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

Michelle Lujan Grisham Governor

Melanie Kenderdine Cabinent Secretary

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



Jaclyn M. McLean jmclean@hardymclean.com

# ADMINISTRATIVE NON-STANDARD LOCATION

## Administrative Order NSL – 8941

### Permian Resources Operating, LLC [OGRID 372165] Rana Salada Federal Com 0605 Well No. 221H API No. 30-015-48312

Reference is made to your application received on April 4<sup>th</sup>, 2025.

### **Proposed Location**

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	1193 FNL & 554 FEL	A/1	01	23S	28E	Eddy
First Take Point	981 FNL & 100 FWL	D/4	06	23S	29E	Eddy
Last Take Point/	1123 FNL & 100 FEL	A/1	05	23S	29E	Eddy
Terminus						•

### **Proposed Horizontal Units**

Description	Acres	Pool	Pool Code
N/2 N/2 Section 06	319.57	Culebra Bluff; Bone Spring	15011
N/2 N/2 Section 05			

You have requested to drill this horizontal well at an unorthodox 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. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal

Administrative Order NSL – 8941 Permian Resources Operating, LLC Page 2 of 2

well shall be no closer than 100 feet in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 296 - 192 feet to the southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 06, encroachment to the S/2 N/2 Section 05, encroachment to the S/2 N/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.

The Division understands you are seeking this unorthodox location in order to allow adherence to standard wellbore clearance factors from an existing salt water disposal wellbore and to maximize overall productivity within the referenced horizontal spacing unit. All while protecting the correlative rights within the Bone Spring formation underlying the N/2 N/2 of Section 06 and the N/2 N/2 of Section 05.

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 the Division deems necessary.

GERASIMOS RAZATOS DIRECTOR (ACTING) GR/lrl

Date: <u>5/7/2025</u>

Received by OCD: 4/4/2025 8:49:39 AM

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ID NO. 448776				Revised March 25, 2017
RECEIVED: 04/04/2	REVIEWER:	TYPE:	APP NO:	
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THIS CHE		ALL ADMINISTRATIVE APPLICATI EQUIRE PROCESSING AT THE D		
Applicant: Permian Res				D Number: <u>372165</u>
Well Name: Rana Sala				-015-48312
Pool: Culebra Bluff; Bon	e Spring		Pool (	Code: <u>15011</u>
SUBMIT ACCURATE	and complete in	Formation Require Indicated Belov		THE TYPE OF APPLICATION
■NSI B. Check one [1] Commin D [11] Injectic	Spacing Unit – Simu - □ NSP <sub>(</sub> only for [1] or [11] ngling – Storage – N HC □CTB □F	Itaneous Dedication PROJECT AREA) Measurement PLC PC OL ure Increase – Enhar	(proration unit)	
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administrative ap understand that	oproval is <b>accurate</b>		e best of my kno	
Note:	Statement must be compl	eted by an individual with m	nanagerial and/or supe	ervisory capacity.
			4/4/2025	

Jaclyn M. McLean

Print or Type Name

Date

505-660-5640

Phone Number

Jaclyn M. McLean

Signature

Digitally signed by Jaclyn M. McLean Date: 2025.04.04 08:42:18 -06'00'

jmclean@hardymclean.com e-mail Address

Released to Imaging: 5/9/2025 10:21:57 AM



April 4, 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 Unorthodox Well Location

Rana Salada 0605 #221H (API No. 30-015-48312) N/2 N/2 of Sections 5 and 6, Township 23 South, Range 29 East, Eddy County, New Mexico. Culebra Bluff; Bone Spring pool (Code 15011)

Dear Mr. Razatos,

In accordance with Division Rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC, Permian Resources Operating, LLC ("Permian Resources") (OGRID No. 372165) seeks administrative approval of an unorthodox well location Rana Salada 0605 #221H, in a 319.57 acre, more or less, standard horizontal spacing unit, comprised of the N/2 N/2 of Sections 5 and 6, Township 23 South, Range 29 East, Eddy County, New Mexico.

The location for the Rana Salada 0605 #221H well is as follows:

- <u>Surface Hole Location</u>: 1,193' FNL and 554' FEL (Lot 1) of Section 1, Township 23 South, Range 28 East
- <u>First Take Point</u>: 981' FNL and 100' FWL (Lot 4) of Section 6, Township 23 South, Range 29 East
- <u>Last Take Point</u>: 1,123' FNL and 100' FEL (Lot 1) of Section 5, Township 23 South, Range 29 East
- <u>Bottom Hole Location</u>: 1,123' FNL and 100' FEL (Lot 4) of Section 5, Township 23 South, Range 29 East

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

HardyMclean.com

Hardy McLean LLC April 3, 2025 Page 2

The completed interval of the well will be unorthodox because it is located 197' from the offsetting tract to the South. As explained in the engineering statement, included as **Exhibit A**, approval of the unorthodox, completed interval is necessary to allow Permian Resources to adhere to standard wellbore clearance factors from an existing salt water disposal wellbore. Further, it reduce stranded resources, maximize lateral length, and improve overall productivity of the wells, which will prevent waste and protect correlative rights.

