

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

**APPLICATIONS OF CIMAREX ENERGY CO.
FOR A HORIZONTAL SPACING UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NOS. 23448-23455

**APPLICATIONS OF CIMAREX ENERGY CO.
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NOS. 23594-23601

**APPLICATIONS OF READ & STEVENS, INC.
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

**CASE NOS. 23508-23523
ORDER NO. R-23089-A**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner from August 9, 2024, through August 11, 2024, and after considering the testimony, evidence, and recommendation of the Hearing and Technical Examiners, issues the following Order.

FINDINGS OF FACT

1. These cases involve competing compulsorily pooling applications with overlapping horizontal spacing units filed by Cimarex Energy Co. (“Cimarex”) and Read & Stevens, Inc (“Read”). These cases were consolidated for hearing and a single order is being issued for the consolidated cases.
2. Both Cimarex and Read have the right to drill within the proposed spacing units, and each seeks to be named operator of its proposed wells and spacing units.
3. Read submitted sixteen (16) applications under case numbers 23508 to 23523, each of which is to compulsorily pool the uncommitted oil and gas interests in either the Bone Spring or Wolfcamp formation. Together these cases are comprised of approximately 2,562.40 acres, described as (“Subject Lands”):

Township 20 South, Range 34 East, N.M.P.M.
Section 4: Lots 1, 2, 3, 4, S/2N/2, S/2 (a/k/a All)
Section 5: Lots 1, 2, 3, 4, S/2N/2, S/2 (a/k/a All)
Section 8: All
Section 9: All

4. Cimarex submitted sixteen (16) applications under case numbers 23448 to 23455 and 23594 to 23601 to compulsorily pool the uncommitted oil and gas interests in

- the Bone Spring and Wolfcamp formations, underlying the Subject Lands as previously described.
5. Read proposes to dedicate to the Subject Lands, two well families known as the Bane and Joker wells..
 6. Cimarex proposes to dedicate to the Subject Lands two well families known as the Might Pheasant and Loosey Goosey wells.
 7. Read's and Cimarex's proposed wells are all two-mile horizontal wells.
 8. Read presented four witnesses in support of its applications:
 - a. Travis Macha, Landman
 - b. Ira Bradford, Geologist
 - c. John Fechtel, Reservoir Engineer
 - d. Davro Clements, Facilities Engineer
 9. Cimarex presented four witnesses in support of its applications:
 - a. John Coffman, Landman
 - b. Staci Meuller, Geologist
 - c. Eddie Behm, Reservoir Engineer
 - d. Calvin Boyle, Facilities Engineer
 10. Read stated in its closing argument that it would elect to dismiss some wells in order to alleviate Cimarex's claim that Read was not comparing "apples-to-apples" with Cimarex (see Read's closing statement page 9). However, OCD will not be dismissing these wells and will be evaluating the Applications as they were presented at the hearing.
 11. The Oil and Gas Act authorizes OCD to compulsory pool the lands or interests in a spacing unit. When the owners of the interests in a spacing unit have not agreed to voluntarily pool their interests, and when one owner, who has the right to drill, applies to OCD, OCD can pool the lands or interests in the unit "to avoid the drilling of unnecessary wells or to protect correlative rights, or to prevent waste". Section 70-2-17.C.
 12. The Oil Conservation Commission ("Commission") and OCD have developed several factors they "may consider" in evaluating competing compulsory pooling applications which are listed as follows:
 - a. A comparison of geologic evidence presented by each party as it relates to the proposed well location and the potential of each proposed prospect to efficiently recover the oil and gas reserves underlying the property.
 - b. A comparison of the risk associated with the parties' respective proposal for the exploration and development of the property.
 - c. A review of the negotiations between the competing parties prior to the applications to force pool to determine if there was a "good faith" effort.
 - d. A comparison of the ability of each party to prudently operate the property and, thereby, prevent waste.

- e. A comparison of the differences in well cost estimates (AFEs) and other operational costs presented by each party for their respective proposals.
- f. An evaluation of the mineral interest ownership held by each party at the time the application was heard
- g. A comparison of the ability of the applicants to timely locate well sites and to operate on the surface (the "surface factor").

Geological Evidence:

- 13. Cimarex and Read both acknowledged that wells completed in the Third Bone Spring Sand and Upper Wolfcamp will share production from both the Bone Spring and Wolfcamp formations.
- 14. Cimarex's Geologist testified (when discussing the lack of frac barrier between the third Bone Spring Sand and the Wolfcamp) that the Third Bone Spring Sand is at least 72.8% of the total reservoir, while the Wolfcamp Sands are 27.2% of the total reservoir.
- 15. On April 8, 2024, OCD issued Order R-23089 denying both applications except insofar as either applicant or both applicants choose to propose a special pool, a Wolf bone pool, that would account for the lack of frac baffles between the Bone Spring and Wolfcamp formations in this area. The record was left open for such a proposal and will prompt a reopening of the hearing record on both applications.
- 16. OCD issued Order R-23751 establishing the Quail Ridge, Wolfbone Pool, (Pool Code 98396), therefore prompting a reopening of these applications.
- 17. Read's Geologist testified that Read has drilled a pilot hole on the Batman No. 132H (southwest of the Subject Lands) through the Penn Shale and collected a full log suite and sidewall cores to characterize the existing and future targets. Testimony also included that Read has purchased thirty-six square miles of 3D seismic which includes the Subject Lands to aid in a fulsome subsurface understanding.
- 18. Read's Landman testified that Read plans to develop the Subject Lands as part of a comprehensive development plan that includes Read's Riddler Bone Spring and Wolfcamp spacing units in Sections 3 and 10, which are approved under Order Nos. R-22748 and R-22754 and Read's Batman and Robin Bone Spring and Wolfcamp spacing units, which are approved under Order Nos. R-22277, R-22284, R-22319, and R-22326, respectively. (Read exhibit C-14).
- 19. Cimarex's Landman testified that Cimarex is attempting to establish a Federal Bone Spring Unit consisting of 14 sections just to the North of the Subject Lands (Cimarex Exhibit A-7) which will allow all Bone Spring wells to have a central facility, and the Wolfcamp wells will require commingling permits or a separate facility.

20. OCD finds that both the Applicants are attempting to develop the Subject Lands as part of a larger development plan and neither party found any faulting, pinch outs, or other geologic impediments that would impede production. OCD further finds that Read has taken additional steps in securing knowledge of the geology of the Subject Lands.

