# State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie A. Kenderdine Cabinent Secretary

Ben Shelton Deputy Secretary **Gerasimos "Gerry" Razatos** Division Director (Acting) Oil Conservation Division



Jaclyn M. McLean jmclean@hardymclean.com

Administrative Order NSP - 2264

## ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

### Permian Resources Operating, LLC [OGRID 372165]

Fosters 16 15 Federal Com Well No. 200H [API No. 30-015-PENDING] HSU: N/2 N/2 Section 16 & N/2 N/2 Section 15, T20S, R28E, Eddy County, New Mexico

Reference is made to your application received on March 13<sup>th</sup>, 2025.

You have requested approval of a non-standard horizontal spacing unit as follows:

### **Proposed Decreased Horizontal Spacing Unit:**

Description	Acres	Pool	Pool Code
N/2 N/2 of Section 16	320	Burton Flat; Wolfcamp, North	73520
N/2 N/2 of Section 15		_	

### Area of Exclusion:

Description	Acres
S/2 N/2 of Section 16	320
S/2 N/2 of Section 15	

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a nonstandard horizontal spacing unit comprising 320 acres, consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(3) NMAC.

We understand that you are seeking this exception in order to allow you to create a 320-acre, non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above.

NSP - 2264 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 Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units which are being excluded.

You have requested this non-standard horizontal spacing unit in order to cease the need for a force pooling agreement, to full fill the commitment to all working interest owners of a segregated unit and is a preferred well spacing for wells within the Wolfcamp formation. This non-standard unit excludes the S/2 N/2 of both Sections 16 and Section 15. Approval thereby prevents waste underlying the N/2 N/2 of Section 16 and the N/2 N/2 of Section 15, all while protecting correlative rights within the referenced Horizontal Spacing Unit.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the abovedescribed **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the non-standard spacing unit, the well(s) must be in the same <u>horizontal spacing unit and pool/formation</u>. The new well's APD shall reference this NSP order number on Form C-102 with an adjacent letter stating this request.

#### **General Provisions**

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Gerasimos Razatos Division Director (Acting) GR/lrl

Date: 4/9/2025

•

ID NO. 442251		NSP - 2264		Revised March 23, 2017
RECEIVED:	REVIEWER:	TYPE:		EL2508339815
THIS CH	- Geolog 1220 South St. I ADMINIST ECKLIST IS MANDATORY FOR	ABOVE THIS TABLE FOR OCCD DAY CO OIL CONSERVA Jical & Engineering Francis Drive, Santo IRATIVE APPLICATION ALL ADMINISTRATIVE APPLICATION	TION DIVISION Bureau – Fe, NM 87505 ON CHECKLIST TONS FOR EXCEPTIONS TO	
•		REQUIRE PROCESSING AT THE E		
	esources Operating, LLC			Number: <u>372165</u>
ell Name: Fosters 1			API: <u>30-</u> Rool C	ode: 73520
				oue
A. Location – A. Location – A. Check one [1] Comm [1] Comm [1] [1] Injection [1] Injection [1] Notification R A. Offset o B. Royalty, C. Applico D. Notification E. Notification	Spacing Unit – Simu L INSP e only for [1] or [1] ingling – Storage – A DHC CTB D OHC CTB C ON – Disposal – Press VFX PMX C REQUIRED TO: Chec perators or lease he overriding royalty tion requires publist tion and/or concur tion and/or concur	Measurement PLC PC OI sure Increase – Enha SWD IPI EC k those which apply. olders owners, revenue own	P(PRORATION UNIT) S S OLM Inced Oil Recover DR PPR hers	
H. No notic CERTIFICATION: administrative a understand that notifications are	f the above, proof ce required I hereby certify tha pproval is <b>accurate</b> <b>no action</b> will be to submitted to the D	of notification or pub t the information sub and <b>complete</b> to th aken on this applicat ivision.	mitted with this a le best of my knov ion until the requi	oplication for wledge. I also red information and
			2/12/2025	
loolup M. Mol. cor			3/13/2025 Date	······································
Jaclyn M. McLean				
Print or Type Name			505-372-6375	
			Dia ana Alumatan	

Jaclyn M. McLean Signeture

Phone Number

jmclean@hardymclean.com e-mail Address



March 13, 2025

#### VIA ONLINE FILING

Gerasimos Razatos Acting Division Director Oil Conservation Division Energy, Minerals and Natural Resources Department 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

#### Re: Permian Resources Operating, LLC Request for Administrative Approval of Non-Standard Horizontal Spacing Unit

Fosters 16-15 Fed Com 200H N/2 N/2 of Sections 15 and 16, Township 20 South, Range 28 East, Eddy County, New Mexico Burton Flat, Wolfcamp, North (Gas) Pool (Code 73520)

Dear Mr. Razatos,

Permian Resources Operating, LLC ("Permian Resources") (OGRID No. 372165), pursuant to Division Rules 19.15.16(B)(5) and 19.15.15.11 NMAC, seeks administrative approval of a Non-Standard Horizontal Spacing Unit for its Fosters 16-15 Fed Com 200H well, in a 320-acre, more or less, spacing unit underlying the N/2 N/2 of Sections 15 and 16, Township 20 South, Range 28 East, Eddy County, New Mexico.