**Exhibit B** is a Form C-102 showing the location of the Rana Salada 0605 #221H well in relation to the offset tracts.

**Exhibit C** is a plat for Section 1 of Township 23 South, Range 28 East, and Sections 5 and 6, Township 23 South, Range 29 East, Eddy County, that shows the Rana Salada 0605 #221H well in relation to the adjoining tracts/proposed spacing units. The designated operator of the offsetting unit to the South is Permian Resources.

**Exhibit D** is a spreadsheet that identifies all affected persons who were sent a copy of this application and 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.

Very truly yours,

HARDY MCLEAN LLC

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

ATTORNEYS FOR PERMIAN RESOURCES OPERATING, LLC



300 N. MARIENFELD STREET, SUITE 1000 MIDLAND, TX 79701

**OFFICE** 432.695.4222 **FAX** 432.695.4063

### 3/27/2025

Re: Rana Salada 0605 #221H SHL: 554' FEL, 1,193' FNL of Section 1, T23S-R28E FTP: 100' FWL, 981' FNL of Section 6, T23S-R29E LTP: 100' FEL, 1,123' FNL of Section 5, T23S-R29E BHL: 100' FEL, 1,123' FNL of Section 5, T23S-R29E Eddy County, New Mexico

To Whom It May Concern,

To minimize unnecessary burden, prevent waste, and protect correlative rights, Permian respectfully requests approval of this non-standard location to allow the completed interval to be less than 330 feet from the southern boundary of the existing 320-acre horizontal spacing unit. Approval of this request will allow adherence to standard wellbore clearance factors from an existing salt water disposal wellbore.

Approval of a non-standard location will maximize the wellbore's contact to undeveloped resource in this unit, reducing stranded resources, accelerating recovery time, and improving overall productivity. The request for a non-standard location is therefore in the best interests of the mineral owners as well as the operator.

Approval of the unorthodox, completed interval is necessary to allow Permian to maximize lateral length, properly place stimulation energy, and optimize pressure drawdown, which will create cost efficiencies, prevent waste, and protect correlative rights.

Sincerely,

Drotin Van Brot

**Dustin Van Brunt** Sr. Staff Reservoir Engineer Permian Resources Operating, LLC

### **EXHIBIT A**

1	Received by	, OCD:	4/4/2025	8:49:3	9 AM

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			ī					EXH		
					al Resources Department			Revised July 9, 202		
Submit Electronically Via OCD Permitting				JUNSERVA				🗹 Initial Su	ıbmittal	
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			1					Type.	🗆 As Drille	ed
			1		WELL LOCATI	ON INFORMATION		1	_1	
API Nu	mber		Pool Code	<sup>9</sup> 15011	F	Pool Name Culebra	Bluff; Bone S	Spring		
Propert	y Code		Property N	lame					Well Numb	er
	-				RANA SALA	DA 0605 FED CON	1			221H
OGRID	No. 37216	5	Operator I		RMIAN RESOU	RCES OPERATING	B, LLC			vel Elevation 3,088'
	Surface C	wner: 🗌 Stat	te 🗆 Fee 🗆	🛛 Tribal 🗌	Federal	Mineral Ov	vner: 🛛 Stat	e 🗆 Fee	🗆 Tribal 🗆 Fe	ederal
					Surfac	ce Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	L	ongitude	County
LOT 1	1	23S	28E		1,193' FNL	554' FEL	32.338	769° -1	104.033759°	EDDY
					1	Hole Location	1	i.		
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		ongitude	County
LOT 1	5	23S	29E		1,123' FNL	100' FEL	32.338	639° -1	103.998649°	EDDY
Dedicat	ted Acres	Infill or Defin	ning Well	Defining	Well API	Overlapping Spacir	a Unit (Y/N)	Consolida	ation Code	
Dealeat								Conconde		
Order N	lumbers.					Well setbacks are	under Comm	on Owners	hip: □Yes □I	No
					Kick Of	f Point (KOP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	L	ongitude	County
LOT 1	1	23S	28E		1,193' FNL	554' FEL	32.338	769° -1	104.033759°	EDDY
				-	1	ke Point (FTP)	-			
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	L	ongitude	County
LOT 4	6	23S	29E		981' FNL	100' FWL	32.339	<b>340°</b> -1	104.031638°	EDDY
UL	Section	Township	Range	Lot	Last Ta Ft. from N/S	ke Point (LTP) Ft. from E/W	Latitude	1	ongitude	County
			•	LOI	1,123' FNL				U U	
LOT 1	5	23S	29E		1,123 FNL	100' FEL	32.338	639 -1	103.998649°	EDDY
Unitized	d Area or A	rea of Uniform	n Interest	Spacing	Unit Type 🗆 Ho	rizontal 🗆 Vertical	Grou	nd Floor El	levation:	
OPERA	ATOR CER	TIFICATIONS	;			SURVEYOR CERTIF	ICATIONS			
l herehv	certify that the	ne information c	ontained here	n is true and	complete to the	I haraby cartify that that	Nell location ch	own on this	nlat was platted	from field notes of
best of n	ny knowledg	e and belief, an	d, if the well is	a vertical or	directional well,	I hereby certify that the actual surveys made by	meMr/under m	iy supervisio	n, and that the s	ame is true and
					ed mineral interest a right to drill this		bellen v	$\sum$		
well at th	his location p	ursuant to a co	ntract with an	owner of a w	vorking interest or t or a compulsory	/ ×/ ×EM	MEXICO	- \		
		ore entered by					2177			
If this we					tion has received	REAL	Allow !!	40		
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### Received by OCD: 4/4/2025 8:49:39 AM

