

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

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

CASE NO. _____

APPLICATION

Pursuant to NMSA 1978, Section 70-2-17, Permian Resources Operating, LLC (OGRID No. 372165) (“Permian Resources” or “Applicant”) applies for an order pooling all uncommitted interests in the Second Bone Spring Interval of the Bone Spring formation underlying a 480-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Section 15, and N/2 N/2 of Section 16, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”). In support of this application, Permian Resources 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 **Fosters 16-15 Fed Com 131H** j-turn well (“Well”), which will produce from a first take point in the NW/4 NW/4 (Unit D) of Section 16 to a last take point in the SW/4 NW/4 (Unit E) of Section 15.
3. The completed interval of the Well will be orthodox.
4. Applicant seeks to pool only those uncommitted interests from the top of the Second Bone Spring Interval of the Bone Spring Formation, at a stratigraphic equivalent of approximately 6,591’ TVD, to the base of the Second Bone Spring Interval, at a stratigraphic equivalent of approximately 7,543’ TVD, as shown on the Oxy Bulldog State #1 (API No. 30-015-2934) well log.

5. 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.

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

7. 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 as the operator of the Well and Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 4, 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 Applicant as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Applicant 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 rated pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty for the risk assumed by Applicant 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

/s/ Jaclyn M. McLean

Dana S. Hardy

Jaclyn M. McLean

Yarithza Peña

125 Lincoln Ave, Ste. 223

Santa Fe, NM 87501

Phone: (505) 230-4410

dhardy@hardymclean.com

jmclean@hardymclean.com

ypena@hardymclean.com

ATTORNEYS FOR PERMIAN RESOURCES
OPERATING, LLC