Approval of the Non-Standard Horizontal Spacing Unit is requested to allow Permian Resources to co-develop the Fosters 16-15 Fed Com 200H, Fosters 16-15 Fed Com 201H, Fosters 16-15 Fed Com 202H, and Fosters 16-15 Fed Com 203H wells.<sup>1</sup> If standard gas spacing is used, the ownership of the units would be split in a manner that is not representative of the actual development of the resource. Further, the non-standard spacing has been agreed to by all working interest owners and is reflected in the Joint Operating Agreements for these units. If Permian

125 Lincoln Avenue, Suite 223 Santa Fe, NM 87501 505-230-4410 Writer: Jaclyn M. McLean Managing Partner jmclean@hardymclean.com

HardyMclean.com

<sup>&</sup>lt;sup>1</sup> Permian Resources is submitting requests for Administrative Approval of Non-Standard Horizontal Spacing Units for the Fosters 16-15 Fed Com 201H, Fosters 16-15 Fed Com 202H, and Fosters 16-15 Fed Com 203H horizontal spacing units simultaneously.

Page 2

Resources is required to utilize standard spacing, the agreement would no longer be valid and additional forced pooling may be required. A Non-Standard Horizontal Spacing Unit permits Permian Resources to use its preferred well spacing plan for the horizontal wells in this area, which will maximize recovery, prevent waste, and protect correlative rights. Therefore, Permian Resources respectfully requests approval of this non-standard spacing unit.

**Exhibit A** is a Form C-102 showing the location of the Fosters 16-15 Fed Com 200H well, in a 320-acre, non-standard horizontal spacing unit.

**Exhibit B** is a plat for the N/2 N/2 of Sections 15 and 16, in relation to the adjoining tracts. Exhibit B also identifies the operators and record title owners of the adjoining tracts.

**Exhibit C** is a spreadsheet listing all affected persons that were sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application.

Thank you for your attention to this matter. Please let me know if you require additional information.

Respectfully,

HARDY MCLEAN LLC

<u>/s/ Jaclyn M. McLean</u> Jaclyn M. McLean

ATTORNEYS FOR PERMIAN RESOURCES OPERATING, LLC

Received by OCD: 3/13/2025 12:53:18 PM

<u>C-10</u>	)2		En			al Resources Departm	nent		Revis	ed July 9, 2024	
	t Electronical	У		OIL	CONSERVAT	TION DIVISION			🗆 Initial Submit	tal	
	Ũ							Submittal Type:			
								- , , , , , , , , , , , , , , , , , , ,	As Drilled		
					WELL LOCAT	TION INFORMATION			· · · · · · · · · · · · · · · · · · ·		
API N	umber		Pool Code	73520		Pool Name Burton	Flat, Wol	fcamp,	North (GAS)		
Ргорег	ty Code		Property N	ame	FOSTERS	16-15 FED COM			Well Number 200	H	
OGRII	D No. 372165		Operator N	ame P	ERMIAN RESOU	URCES OPERATING, L	LC		Ground Level El 3269		
Surfac	e Owner: 🗆 🗄	State □ Fee □	Tribal 🕱 Fee	leral		Mineral Owner: 🗙	State 🗆 Fee	🗆 Tribal 🕽	Federal		
					S6	T and in a					
UL	Section	Township	Range	Lot	Ft. from N/S	Ace Location Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County	
A					1,116 NORTH		32.5777		-104.192852°	EDDY	
		ļ	]		Bottom	Hole Location	1				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) I	Longitude (NAD 83)	County	
A	15	205	28E		332 NORTH	10 EAST	32.5800		-104.156712°	EDDY	
Dedica	ited Acres 320	Infill or Defi Definir		Defining TBI	g Well API	Overlapping Spacing	; Unit (Y/N)	Consolida TBD	ition Code		
Order	Numbers.	TBD	-			Well setbacks are une	der Common	Ownership:	XYes □No		
						00000000					
			1.5	17.		ff Point (KOP)	1.0	1 5 02)	1. L. OLAD 93	Constru	
UL A	Section 17	Township 20S	Range 28E	Lot	Ft. from N/S 1,116 NORTH	Ft. from E/W 479 EAST	Latitude (N 32.577		Longitude (NAD 83) -104.192852°	County EDDY	
					First Ta	ke Point (FTP)					
UL D	Section 16	Township 20S	Range 28E	Lot	Ft. from N/S 332 NORTH	Ft. from E/W 100 WEST	Latitude (N 32.5799	Ý	Longitude (NAD 83) -104.190944°	County EDDY	
	_				Last Ta	ke Point (LTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County	
Α	15	205	28E		332 NORTH	100 EAST	32.5800		-104.157004°	EDDY	
Unitize	ed Area or Ar	ea of Uniform 1	Interest	Spacing	Unit Type XHoriz	ontal 🗖 Vertical	Group	nd Floor Ele	evation:		
				opaemg							
OPER/	ATOR CERT	IFICATIONS	_			SURVEYOR CERTIFI	CATIONS				
my knov organize includin location interest,	vledge and beli ation either own g the proposed pursuant to a	ef, and, if the we ns a working inter bottom hole loca contract with an o ry pooling agreed	ll is a vertical or rest or unleased tion or has a rig owner of a worka	directional mineral inte ht to drill th ng interest o	rest in the land	I hereby certify that the wee surveys made by me or und my belief.	er my supervisio	on, and that th			
consent in each	of at least one tract (in the tar	lessee or owner o	f a working inte tion) in which a	rest or unlea ny part of th	has received the sed mineral interest e well's completed the division.	THIS DOCUM PURPOSE	ENT SHALI AND SHALI PON AS A F	L NOT BE L NOT BE	CRECORDED FO USED, VIEWED RVEY DOCUME	OR	
Signatur		Evano-	Date	/7/24		Signature and Seal of Profes		2024			
Printed						Certificate Number	January 03, Date of Surve				
Email A		sie.Evans	Opermian	res.com							
-mail A			-			st have been consolidated		1 1 51			