Risk and Development:

21. Read's Reservoir Engineer testified that co-development of the Wolfbone (Third Bone Spring Sand and the Wolfcamp A) is necessary to recover incremental reserves (see Read's exhibit K) that would otherwise risk being left unproduced if the acreage was only developed with wells in the Third Bone Spring Sand portion of the Wolfbone. Testimony further included that undeveloped reserves would harm correlative rights of owners who own a greater share of interest in the Wolfcamp or own only interest in the Wolfcamp.
22. Cimarex's Reservoir Engineer testified that Read's development plan would raise operator expense due to drilling additional wells and produce negligible additional reserves.
23. OCD finds Read's proposal will result in a higher recovery of hydrocarbons and will produce the Wolfcamp portion of the Wolfbone which will prevent waste and protect the correlative rights of the interest owners who own interest in the Wolfcamp portion.

Negotiations:

24. Cimarex and Read each presented testimony and exhibits on their efforts to negotiate with the interest owners and included a chronology of contact with the interest owners (see Read exhibit C-11, and Cimarex exhibit A-4).
25. OCD finds each Applicant made effort to negotiate with each party in the Subject Lands as each party gained support from various interest owners.

Prudent of Operator:

26. Cimarex's Facilities Engineer testified that Cimarex is taking steps to minimize its environmental impact. Testimony also included that Cimarex would utilize the "best-in-class" capture technology and operations, and has secured proposals for oil, water, and gas takeaway using such technology.
27. Read's Facilities Engineer testified that Read is taking steps to minimize its environmental impact. Testimony also included that Read would utilize "innovative" technology and operations. At the time of the Hearing, Read had secured water takeaway and was in discussions with multiple companies for oil and gas takeaway.

28. OCD finds that both Applicants are active operators in the Permian Basin and both Applicants are taking prudent steps to minimize surface and environmental impact.

Comparison of Cost:

29. Cimarex and Read, both, propose a 200% risk charge.
30. Cimarex and Read, both, propose a supervision cost of \$8,000 per month while drilling and \$800 per month while producing.
31. Cimarex's applications have an associated total cost of just over \$283 million, with each individual well's cost ranging from \$9.7 million to \$10.6 million.
32. Read's applications have an associated total cost of just over \$539 million, with each individual well's cost ranging from \$10.7 million to \$11.9 million.
33. OCD finds Cimarex's total development cost is lower than Read's total development cost. However, under Order R-10731-B, differences in cost estimates "are not significant factors in awarding operations and have only minor significance in evaluating an operator's ability to prudently operate the property". ¶23(j).

Working Interest:

34. The ownership interest in the Bone Spring and Wolfcamp formations underlying the Subject Lands are not uniform. There is a difference in the percentage of ownership between the formations and in some circumstances the owners are different between the formations.
35. In the Bone Spring formation underlying the Subject Lands Read owns 29.31% interest and Cimarex owns 29.12% interest. In the Wolfcamp formation underlying the Subject Lands Read owns 33.29% interest and Cimarex owns 21.63% interest.
36. At the time of the hearing, when including working interest support Read owns 34.18% in the Bone Spring formation and 39.48% in the Wolfcamp underlying the Subject Lands, while Cimarex owns 50.23% in the Bone Spring and 41.8% in the Wolfcamp underlying the Subject Lands.
37. OCD finds the differences between Cimarex's and Read's working interest control are not very significant and that makes it difficult to use working interest control as the deciding factor in this case. The gap between the parties is either around 2% or 16% in the various formations. In cases where working interest control has been the deciding factor, the differences were quite clear. In two OCD orders, one case had one party with a 96% interest in its proposed unit and a 50% interest in the competing unit, while in the other case, one party had at least a 62.5% interest (and therefore a 25% greater interest) in each of 4 proposed units. *COG Operating LLC*, R-21826, Aug. 31, 2021; *Matador Production Company*, R-21800, Aug. 26, 2021.

Surface Factor:

38. For competing horizontal well proposals, OCD added consideration of the “surface factor”: a comparison of the ability of the applicants to timely locate well sites and to operate on the surface. *Ascent Energy, LLC*, Order R-14847 ¶26 (Aug. 31, 2018). The Commission has now included the surface factor in its list of factors. See, e.g., Order R-21420-A.
39. Cimarex’s Facilities Engineer testified that Cimarex’s development plan of the Subject Lands will consist of 33.9 acres of surface disturbance.
40. Read’s Facilities Engineer testified that Read’s development plan of the Subject Lands will consist of 30.9 acres of surface disturbance
41. Cimarex’s Facility Engineer testified that Cimarex has obtained drilling permits for the Subject Lands, and conducted an onsite inspection with the BLM to confirm its locations.
42. Read’s Facility Engineer testified that Read has coordinated with and received on-site approval from the BLM for its locations. Testimony further discussed that Read met with the BLM and the Center of Excellence (“CEHMM”) on locations to coordinate use of existing roads and right-of-way corridors to produce the area and to avoid disturbance of critical sand dune wildlife habitats like the Dunes Sagebrush Lizard.
43. OCD finds both Cimarex and Read have taken steps with the BLM to obtain approval to operate the Subject Lands. In addition, Read had met with the CEHMM and Read’s plan will result in three (3) acres less surface impact.

Conclusion:

44. OCD finds Read’s proposal will result in a higher recovery of hydrocarbons and will produce the Wolfcamp portion of the Wolfbone which will prevent waste and protect the correlative rights of the interest owners who own interest in the Wolfcamp portion.
45. Read will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Subject Lands.
46. Read proposes the supervision and risk charges for the Well(s) described in Exhibit A.
47. Read identified the owners of uncommitted interests in oil and gas minerals in the Subject Lands and provided evidence that notice was given.

CONCLUSIONS OF LAW

48. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.

49. Read is the owner of an oil and gas working interest within the Subject Lands.
50. Read satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
51. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
52. Read has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
53. The Subject Lands contains separately owned uncommitted interests in oil and gas minerals.
54. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Subject Lands.
55. The pooling of uncommitted interests in the Subject Lands will prevent waste and protect correlative rights.
56. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

57. The uncommitted interests in each Unit within the Subject Lands are pooled as set forth in Exhibit A.
58. The Units within the Subject Lands shall be dedicated to the Well(s) set forth in Exhibit A.
59. Read is designated as operator of each Unit within the Subject Lands and the Well(s).
60. Cimarex's Applications are hereby denied.
61. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Read shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
62. If an Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Read shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
63. Read shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.

