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

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

CASE NO. 24963

PERMIAN RESOURCES OPERATING, LLC'S *REVISED* PRE-HEARING <u>STATEMENT</u>

Permian Resources Operating, LLC ("Permian" or "Applicant"), the applicant in the

above-referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil

Conservation Division.

APPEARANCES

APPLICANT

Permian Resources Operating, LLC ("Permian")

ATTORNEY

Michael H. Feldewert Adam G. Rankin Paula M. Vance Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile

OTHER PARTIES

American Energy Resources, LLC ("AER")

Jonathan Samaniego P.O. BOX 114 Hagerman, NM 88232

APPLICANT'S STATEMENT OF THE CASE

Under **Case No. 24963**, Permian seeks an order pooling a portion of the Bone Spring formation (Laguna Salado; Bone Spring [96721]), underlying a standard 633.57-acre, more or less, horizontal well spacing unit comprised of the S/2 of Section 12, Township 22 South, Range 26 East, and Lots 3-4, E/2 SW/4 and SE/4 (S/2 equivalent) of irregular Section 7, Township 22 South,

Range 27 East, NMPM, Eddy County, New Mexico, and initially dedicate the unit to the proposed **Caveman 134H** well, to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 8, T22S-R27E, with a first take point in the SE/4 SE/4 (Unit P) of irregular Section 7, T22S-R27E, and a last take point in the SW/4 SW/4 (Unit M) of Section 12, T22S-R26E.

The completed interval of the **Caveman 134H** is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.

The completed interval for the well will comply with statewide setbacks for oil wells. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.

American Energy Resources, LLC ("AER") has filed an entry of appearance and objection to Permian's application. AER claims that it filed a competing application, but Permian has not received a proposal or notice of any competing application filed by AER or Jonathan Samaniego for the subject acreage. Further, based on a review of the Division's docket, it does not appear that any competing application has been filed by AER or Jonathan Samaniego for the subject acreage.

Permian is pooling AER and Jonathan Samaniego out of an abundance of caution; however, based on a recent title opinion by Permian regarding AER and Jonathan Samaniego's alleged interest, it appears that neither owns an interest in Permian's proposed spacing unit because the Quitclaim Deed from which AER/Jonathan Samaniego claim an interest is void and of no effect.

APPLICANT'S PROPOSED EVIDENCE

WITNESS
Name and ExpertiseESTIMATED TIMEEXHIBITSCollin Christian, LandmanSelf-Affirmed StatementApprox. 4

Tyler Chesworth, Geologist

Self-Affirmed Statement

Approx. 4

PROCEDURAL MATTERS

Permian reserves the right to call these or other witnesses to address issues that arise with

the filing of additional information or at the hearing.

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

CERTIFICATE OF SERVICE

I hereby certify that on February 26, 2025, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

Jonathan Samaniego P.O. Box 114 Hagerman, NM 88232 energy.jrs@gmail.com

Representative of American Energy Resources, LLC

Paula M. Vance

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

QUESTIONS

Page 5 of 5

Action 435430

QUESTIONS OGRID

Operator:	OGRID:
Permian Resources Operating, LLC	372165
300 N. Marienfeld St Ste 1000	Action Number:
Midland, TX 79701	435430
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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