Sheet 1 of 2

EXHIBIT A

#### Received by OCD: 3/13/2025 12:53:18 PM



Released to Imaging: 4/9/2025 10:43:34 AM

•

		ase see	below - M	latches non undary or c									
Fosters 16- Township 2 - Section 16 - Section 15	0 South, R 5: N/2			tion Unit:									
Township 2 - Section 16 - Section 15	0 South, R 5: N/2N/2 5: N/2N/2	ange 28	East;	<u>-Standard</u> P		Unit:							
- *Note - A	greement	with all	WI owner	Fosters		d Com 200	H - Non-Standar	d Proratio	Unit	Notice Lis	+	_	
	Pa	ty		Tosters	10-1510	_	Tract Legal(	s)		Wollee Els			Address
Devon Ene	rgy Produc	tion Co,	LP			Towns	hip 20 South, Ra Section 20: N		it:		Okla		y, OK 73102
New Mexic	o State La	nd Offic	e				NMSLO				Sant	Old Santa a Fe, NM	87501
Bureau of I	and Mana	rement					BLM					Dinosaur ta Fe, NM	
Maps:													
Sec	. 8		Sec. 9				Sec. 10					Sec. 11	
Sес. 17			Sec. 16				Sec. 15					Sec. 14	
			Fo	sters 1	6-15 F	ed Con	n #200H <u>St</u>	andard	Spa	cing			
2													
Sec. 20			Sec. 21				Sec. 22					Sec. 23	
Read and	esources	Sec. 8		Sec. 9		Permian Re	sources Koala Fed Sec. 10	Com Unit		1	Sec. 11		
	d Com Unit									-			Permian Resourc Kangaroo Fed Com
		Sec. 17		Sec. 16	Foster	s 16-15 Fed C	Sec. 15 om #200H Non-Stan		a)		Sec. 14		
	lesources												Permian Resource
Permian I	0.0003000051												Wombat Fed Com
Permian I Esky Fed	Com Unit												
222362233.02	Com Unit	g		Res 74			P 68	_	_	-	Ees 2	_	
222362233.02	ieste	Sec. 20		Sec. 21			Sec. 22				Sec. 23		Permian Resourc Bondi Fed Com U

		Fosters 16-15 Fed Com 200H, 201H, 202H, 203H Notice List	H, 201H, 202H, 20	OH NOHCE	List		
Date Mailed	Notice Party	Address	City	State	Zip	Tract WI	Tracking Number
3/13/2025 Bu	Bureau of Land Management	301 Dinosaur Trail	Santa Fe	MM	87508	N/A	9414836208551279560797
3/13/2025 Nev	Vew Mexico State Land Office	310 Old Santa Fe Trail	Santa Fe	NM	87501	N/A	9414836208551279560810
3/13/2025 Dev	Devon Energy Production Co, LP	333 W Sheridan Ave.	Oklahoma City	OK	73102	Section 20: NE/4	9414836208551279560803
N/A Per	Permian Resources	N/A	N/A	N/A	N/A	N/A	N/A

**Released to Imaging: 4/9/2025 10:43:34 AM** 

•

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

CONDITIONS

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Ope	rator:	OGRID:
	Permian Resources Operating, LLC	372165
	300 N. Marienfeld St Ste 1000	Action Number:
	Midland, TX 79701	442251
		Action Type:
		[UF-NSP] Non-Standard Proration (NSP)

Created By	Condition	Condition Date
llowe	If this NSP order was approved with pending API wells. The owner of the NSP shall update the OCD when an API number is assigned to those well(s) by sending an e-mail to ocd.engineer@emnrd.nm.gov. TITLED: Adding Well to an existing NSP HSU. The context of this email shall reference the NSP order number, the Well Name, and associated API number. Doing this will ease the C-104 review process for the operator to transport product from these well(s).	4/9/2025

Page 10 of 10

Action 442251