64. This Order shall terminate automatically if Read fails to comply with the preceding paragraph unless Read requests an extension by notifying the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the extension is automatically granted up to one year. If a protest is received the extension is not granted and Read must set the case for a hearing.
65. Read may propose reasonable deviations from the development plan via notice to OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the deviation is automatically granted. If a protest is received the deviation is not granted and Read must set the case for a hearing.
66. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
67. Read shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
68. Read shall submit the Estimated Well Costs no sooner than 60 days before the commencement of the drilling of each initial well, and the owner of a Pooled Working Interest shall have 30 days upon receipt of the Estimated Well Costs to elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Read no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
69. No later than one hundred eighty (180) days after Read submits a Form C-105 for a well, Read shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
70. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Read its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Read shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.

71. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
72. No later than within ninety (90) days after Read submits a Form C-105 for a well, Read shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
73. Read may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
74. Read may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
75. Read shall distribute a proportionate share of the costs and charges withheld pursuant to the preceding paragraph to each Pooled Working Interest that paid its share of the Estimated Well Costs.
76. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Read shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
77. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
78. Except as provided above, Read shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*

79. A Unit in the Subject Land shall terminate if (a) the owners of all Pooled Working Interests in that Unit reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Read shall inform OCD no later than thirty (30) days after such occurrence.
80. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



GERASIMOS RAZATOS
DIRECTOR (Acting)
GR/jag


Date: 4/1/2025

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23508	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Bane
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.21-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 4 and the W/2 W/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> <u>is approval of non-standard unit requested in this application?</u>	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-9
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Read & Stevens, Inc.
Hearing Date: July 20, 2023
Case No. 23508

	Bane 4-9 Fed Com 111H: SHL: 628' FNL, 1,071' FWL (Lot 4) of Section 4 BHL: 10' FSL, 330' FWL (Unit M) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #2	Bane 4-9 Fed Com 121H: SHL: 628' FNL, 1,137' FWL (Lot 4) of Section 4 BHL: 10' FSL, 330' FWL (Unit M) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #3	Bane 4-9 Fed Com 122H: SHL: 628' FNL, 1,170' FWL (Lot 4) of Section 4 BHL: 10' FSL, 990' FWL (Unit M) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #4	Bane 4-9 Fed Com 171H: SHL: 498' FNL, 1,070' FWL (Lot 4) of Section 4 BHL: 10' FSL, 990' FWL (Unit M) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #5	Bane 4-9 Fed Com 131H: SHL: 498' FNL, 1,103' FWL (Lot 4) of Section 4 BHL: 10' FSL, 330' FWL (Unit M) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3, C-5, C-6, C-7, C-9


If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-10
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-9
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11
Overhead Rates In Proposal Letter	Exhibit C-10
Cost Estimate to Drill and Complete	Exhibit C-10
Cost Estimate to Equip Well	Exhibit C-10
Cost Estimate for Production Facilities	Exhibit C-10
Geology	
Summary (including special considerations)	Exhibit E
Spacing Unit Schematic	Exhibit E-8
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-14
Well Orientation (with rationale)	Exhibit E
Target Formation	Exhibit E, E-13
HSU Cross Section	Exhibit E-13
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3, C-5, C-6, C-7, C-9
General Location Map (including basin)	Exhibit E-1
Well Bore Location Map	Exhibit E-8
Structure Contour Map - Subsea Depth	Exhibit E-9, E-10, E-11, E-12
Cross Section Location Map (including wells)	Exhibit E-9, E-10, E-11, E-12
Cross Section (including Landing Zone)	Exhibit C-13
Additional Information	
Special Provisions/Stipulations	See Exhibit C, para. 25
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	7/13/2023

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

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Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
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Well Family	Bane
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.44-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 4 and the E/2 W/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> <u>is approval of non-standard unit requested in this application?</u>	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-9
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Read & Stevens, Inc.
Hearing Date: July 20, 2023
Case No. 23509

	Bane 4-9 Fed Com 112H: SHL: 628' FNL, 1,104' FWL (Lot 4) of Section 4 BHL: 10' FSL, 1,650' FWL (Unit N) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #2	Bane 4-9 Fed Com 123H: SHL: 628' FNL, 1,203' FWL (Lot 4) of Section 4 BHL: 10' FSL, 1,650' FWL (Unit N) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #3	Bane 4-9 Fed Com 124H: SHL: 628' FNL, 1,236' FWL (Lot 4) of Section 4 BHL: 10' FSL, 2,310' FWL (Unit N) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #4	Bane 4-9 Fed Com 172H: SHL: 498' FNL, 1,235' FWL (Lot 4) of Section 4 BHL: 10' FSL, 2,310' FWL (Unit N) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #5	Bane 4-9 Fed Com 132H: SHL: 498' FNL, 1,169' FWL (Lot 4) of Section 4 BHL: 10' FSL, 1,650' FWL (Unit N) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3, C-5, C-6, C-7, C-9

If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-10
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-9
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11
Overhead Rates In Proposal Letter	Exhibit C-10
Cost Estimate to Drill and Complete	Exhibit C-10
Cost Estimate to Equip Well	Exhibit C-10
Cost Estimate for Production Facilities	Exhibit C-10
Geology	
Summary (including special considerations)	Exhibit E
Spacing Unit Schematic	Exhibit E-8
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-14
Well Orientation (with rationale)	Exhibit E
Target Formation	Exhibit E, E-13
HSU Cross Section	Exhibit E-13
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3, C-5, C-6, C-7, C-9
General Location Map (including basin)	Exhibit E-1
Well Bore Location Map	Exhibit E-8
Structure Contour Map - Subsea Depth	Exhibit E-9, E-10, E-11, E-12
Cross Section Location Map (including wells)	Exhibit E-9, E-10, E-11, E-12
Cross Section (including Landing Zone)	Exhibit C-13
Additional Information	
Special Provisions/Stipulations	See Exhibit C, para. 25
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	7/13/2023

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23510	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Bane
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.66-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 4 and the W/2 E/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> <u>is approval of non-standard unit requested in this application?</u>	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-9
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Read & Stevens, Inc.
Hearing Date: July 20, 2023
Case No. 23510

	<u>Bane 4-9 Fed Com 113H:</u> SHL: 1,017' FNL, 1,586' FEL (Lot 2) of Section 4 BHL: 10' FSL, 2,310' FEL (Unit O) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #2	<u>Bane 4-9 Fed Com 125H:</u> SHL: 1,082' FNL, 1,591' FEL (Lot 2) of Section 4 BHL: 10' FSL, 2,310' FEL (Unit O) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #3	<u>Bane 4-9 Fed Com 126H:</u> SHL: 1,115' FNL, 1,593' FEL (Lot 2) of Section 4 BHL: 10' FSL, 1,650' FEL (Unit O) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #4	<u>Bane 4-9 Fed Com 173H:</u> SHL: 1,027' FNL, 1,456' FEL (Lot 2) of Section 4 BHL: 10' FSL, 1,650' FEL (Unit O) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #5	<u>Bane 4-9 Fed Com 133H:</u> SHL: 1,060' FNL, 1,459' FEL (Lot 2) of Section 4 BHL: 10' FSL, 2,310' FEL (Unit O) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3, C-5, C-6, C-7, C-9


