

**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,
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 Bone Spring formation underlying a 950.68-acre, more or less, standard, overlapping horizontal spacing unit comprised of the N/2 of Sections 28 and 29, and the NE/4, E/2 NW/4 and Lots 1 and 2 (N/2 equivalent) of irregular Section 30, Township 18 South, Range 31 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 following wells (“Wells”):
 - a. **Barbaro 28-30 Fed Com #1H**, which will be drilled from a surface hole location in the SE/4 NE/4 (Unit H) of Section 28 to a bottom hole location in Lot 1 (NW/4 NW/4 equivalent) of irregular Section 30; and
 - b. **Barbaro 28-30 Fed Com #2H**, which will be drilled from a surface hole location in the SE/4 NE/4 (Unit H) of Section 28 to a bottom hole location in Lot 2 (SW/4 NW/4 equivalent) of irregular Section 30.
3. The completed intervals of the Wells will be orthodox.

4. The completed interval of the Barbaro 28-30 Fed Com #1H well will be located within 330' of the quarter-quarter section line separating the N/2 N/2 from the S/2 N/2 of Sections 28 and 29, and the N/2 NE/4, the NE/2 NW/4 and Lot 1 from the S/2 NE/4, the SE/4 NW/4 and Lot 2 of irregular Section 30 to allow for the creation of a standard 950.68-acre horizontal spacing unit.

5. The spacing unit for the Wells will partially overlap with the following wells that produce from the Shugart; Bone Spring Pool (Code 56400):

- a. Long John 29-30 Fed Com 121H (API No. 30-015-55211) located in in the N/2 N/2 equivalent of irregular Section 30 and the N/2 NW/4 of Section 29, Township 18 South, Range 31 East;
- b. Long John 29-30 Fed Com 122H (API No. 30-015-55232) located in the S/2 N/2 of Section 28 and the S/2 NE/4 of Section 29, Township 18 South, Range 31 East;
- c. Silver 29-28 Fed Com 121H (API No. 30-015-55231) located in in the N/2 N/2 equivalent of irregular Section 30 and the N/2 NW/4 of Section 29, Township 18 South, Range 31 East;
- d. Silver 29-28 Fed Com 122H (API No. 30-015-55253) located in the N/2 N/2 of Section 28 and the N/2 NE/4 of Section 29, Township 18 South, Range 31 East;
and
- e. Silver 29-28 Fed Com 141H (API No. 30-015-55230) located in the S/2 N/2 equivalent of irregular Section 30 and the S/2 NW/4 of Section 29, Township 18 South, Range 31 East.

6. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Wells, 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 as the operator of the Wells and Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 6, 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 Wells in the Unit;
- C. Designating Applicant as operator of the Unit and the Wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the Wells;
- 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% penalty for the risk assumed by Applicant in drilling and completing the Wells against any working interest owner who does not voluntarily participate in the drilling of the Wells.

Respectfully submitted,

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