

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

**APPLICATION OF PERMIAN RESOURCES
OPERATING, LLC FOR COMPULSORY
POOLING AND APPROVAL OF OVERLAPPING
SPACING UNIT, LEA COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Pursuant to NMSA § 70-2-17, Permian Resources Operating, LLC (OGRID No. 372165) (“Permian Resources” or “Applicant”) 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 E/2 of Sections 27 and 22, Township 22 South, Range 35 East, Lea 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 **Bridge State Unit 27 304H** well (“Well”), which will be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 27 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 22.
3. The completed interval of the Well will be orthodox.
4. A depth severance exists 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 10,122’ TVD, as observed on the Northern AKQ State #1 well log (API No. 30-025-25443).
5. The Unit will overlap with the Bridge State Unit 27 504H (API No. 30-025-54230) well, which produces from the Rock Lake; Bone Spring Pool (Code 52766).

6. 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.

7. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

8. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying 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 January 8, 2026, 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 Permian Resources Operating, LLC as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Permian Resources Operating, LLC 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 Permian Resources Operating, LLC in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.

Respectfully submitted,

HARDY McLEAN LLC

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