If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-10
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-9
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11
Overhead Rates In Proposal Letter	Exhibit C-10
Cost Estimate to Drill and Complete	Exhibit C-10
Cost Estimate to Equip Well	Exhibit C-10
Cost Estimate for Production Facilities	Exhibit C-10
Geology	
Summary (including special considerations)	Exhibit E
Spacing Unit Schematic	Exhibit E-8
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-14
Well Orientation (with rationale)	Exhibit E
Target Formation	Exhibit E, E-13
HSU Cross Section	Exhibit E-13
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3, C-5, C-6, C-7, C-9
General Location Map (including basin)	Exhibit E-1
Well Bore Location Map	Exhibit E-8
Structure Contour Map - Subsea Depth	Exhibit E-9, E-10, E-11, E-12
Cross Section Location Map (including wells)	Exhibit E-9, E-10, E-11, E-12
Cross Section (including Landing Zone)	Exhibit C-13
Additional Information	
Special Provisions/Stipulations	See Exhibit C, para. 25
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	7/13/2023

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23511	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Bane
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.89-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 4 and the E/2 E/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-9
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Read & Stevens, Inc.
Hearing Date: July 20, 2023
Case No. 23511

	<u>Bane 4-9 Fed Com 114H:</u> SHL: 1,049' FNL, 1,588' FEL (Lot 2) of Section 4 BHL: 10' FSL, 990' FEL (Unit P) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #2	<u>Bane 4-9 Fed Com 127H:</u> SHL: 1,148' FNL, 1,596' FEL (Lot 2) of Section 4 BHL: 10' FSL, 990' FEL (Unit P) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #3	<u>Bane 4-9 Fed Com 128H:</u> SHL: 1,181' FNL, 1,598' FEL (Lot 2) of Section 4 BHL: 10' FSL, 330' FEL (Unit P) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #4	<u>Bane 4-9 Fed Com 174H:</u> SHL: 1,191' FNL, 1,469' FEL (Lot 2) of Section 4 BHL: 10' FSL, 330' FEL (Unit P) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #5	<u>Bane 4-9 Fed Com 134H:</u> SHL: 1,126' FNL, 1,464' FEL (Lot 2) of Section 4 BHL: 10' FSL, 990' FEL (Unit P) of Section 9 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3, C-5, C-6, C-7, C-9


If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-10
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-9
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11
Overhead Rates In Proposal Letter	Exhibit C-10
Cost Estimate to Drill and Complete	Exhibit C-10
Cost Estimate to Equip Well	Exhibit C-10
Cost Estimate for Production Facilities	Exhibit C-10
Geology	
Summary (including special considerations)	Exhibit E
Spacing Unit Schematic	Exhibit E-8
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-14
Well Orientation (with rationale)	Exhibit E
Target Formation	Exhibit E, E-13
HSU Cross Section	Exhibit E-13
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3, C-5, C-6, C-7, C-9
General Location Map (including basin)	Exhibit E-1
Well Bore Location Map	Exhibit E-8
Structure Contour Map - Subsea Depth	Exhibit E-9, E-10, E-11, E-12
Cross Section Location Map (including wells)	Exhibit E-9, E-10, E-11, E-12
Cross Section (including Landing Zone)	Exhibit C-13
Additional Information	
Special Provisions/Stipulations	See Exhibit C, para. 25
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	7/13/2023

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23512	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Bane
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.21-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 4 and the W/2 W/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> <u>is approval of non-standard unit requested in this application?</u>	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-9
Well(s)	

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Read & Stevens, Inc.
Hearing Date: July 20, 2023
Case No. 23512

Name & API (if Assigned) 2023 face and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Bane 4-9 Fed Com 201H: SHL: 498' FNL, 1,136' FWL (Lot 4) of Section 4 BHL: 10' FSL, 990' FWL (Unit M) of Section 9 Completion Target: Wolfcamp formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-4
Tract List (including lease numbers and owners)	Exhibit C-4, C-5, C-6, C-7, C-9
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-10
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-9
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11
Overhead Rates In Proposal Letter	Exhibit C-10
Cost Estimate to Drill and Complete	Exhibit C-10
Cost Estimate to Equip Well	Exhibit C-10
Cost Estimate for Production Facilities	Exhibit C-10
Geology	

Summary (including special considerations)	Exhibit E	Received by OCD: 7/13/2023 6:43:44 PM	Page 83 of 41
Spacing Unit Schematic	Exhibit E-15		
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-18		
Well Orientation (with rationale)	Exhibit E		
Target Formation	Exhibit E, E-17		
HSU Cross Section	Exhibit E-17		
Depth Severance Discussion	N/A		
Forms, Figures and Tables			
C-102	Exhibit C-1		
Tracts	Exhibit C-4		
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4, C-5, C-6, C-7, C-9		
General Location Map (including basin)	Exhibit E-1		
Well Bore Location Map	Exhibit E-15		
Structure Contour Map - Subsea Depth	Exhibit E-16		
Cross Section Location Map (including wells)	Exhibit E-16		
Cross Section (including Landing Zone)	Exhibit E-17		
Additional Information			
Special Provisions/Stipulations	See Exhibit C, para. 25		
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.			
Printed Name (Attorney or Party Representative):	Adam G. Rankin		
Signed Name (Attorney or Party Representative):			
Date:			7/13/2023

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23513	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Bane
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.44-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 4 and the E/2 W/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-9
Well(s)	

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico


Exhibit No. B

Submitted by: Read & Stevens, Inc.

