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

APPLICATION OF PERMIAN RESOURCES OPERATING, LLC TO AMEND ORDER R-22689, LEA COUNTY, NEW MEXICO

CASE NO. 24030 ORDER NO. R-22689-A

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on December 21, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. On May 25, 2023, OCD issued Order R-22689 to Permian Resources Operating, LLC ("Operator") to pool the uncommitted oil and gas interests within the specified spacing unit.
- 2. Subsequent to the above Order, Operator reeveluated its development plan.
- 3. Operator now seeks to amend Order R-22689 to contract the pooled vertical extent to be only the Second Bone Spring interval, more specifically at a stratigraphic equivalent of 10,010 feet measured depth to 10,395 feet measured depth as defined on the Type log recorded in the New Mexico DA State #001 Well (API 30-025-27360).
- 4. Operator provided evidence that it gave notice of the Application and the hearing to the previously pooled interest owners.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well to a common source of supply at the depth and location in the Unit described in Exhibit A.

11. This Order affords to each owner of an uncommitted interest the opportunity to produce its just and equitable share of the oil or gas in the pool.

ORDER

- 12. Order R-22689 is hereby amended to contract the previously pooled vertical extent to now be the Second Bone Spring interval, more specifically at a stratigraphic equivalent of 10,010 feet measured depth to 10,395 feet measured depth as defined on the Type log recorded in the New Mexico DA State #001 Well (API 30-025-27360).
- 13. Order R-22689, shall remain in full force and effect.
- 14. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

DYLAN MET GE DIRECTOR (ACTING) DMF/hat Date: <u>3/27/2024</u>