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

APPLICATION OF PERMIAN RESOURCES OPERATING, LLC TO AMEND ORDER R-21096, AS AMENDED, TO ADD ADDITIONAL POOLED PARTIES, EDDY COUNTY, NEW MEXICO.

> CASE NO. ____ ORDER NO. R-21096, As Amended

APPLICATION

Permian Resources Operating, LLC ("Permian" or "Applicant") (OGRID No. 372165) through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, to add additional mineral owners under compulsory pooling Order No. R-21096, as amended ("Pooling Order"). In support of its application, Applicant states:

1. On May 30, 2024, the Division entered Order No. R-21096-E in Case No. 24340, amending the underlying order to extend the time to drill and add additional wells under the order. The underlying order, Order No. R-21069 in Case No. 20762, pooled the uncommitted interest owners in the Wolfcamp formation (Purple Sage Wolfcamp (Gas) [98220]) underlying a standard 1,267.1-acre, more or less, horizontal well spacing unit comprised of all of Section 12, Township 22 South, Range 26 East, and all of irregular Section 7, Township 22 South, Range 27 East, NMPM, Eddy County, NMPM, New Mexico. Permian is the designated operator under the Pooling Order, as amended, and the pooled spacing unit is initially dedicated to the Caveman 221H (API: 30-015-PENDING), Caveman 224H (API: 30-015-PENDING), Caveman 224H (API: 30-015-PENDING), Caveman 423H (API: 30-015-PENDING), Caveman 423H (API: 30-015-PENDING).

- 2. Applicant requests that Order No. R-21096, as amended, be re-opened and amended to add additional pooled parties under the Pooling Order.
- 3. Applicant has discovered additional mineral owners in the pooled acreage that were not subject to the pooling proceedings giving rise to Order No. R-21096, as amended.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from these additional mineral owners.
- 5. WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 13, 2025, and, after notice and hearing as required by law, the Division enter an order placing these additional mineral owners under the terms of Order No. R-21096, as amended.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert Adam G. Rankin Paula M. Vance Post Office Box 2208

Santa Fe, NM 87504

505-988-4421

505-983-6043 Facsimile

mfeldewert@hollandhart.com

agrankin@hollandhart.com

pmvance@hollandhart.com

ATTORNEYS FOR PERMIAN RESOURCES OPERATING, LLC

CASE :

Application of Permian Resources Operating, LLC to Amend Order R-21096, As Amended, to Add Additional Pooled Parties, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order to add additional mineral owners under compulsory pooling Order No. R-21096, as amended. Order No. R-21069, as amended, pooled the uncommitted interest owners in the Wolfcamp formation (Purple Sage Wolfcamp (Gas) [98220]) underlying a standard 1,267.1-acre, more or less, horizontal well spacing unit comprised of all of Section 12, Township 22 South, Range 26 East, and all of irregular Section 7, Township 22 South, Range 27 East, NMPM, Eddy County, NMPM, New Mexico. Permian is the designated operator under the Pooling Order, as amended, and the pooled spacing unit is initially dedicated to the Caveman 221H (API: 30-015-PENDING), to be drilled from a surface hole location in the SW/4 NW/4 (Unit E) of Section 8, T22S-R27E, and bottomhole location in the NW/4 NW/4 (Unit D), T22S-R26E; Caveman 222H (API: 30-015-53285), to be drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 8, T22S-R27E, and bottomhole location in the SW/4 NW/4 (Unit E), T22S-R26E; Caveman 223H (API: 30-015-53280) and Caveman 423H (API: 30-015-PENDING), to be drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 8, T22S-R27E, and bottomhole location in the NW/4 SW/4 (Unit L), T22S-R26E; Caveman 224H (API: 30-015-PENDING) and Caveman 424H (API: 30-015-PENDING), to be drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 8, T22S-R27E, and bottomhole location in the SW/4 SW/4 (Unit M), T22S-R26E; and Caveman 421H (API: 30-015-PENDING), to be drilled from a surface hole location in the SW/4 NW/4 (Unit E) of Section 8, T22S-R27E, and bottomhole location in the SW/4 NW/4 (Unit E), T22S-R26E. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said wells. Portions of said area are located within the city limits of Carlsbad, New Mexico.