Hearing Date: July 20, 2023

Case No. 23513

Name & API (if Assigned) 2023 face and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Bane 4-9 Fed Com 202H: SHL: 498' FNL, 1,202' FWL (Lot 4) of Section 4 BHL: 10' FSL, 2,310' FWL (Unit N) of Section 9 Completion Target: Wolfcamp formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-4
Tract List (including lease numbers and owners)	Exhibit C-4, C-5, C-6, C-7, C-9
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-10
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-9
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11
Overhead Rates In Proposal Letter	Exhibit C-10
Cost Estimate to Drill and Complete	Exhibit C-10
Cost Estimate to Equip Well	Exhibit C-10
Cost Estimate for Production Facilities	Exhibit C-10
Geology	

Summary (including special considerations)	Exhibit E
Spacing Unit Schematic	Exhibit E-15
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-18
Well Orientation (with rationale)	Exhibit E
Target Formation	Exhibit E, E-17
HSU Cross Section	Exhibit E-17
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4, C-5, C-6, C-7, C-9
General Location Map (including basin)	Exhibit E-1
Well Bore Location Map	Exhibit E-15
Structure Contour Map - Subsea Depth	Exhibit E-16
Cross Section Location Map (including wells)	Exhibit E-16
Cross Section (including Landing Zone)	Exhibit E-17
Additional Information	
Special Provisions/Stipulations	See Exhibit C, para. 25
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	7/13/2023


COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23514	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Bane
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.66-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 4 and the W/2 E/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> <u>is approval of non-standard unit requested in this application?</u>	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-9
Well(s)	

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B

Submitted by: Read & Stevens, Inc.
Hearing Date: July 20, 2023
Case No. 23514


Name & API (if Assigned) 2023 face and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Bane 4-9 Fed Com 203H: SHL: 1,093' FNL, 1,461' FEL (Lot 2) of Section 4 BHL: 10' FSL, 1,650' FEL (Unit O) of Section 9 Completion Target: Wolfcamp formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-4
Tract List (including lease numbers and owners)	Exhibit C-4, C-5, C-6, C-7, C-9
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-10
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-9
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11
Overhead Rates In Proposal Letter	Exhibit C-10
Cost Estimate to Drill and Complete	Exhibit C-10
Cost Estimate to Equip Well	Exhibit C-10
Cost Estimate for Production Facilities	Exhibit C-10
Geology	

<i>Received by OCD: 7/13/2023 6:43:44 PM</i>	<i>Page 89 of 41</i>
Summary (including special considerations)	Exhibit E
Spacing Unit Schematic	Exhibit E-15
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-18
Well Orientation (with rationale)	Exhibit E
Target Formation	Exhibit E, E-17
HSU Cross Section	Exhibit E-17
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4, C-5, C-6, C-7, C-9
General Location Map (including basin)	Exhibit E-1
Well Bore Location Map	Exhibit E-15
Structure Contour Map - Subsea Depth	Exhibit E-16
Cross Section Location Map (including wells)	Exhibit E-16
Cross Section (including Landing Zone)	Exhibit E-17
Additional Information	
Special Provisions/Stipulations	See Exhibit C, para. 25
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	7/13/2023

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23515	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Bane
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.89-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 4 and the E/2 E/2 of Section 9, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-9
Well(s)	

<div> <div> Name & API (if Assigned) 2023 face and photo Received by: OCSigned: 7/14/2023 8:32:05 AM </div> </div> Bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Bane 4-9 Fed Com 204H: SHL: 1,158' FNL, 1,466' FEL (Lot 2) of Section 4 BHL: 10' FSL, 330' FEL (Unit P) of Section 9 Completion Target: Wolfcamp formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-4
Tract List (including lease numbers and owners)	Exhibit C-4, C-5, C-6, C-7, C-9
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-10
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-9
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11
Overhead Rates In Proposal Letter	Exhibit C-10
Cost Estimate to Drill and Complete	Exhibit C-10
Cost Estimate to Equip Well	Exhibit C-10
Cost Estimate for Production Facilities	Exhibit C-10
Geology	

<i>Received by OCD: 7/13/2023 6:43:44 PM</i>	<i>Page 92 of 41</i>
Summary (including special considerations)	Exhibit E
Spacing Unit Schematic	Exhibit E-15
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-18
Well Orientation (with rationale)	Exhibit E
Target Formation	Exhibit E, E-17
HSU Cross Section	Exhibit E-17
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4, C-5, C-6, C-7, C-9
General Location Map (including basin)	Exhibit E-1
Well Bore Location Map	Exhibit E-15
Structure Contour Map - Subsea Depth	Exhibit E-16
Cross Section Location Map (including wells)	Exhibit E-16
Cross Section (including Landing Zone)	Exhibit E-17
Additional Information	
Special Provisions/Stipulations	See Exhibit C, para. 25
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	7/13/2023

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23516	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Joker
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.01-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 5 and the W/2 W/2 of Section 8, Township 20 South, Range 34 East, NMPPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-8
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico


Exhibit No. B

Submitted by: Read & Stevens, Inc.

Hearing Date: July 20, 2023

Case No. 23516

	Joker 5-8 Fed Com 111H: SHL: 385' FNL, 2,022' FWL (Lot 3) of Section 5 BHL: 10' FSL, 330' FWL (Unit M) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #2	Joker 5-8 Fed Com 121H: SHL: 385' FNL, 2,088' FWL (Lot 3) of Section 5 BHL: 10' FSL, 330' FWL (Unit M) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #3	Joker 5-8 Fed Com 122H: SHL: 385' FNL, 2,121' FWL (Lot 3) of Section 5 BHL: 10' FSL, 990' FWL (Unit M) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #4	Joker 5-8 Fed Com 171H: SHL: 255' FNL, 2,021' FWL (Lot 3) of Section 5 BHL: 10' FSL, 990' FWL (Unit M) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #5	Joker 5-8 Fed Com 131H: SHL: 255' FNL, 2,054' FWL (Lot 3) of Section 5 BHL: 10' FSL, 330' FWL (Unit M) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3, C-5, C-6, C-7, C-8


If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A	Page 95 of 41
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7	
Unlocatable Parties to be Pooled	None	
Ownership Depth Severance (including percentage above & below)	N/A	
Joinder		
Sample Copy of Proposal Letter	Exhibit C-10	
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-8	
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11	
Overhead Rates In Proposal Letter	Exhibit C-10	
Cost Estimate to Drill and Complete	Exhibit C-10	
Cost Estimate to Equip Well	Exhibit C-10	
Cost Estimate for Production Facilities	Exhibit C-10	
Geology		
Summary (including special considerations)	Exhibit E	
Spacing Unit Schematic	Exhibit E-19	
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-25	
Well Orientation (with rationale)	Exhibit E	
Target Formation	Exhibit E, E-24	
HSU Cross Section	Exhibit E-24	
Depth Severance Discussion	N/A	
Forms, Figures and Tables		
C-102	Exhibit C-1	
Tracts	Exhibit C-3	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3, C-5, C-6, C-7, C-8	
General Location Map (including basin)	Exhibit E-1	
Well Bore Location Map	Exhibit E-19	
Structure Contour Map - Subsea Depth	Exhibit E-20, E-21, E-22, E-23	
Cross Section Location Map (including wells)	Exhibit E-20, E-21, E-22, E-23	
Cross Section (including Landing Zone)	Exhibit E-24	
Additional Information		
Special Provisions/Stipulations	See Exhibit C, para. 25	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Adam G. Rankin	
Signed Name (Attorney or Party Representative):		
Date:		7/13/2023