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



### RANA SALADA 0605 FED COM 111H

### SURFACE HOLE LOCATION & KICK-OFF POINT 1,193' FNL & 554' FEL ELEV. = 3.088'

 ELEV. = 3,088

 NAD 83 X = 633,859.14'

 NAD 83 X = 487,105.65'

 NAD 83 LAT = 32.338769'

 NAD 83 LONG = -104.033759''

 NAD 27 X = 592,676.57'

 NAD 27 Y = 487,045.88'

 NAD 27 LAT = 32.338648''

 NAD 27 LONG = -104.033264''

FIRST TAKE POINT & PENETRATION POINT 1 981' FNL & 100' FWL NAD 83 X = 634,513.49' NAD 83 LAT = 32.339340° NAD 83 LAT = 32.339340° NAD 83 LONG = -104.031638° NAD 27 X = 593,330.92' NAD 27 Y = 487,255.42' NAD 27 LAT = 32.339219° NAD 27 LONG = -104.031143°

#### PENETRATION POINT 2 1,024' FNL & 0' FEL

 NAD 83 X = 639,518.76'

 NAD 83 X = 487,191.54'

 NAD 83 LAT = 32.338960'

 NAD 83 LONG = -104.015433'

 NAD 27 X = 598,336.11'

 NAD 27 LAT = 32.338839'

 NAD 27 LAT = 32.338839'

 NAD 27 LONG = -104.014939'

#### LAST TAKE POINT & BOTTOM HOLE LOCATION 1,123' FNL & 100' FEL

 NAD 83 X = 644,702.71'

 NAD 83 Y = 487,090.55'

 NAD 83 LAT = 32.338639°

 NAD 83 LONG = -103.998649°

 NAD 27 X = 603,620.00'

 NAD 27 Y = 487,030.66'

 NAD 27 LAT = 32.338518°

 NAD 27 LAT = 32.338518°



Tract 1	Tract 2	
Lease NMNM 61349	Lease NMNM 59383	
157.65 Acres	161.92 Acres	Total Dedicated Acres: 319.57

**EXHIBIT C** 

### Rana Salada 0605 Fed Com 221H NSL Notification

N/2 N/2 of Sections 5 and 6, Township 23 South, Range 29 East, Eddy County, New Mexico (containing 319.57 acres, more or less)

## Offset Proration Unit - Rana Salada 0605 #822H: S/2 N/2 of Sections 5 and 6, Township 23 South, Range 29 East

### **Notification:**

Offset Proration Unit – Rana Salada 0605 #822H					
Owner Type Affected Party		Date of Notices Sent			
WI Owner/Operator	Permian Resources Operating, LLC	N/A			

### **Compiled Owners and Addresses:**

	Compiled Owner Information							
Owner Type Affected Party Mailing Address		Tracking No.	Date Sent					
WI Owner	McCully Champman Exploration Inc.	1225 N Loop W, Suite 1055, Houston, Texas 77008	9414836208551280684833	4/4/25				
WI Owner	Wade Petroleum	9 Broken Arrow Pl, Sandia Park, NM 87047	9414836208551280684826	4/4/25				
WI Owner	WPX Energy Permian, LLC (Devon)	333 W Sheridan, Oklahoma City, OK 73012	9414836208551280684802	4/4/25				
WI Owner	Northern Oil & Gas	4350 Baker Road, Suite 400, Minnetonka, MN 55343	9414836208551280684819	4/4/25				
Mineral Interest	Bureau of Land Management	1004 W. Orchard Land, Carlsbad, New Mexico 88220	9414836208551280684840	4/4/25				

# **EXHIBIT D**

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

General Information Phone: (505) 629-6116

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

Operator:	OGRID:
Permian Resources Operating, LLC	372165
300 N. Marienfeld St Ste 1000	Action Number:
Midland, TX 79701	448776
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)
CONDITIONS	

-		
Created	Condition	Condition
Ву		Date
llowe	None	4/4/2025

CONDITIONS

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Action 448776