to accommodate the Division's current availability for contested hearings. If granted, Permian and V-F Petroleum will file continuances to the January 23, 2025, docket for each of their respective cases.

WHEREFORE, the Parties respectfully request that the Division amend the current PHO as described herein and set the cases for a status conference for the January 23, 2025, docket. A proposed word version of an order granting this motion will be sent to the Division via email.

Respectfully submitted,

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