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23517	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Joker
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.04-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 5 and the E/2 W/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-8
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Read & Stevens, Inc.
Hearing Date: July 20, 2023
Case No. 23517

	<u>Joker 5-8 Fed Com 112H:</u> SHL: 385' FNL, 2,055' FWL (Lot 3) of Section 5 BHL: 10' FSL, 1,650' FWL (Unit N) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #2	<u>Joker 5-8 Fed Com 123H:</u> SHL: 385' FNL, 2,154' FWL (Lot 3) of Section 5 BHL: 10' FSL, 1,650' FWL (Unit N) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #3	<u>Joker 5-8 Fed Com 124H:</u> SHL: 385' FNL, 2,187' FWL (Lot 3) of Section 5 BHL: 10' FSL, 2,310' FWL (Unit N) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #4	<u>Joker 5-8 Fed Com 172H:</u> SHL: 255' FNL, 2,186' FWL (Lot 3) of Section 5 BHL: 10' FSL, 2,310' FWL (Unit N) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #5	<u>Joker 5-8 Fed Com 132H:</u> SHL: 255' FNL, 2,120' FWL (Lot 3) of Section 5 BHL: 10' FSL, 1,650' FWL (Unit N) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3, C-5, C-6, C-7, C-8


If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-10
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-8
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11
Overhead Rates In Proposal Letter	Exhibit C-10
Cost Estimate to Drill and Complete	Exhibit C-10
Cost Estimate to Equip Well	Exhibit C-10
Cost Estimate for Production Facilities	Exhibit C-10
Geology	
Summary (including special considerations)	Exhibit E
Spacing Unit Schematic	Exhibit E-19
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-25
Well Orientation (with rationale)	Exhibit E
Target Formation	Exhibit E, E-24
HSU Cross Section	Exhibit E-24
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3, C-5, C-6, C-7, C-8
General Location Map (including basin)	Exhibit E-1
Well Bore Location Map	Exhibit E-19
Structure Contour Map - Subsea Depth	Exhibit E-20, E-21, E-22, E-23
Cross Section Location Map (including wells)	Exhibit E-20, E-21, E-22, E-23
Cross Section (including Landing Zone)	Exhibit E-24
Additional Information	
Special Provisions/Stipulations	See Exhibit C, para. 25
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	7/13/2023

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23518	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Joker
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.06-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 5 and the W/2 E/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-8
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Read & Stevens, Inc.
Hearing Date: July 20, 2023
Case No. 23518

Well #1	<p><i>Received by OCD: 7/13/2023 6:43:44 PM</i></p> <p>Joker 5-8 Fed Com 113H: SHL: 383' FNL, 2,019' FEL (Lot 2) of Section 5 BHL: 10' FSL, 2,310' FEL (Unit O) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard</p>	<i>Page 100 of 41</i>
Well #2	<p>Joker 5-8 Fed Com 125H: SHL: 383' FNL, 1,986' FEL (Lot 2) of Section 5 BHL: 10' FSL, 2,310' FEL (Unit O) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard</p>	
Well #3	<p>Joker 5-8 Fed Com 126H: SHL: 383' FNL, 1,953' FEL (Lot 2) of Section 5 BHL: 10' FSL, 1,650' FEL (Unit O) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard</p>	
Well #4	<p>Joker 5-8 Fed Com 173H: SHL: 253' FNL, 2,020' FEL (Lot 2) of Section 5 BHL: 10' FSL, 1,650' FEL (Unit O) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard</p>	
Well #5	<p>Joker 5-8 Fed Com 133H: SHL: 253' FNL, 1,987' FEL (Lot 2) of Section 5 BHL: 10' FSL, 2,310' FEL (Unit O) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard</p>	
Horizontal Well First and Last Take Points	Exhibit C-1	
Completion Target (Formation, TVD and MD)	Exhibit C-10	
AFE Capex and Operating Costs		
Drilling Supervision/Month \$	\$8,000	
Production Supervision/Month \$	\$800	
Justification for Supervision Costs	Exhibit C	
Requested Risk Charge	200%	
Notice of Hearing		
Proposed Notice of Hearing	Exhibit A	
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G	
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H	
Ownership Determination		
Land Ownership Schematic of the Spacing Unit	Exhibit C-3	
Tract List (including lease numbers and owners)	Exhibit C-3, C-5, C-6, C-7, C-8	


If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A	Page 101 of 41
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7	
Unlocatable Parties to be Pooled	None	
Ownership Depth Severance (including percentage above & below)	N/A	
Joinder		
Sample Copy of Proposal Letter	Exhibit C-10	
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-8	
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11	
Overhead Rates In Proposal Letter	Exhibit C-10	
Cost Estimate to Drill and Complete	Exhibit C-10	
Cost Estimate to Equip Well	Exhibit C-10	
Cost Estimate for Production Facilities	Exhibit C-10	
Geology		
Summary (including special considerations)	Exhibit E	
Spacing Unit Schematic	Exhibit E-19	
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-25	
Well Orientation (with rationale)	Exhibit E	
Target Formation	Exhibit E, E-24	
HSU Cross Section	Exhibit E-24	
Depth Severance Discussion	N/A	
Forms, Figures and Tables		
C-102	Exhibit C-1	
Tracts	Exhibit C-3	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3, C-5, C-6, C-7, C-8	
General Location Map (including basin)	Exhibit E-1	
Well Bore Location Map	Exhibit E-19	
Structure Contour Map - Subsea Depth	Exhibit E-20, E-21, E-22, E-23	
Cross Section Location Map (including wells)	Exhibit E-20, E-21, E-22, E-23	
Cross Section (including Landing Zone)	Exhibit E-24	
Additional Information		
Special Provisions/Stipulations	See Exhibit C, para. 25	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Adam G. Rankin	
Signed Name (Attorney or Party Representative):		
Date:		7/13/2023

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23519	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Joker
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.09-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 5 and the E/2 E/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-8
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Read & Stevens, Inc.
Hearing Date: July 20, 2023
Case No. 23519

