

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

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

CASE NO. 25156

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

**CASE NOS. 25157
25158
25159**

CONDOLIDATED PRE-HEARING STATEMENT

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

APPLICANT

Permian Resources Operating, LLC

ATTORNEYS

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INTERESTED PARTY

None.

ATTORNEY

STATEMENT OF THE CASES

In **Case No. 25156**, Permian Resources applies for an order pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 480-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of irregular Section 5 and the W/2 W/2 of Sections 8 and 17, Township 22 South, Range 35 East, Lea County, New Mexico.

The unit will be dedicated to the **Casa Bonita 5-17 State Com 301H** well, which will produce from a first take point in Lot 4 (NW/4 NW/4 equivalent) of Section 5 to a last take point in the SW/4 SW/4 (Unit M) of Section 17.

A depth severance exists in the Bone Spring Formation within the unit. Accordingly, Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,522' TVD as observed on the San Simon 5 State #002 well log (API No. 30-025-28480). The unit will partially overlap with the spacing unit for the Casa Bonita 32 State Com #121H (API No. 30-025-52199), which produces from the WC-025 G-07 S223505N; Bone Spring pool (Code 98136), and the spacing units for the Antler 17 State 1BS #002H (API No. 30-025-44142) and Antler 17 State 2BS #003H (API No. 30-025-44143), which produce from the Rock Lake; Bone Spring pool (Code 52766).

In **Case No. 25157**, Permian Resources applies for an order pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard, overlapping, horizontal spacing unit comprised of the E/2 W/2 of irregular Section 5 and the E/2 W/2 of Section 8, Township 22 South, Range 35 East, Lea County, New Mexico. The unit will be dedicated to the **Casa Bonita 5-8 State Com 302H** well, which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section 5 to a last take point in the SE/4 SW/4 (Unit N) of Section 8.

A depth severance exists in the Bone Spring Formation within the unit. Accordingly, Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,522' TVD as observed on the San Simon 5 State #002 well log (API No. 30-025- 28480). The unit will

partially overlap with the spacing unit for the Butter Stoch 17 State Com #122H well (API No. 30-025-52196), which produces from the WC-025 G-07 S223505N, Bone Spring (Code 98136) and Rock Lake; Bone Spring (Code 52766) pools.

In **Case No. 25158**, Permian Resources applies for an order pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 480-acre, more or less, standard, overlapping horizontal spacing unit comprised of the W/2 E/2 of irregular Section 5 and the W/2 E/2 of Sections 8 and 17, Township 22 South, Range 35 East, Lea County, New Mexico. The unit will be dedicated to the **Casa Bonita 5-17 State Com 303H** well, which will produce from a first take point in the NW/4 NE/4 (Unit B) of Section 5 to a last take point in the SW/4 SE/4 (Unit O) of Section 17. The completed interval of the well will be orthodox.

A depth severance exists in the Bone Spring Formation within the unit. Accordingly, Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,522' TVD as observed on the San Simon 5 State #002 well log (API No. 30-025- 28480). The unit will partially overlap with the spacing units for the Casa Bonita 8 State Com #123H (API No. 30-025- 52486) and the Butter Stoch 8 State Com #123H (API No. 30-025- 52484) wells, which produce from the WC-025 G-07 S223505N Pool (Code 98136).

In **Case No. 25159**, Permian Resources applies for an order pooling all uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying a 480-acre, more or less, standard, overlapping horizontal spacing unit comprised of the E/2 E/2 of irregular Section 5 and the E/2 E/2 of Sections 8 and 17, Township 22 South, Range 35 East, Lea County, New Mexico. The unit will be dedicated to the **Casa Bonita 5-17 State Com 304H** well, which

will produce from a first take point in the NE/4 NE/4 (Unit A) of Section 5 to a last take point in the SE/4 SE/4 (Unit P) of Section 17.

A depth severance exists in the Bone Spring Formation within the unit. Accordingly, Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,522' TVD as observed on the San Simon 5 State #002 well log (API No. 30-025-28480). The unit will partially overlap with the spacing units for the Casa Bonita 8 State Com #124H (API No. 30-025-52487) and the Butter Stoch 8 State Com #124H (API No. 30-025-52485) wells, which produce from the WC-025 G-07 S223505N pool (Code 98136).

The completed intervals of the Casa Bonita wells will be orthodox. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Reagan Armstrong	Landman	Affidavit	Approx. 5
Chris Reudelhuber	Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

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

Respectfully submitted,

HINKLE SHANOR LLP

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

QUESTIONS

Action 428025

QUESTIONS

Operator: Permian Resources Operating, LLC 300 N. Marienfeld St Ste 1000 Midland, TX 79701	OGRID: 372165
	Action Number: 428025
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>