

State of New Mexico
Energy, Minerals and Natural Resources Department

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Ms. Paula M. Vance
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NON-STANDARD LOCATION

Administrative Order NSL - 8592

**Permian Resources Operating, LLC [OGRID 372165]
Gouda Federal Com Well No. 304H
API No. 30-025-PENDING**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	797 FSL & 1105 FEL	P	05	22S	32E	Lea
First Take Point	100 FSL & 1252 FEL	P	05	22S	32E	Lea
Last Take Point/ Terminus	100 FNL & 1252 FEL	A	31	21S	32E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 E/2 of Section 05 T22S, R32E	319.66	Bilbrey Basin; Bone Spring	5695
E/2 E/2 of Section 31 T21S, R32E			

Reference is made to your application received on May 26th, 2023.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent.

This well's completed interval is as close as 68 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

- Section 05, T22S, R32E, encroachment to the W/2 E/2
- Section 32, T21S, R32E, encroachment to the W/2 E/2

Administrative Order NSL - 8592
Permian Resources Operating, LLC
Page 2 of 2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location as your preferred well spacing plan for horizontal wells in the area and to prevent waste within the Wolfcamp formation underlying E/2 E/2 of Section 05, T22S, R32E and E/2 E/2 of Section 31, T21S, R32E.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.



DYLAN M. FUGE
DIRECTOR
DMF/lrl

Date: 7/10/2023

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 239008

CONDITIONS

Operator: Permian Resources Operating, LLC 1001 17th Street, Suite 1800 Denver, CO 80202	OGRID: 372165
	Action Number: 239008
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	7/12/2023