	<u>Joker 5-8 Fed Com 114H:</u> SHL: 383' FNL, 1,854' FEL (Lot 2) of Section 5 BHL: 10' FSL, 990' FEL (Unit P) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #2	<u>Joker 5-8 Fed Com 127H:</u> SHL: 383' FNL, 1,920' FEL (Lot 2) of Section 5 BHL: 10' FSL, 990' FEL (Unit P) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #3	<u>Joker 5-8 Fed Com 128H:</u> SHL: 383' FNL, 1,887' FEL (Lot 2) of Section 5 BHL: 10' FSL, 330' FEL (Unit P) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #4	<u>Joker 5-8 Fed Com 174H:</u> SHL: 253' FNL, 1,855' FEL (Lot 2) of Section 5 BHL: 10' FSL, 330' FEL (Unit P) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Well #5	<u>Joker 5-8 Fed Com 134H:</u> SHL: 253' FNL, 1,921' FEL (Lot 2) of Section 5 BHL: 10' FSL, 990' FEL (Unit P) of Section 8 Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3, C-5, C-6, C-7, C-8

If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A	Page 104 of 41
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7	
Unlocatable Parties to be Pooled	None	
Ownership Depth Severance (including percentage above & below)	N/A	
Joinder		
Sample Copy of Proposal Letter	Exhibit C-10	
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-8	
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11	
Overhead Rates In Proposal Letter	Exhibit C-10	
Cost Estimate to Drill and Complete	Exhibit C-10	
Cost Estimate to Equip Well	Exhibit C-10	
Cost Estimate for Production Facilities	Exhibit C-10	
Geology		
Summary (including special considerations)	Exhibit E	
Spacing Unit Schematic	Exhibit E-19	
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-25	
Well Orientation (with rationale)	Exhibit E	
Target Formation	Exhibit E, E-24	
HSU Cross Section	Exhibit E-24	
Depth Severance Discussion	N/A	
Forms, Figures and Tables		
C-102	Exhibit C-1	
Tracts	Exhibit C-3	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3, C-5, C-6, C-7, C-8	
General Location Map (including basin)	Exhibit E-1	
Well Bore Location Map	Exhibit E-19	
Structure Contour Map - Subsea Depth	Exhibit E-20, E-21, E-22, E-23	
Cross Section Location Map (including wells)	Exhibit E-20, E-21, E-22, E-23	
Cross Section (including Landing Zone)	Exhibit E-24	
Additional Information		
Special Provisions/Stipulations	See Exhibit C, para. 25	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Adam G. Rankin	
Signed Name (Attorney or Party Representative):		
Date:		7/13/2023


COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23520	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Joker
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.01-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 4 (NW/4 NW/4 equivalent), the SW/4 NW/4, and the W/2 SW/4 of Section 5 and the W/2 W/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-8
Well(s)	

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B

Submitted by: Read & Stevens, Inc.
Hearing Date: July 20, 2023
Case No. 23520

Name & API (if Assigned) 2023 face and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed	Page 106 of 41
Well #1	<u>Joker 5-8 Fed Com 201H:</u> SHL: 255' FNL, 2,087' FWL (Lot 3) of Section 5 BHL: 10' FSL, 990' FWL (Unit M) of Section 8 Completion Target: Wolfcamp formation Well Orientation: North-South Completion Location expected to be: Standard	
Horizontal Well First and Last Take Points	Exhibit C-1	
Completion Target (Formation, TVD and MD)	Exhibit C-10	
AFE Capex and Operating Costs		
Drilling Supervision/Month \$	\$8,000	
Production Supervision/Month \$	\$800	
Justification for Supervision Costs	Exhibit C	
Requested Risk Charge	200%	
Notice of Hearing		
Proposed Notice of Hearing	Exhibit A	
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G	
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H	
Ownership Determination		
Land Ownership Schematic of the Spacing Unit	Exhibit C-4	
Tract List (including lease numbers and owners)	Exhibit C-4, C-5, C-6, C-7, C-8	
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A	
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7	
Unlocatable Parties to be Pooled	None	
Ownership Depth Severance (including percentage above & below)	N/A	
Joinder		
Sample Copy of Proposal Letter	Exhibit C-10	
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-9	
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11	
Overhead Rates In Proposal Letter	Exhibit C-10	
Cost Estimate to Drill and Complete	Exhibit C-10	
Cost Estimate to Equip Well	Exhibit C-10	
Cost Estimate for Production Facilities	Exhibit C-10	
Geology		

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Summary (including special considerations)		Exhibit E	
Spacing Unit Schematic		Exhibit E-26	
Gunbarrel/Lateral Trajectory Schematic		Exhibit E-29	
Well Orientation (with rationale)		Exhibit E	
Target Formation		Exhibit E, E-28	
HSU Cross Section		Exhibit E-28	
Depth Severance Discussion		N/A	
Forms, Figures and Tables			
C-102		Exhibit C-1	
Tracts		Exhibit C-4	
Summary of Interests, Unit Recapitulation (Tracts)		Exhibit C-4, C-5, C-6, C-7, C-8	
General Location Map (including basin)		Exhibit E-1	
Well Bore Location Map		Exhibit E-26	
Structure Contour Map - Subsea Depth		Exhibit E-27	
Cross Section Location Map (including wells)		Exhibit E-28	
Cross Section (including Landing Zone)		Exhibit E-28	
Additional Information			
Special Provisions/Stipulations		See Exhibit A, para. 25	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.			
Printed Name (Attorney or Party Representative):		Adam G. Rankin	
Signed Name (Attorney or Party Representative):			
Date:		7/13/2023	


COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23521	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Joker
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.04-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 3 (NE/4 NW/4 equivalent), the SE/4 NW/4, and the E/2 SW/4 of Section 5 and the E/2 W/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-8
Well(s)	

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B

Submitted by: Read & Stevens, Inc.
Hearing Date: July 20, 2023
Case No. 23521

Name & API (if Assigned) 2023 face and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed	Page 109 of 41
Well #1	<u>Joker 5-8 Fed Com 202H:</u> SHL: 255' FNL, 2,153' FWL (Lot 3) of Section 5 BHL: 10' FSL, 2,310' FWL (Unit N) of Section 8 Completion Target: Wolfcamp formation Well Orientation: North-South Completion Location expected to be: Standard	
Horizontal Well First and Last Take Points	Exhibit C-1	
Completion Target (Formation, TVD and MD)	Exhibit C-10	
AFE Capex and Operating Costs		
Drilling Supervision/Month \$	\$8,000	
Production Supervision/Month \$	\$800	
Justification for Supervision Costs	Exhibit C	
Requested Risk Charge	200%	
Notice of Hearing		
Proposed Notice of Hearing	Exhibit A	
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G	
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H	
Ownership Determination		
Land Ownership Schematic of the Spacing Unit	Exhibit C-4	
Tract List (including lease numbers and owners)	Exhibit C-4, C-5, C-6, C-7, C-8	
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A	
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7	
Unlocatable Parties to be Pooled	None	
Ownership Depth Severance (including percentage above & below)	N/A	
Joinder		
Sample Copy of Proposal Letter	Exhibit C-10	
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-9	
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11	
Overhead Rates In Proposal Letter	Exhibit C-10	
Cost Estimate to Drill and Complete	Exhibit C-10	
Cost Estimate to Equip Well	Exhibit C-10	
Cost Estimate for Production Facilities	Exhibit C-10	
Geology		


Summary (including special considerations)	Exhibit E	Received by OCD: 7/13/2023 6:43:44 PM	Page 110 of 41
Spacing Unit Schematic	Exhibit E-26		
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-29		
Well Orientation (with rationale)	Exhibit E		
Target Formation	Exhibit E, E-28		
HSU Cross Section	Exhibit E-28		
Depth Severance Discussion	N/A		
Forms, Figures and Tables			
C-102	Exhibit C-1		
Tracts	Exhibit C-4		
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4, C-5, C-6, C-7, C-8		
General Location Map (including basin)	Exhibit E-1		
Well Bore Location Map	Exhibit E-26		
Structure Contour Map - Subsea Depth	Exhibit E-27		
Cross Section Location Map (including wells)	Exhibit E-28		
Cross Section (including Landing Zone)	Exhibit E-28		
Additional Information			
Special Provisions/Stipulations	See Exhibit A, para. 25		
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.			
Printed Name (Attorney or Party Representative):	Adam G. Rankin		
Signed Name (Attorney or Party Representative):			
Date:	7/13/2023		

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23522	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Joker
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.06-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 2 (NW/4 NE/4 equivalent), the SW/4 NE/4, and the W/2 SE/4 of Section 5 and the W/2 E/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-8
Well(s)	

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Read & Stevens, Inc.
Hearing Date: July 20, 2023
Case No. 23522

Name & API (if Assigned) 2023 face and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	<u>Joker 5-8 Fed Com 203H:</u> SHL: 253' FNL, 1,954' FEL (Lot 2) of Section 5 BHL: 10' FSL, 1,650' FEL (Unit O) of Section 8 Completion Target: Wolfcamp formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-4
Tract List (including lease numbers and owners)	Exhibit C-4, C-5, C-6, C-7, C-8
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-10
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-9
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11
Overhead Rates In Proposal Letter	Exhibit C-10
Cost Estimate to Drill and Complete	Exhibit C-10
Cost Estimate to Equip Well	Exhibit C-10
Cost Estimate for Production Facilities	Exhibit C-10
Geology	


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Summary (including special considerations)		Exhibit E	
Spacing Unit Schematic		Exhibit E-26	
Gunbarrel/Lateral Trajectory Schematic		Exhibit E-29	
Well Orientation (with rationale)		Exhibit E	
Target Formation		Exhibit E, E-28	
HSU Cross Section		Exhibit E-28	
Depth Severance Discussion		N/A	
Forms, Figures and Tables			
C-102		Exhibit C-1	
Tracts		Exhibit C-4	
Summary of Interests, Unit Recapitulation (Tracts)		Exhibit C-4, C-5, C-6, C-7, C-8	
General Location Map (including basin)		Exhibit E-1	
Well Bore Location Map		Exhibit E-26	
Structure Contour Map - Subsea Depth		Exhibit E-27	
Cross Section Location Map (including wells)		Exhibit E-28	
Cross Section (including Landing Zone)		Exhibit E-28	
Additional Information			
Special Provisions/Stipulations		See Exhibit A, para. 25	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.			
Printed Name (Attorney or Party Representative):		Adam G. Rankin	
Signed Name (Attorney or Party Representative):			
Date:		7/13/2023	

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23523	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Read & Stevens, Inc.
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (372165)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF READ & STEVENS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Cimarex Energy Co., Sandstone Properties, LLC, Northern Oil and Gas, Inc.
Well Family	Joker
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	
Well Location Setback Rules:	Statewide setbacks
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320.09-acre, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	Lot 1 (NE/4 NE/4 equivalent), the SE/4 NE/4, and the E/2 SE/4 of Section 5 and the E/2 E/2 of Section 8, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-8
Well(s)	

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Read & Stevens, Inc.
Hearing Date: July 20, 2023
Case No. 23523

Name & API (if Assigned) 2023 face and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Joker 5-8 Fed Com 204H: SHL: 253' FNL, 1,888' FEL (Lot 2) of Section 5 BHL: 10' FSL, 330' FEL (Unit P) of Section 8 Completion Target: Wolfcamp formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit G
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit H
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-4
Tract List (including lease numbers and owners)	Exhibit C-4, C-5, C-6, C-7, C-8
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-5, C-6, C-7
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-10
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-9
Chronology of Contact with Non-Joined Working Interests	Exhibit C-11
Overhead Rates In Proposal Letter	Exhibit C-10
Cost Estimate to Drill and Complete	Exhibit C-10
Cost Estimate to Equip Well	Exhibit C-10
Cost Estimate for Production Facilities	Exhibit C-10
Geology	

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Summary (including special considerations)		Exhibit E	
Spacing Unit Schematic		Exhibit E-26	
Gunbarrel/Lateral Trajectory Schematic		Exhibit E-29	
Well Orientation (with rationale)		Exhibit E	
Target Formation		Exhibit E, E-28	
HSU Cross Section		Exhibit E-28	
Depth Severance Discussion		N/A	
Forms, Figures and Tables			
C-102		Exhibit C-1	
Tracts		Exhibit C-4	
Summary of Interests, Unit Recapitulation (Tracts)		Exhibit C-4, C-5, C-6, C-7, C-8	
General Location Map (including basin)		Exhibit E-1	
Well Bore Location Map		Exhibit E-26	
Structure Contour Map - Subsea Depth		Exhibit E-27	
Cross Section Location Map (including wells)		Exhibit E-28	
Cross Section (including Landing Zone)		Exhibit E-28	
Additional Information			
Special Provisions/Stipulations		See Exhibit A, para. 25	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.			
Printed Name (Attorney or Party Representative):		Adam G. Rankin	
Signed Name (Attorney or Party Representative):			
Date:		7/13/2023	