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

APPLICATION OF PERMIAN RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

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APPLICATION

Pursuant to NMSA 1978, Section 70-2-17, Permian Resources Operating, LLC (OGRID No. 372165) ("Permian Resources" or "Applicant") applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 319.88-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 of Section 24, Township 20 South, Range 26 East, and the S/2 N/2 equivalent of irregular Section 19, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"). In support of this application, Permian Resources states the following.

- 1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
- 2. The Unit will be dedicated to the **Le Mans 24 State Com 132H** well ("Well"), which will produce from a first take point located in the SW/4 NW/4 (Unit E) of Section 24, Township 20 South, Range 26 East, to a last take point located in the SE/4 NE/4 (Unit H) of Section 19, Township 20 South, Range 27 East.
 - 3. The completed interval of the Well will be orthodox.
- 4. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.
- 5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

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6. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant

should be designated as the operator of the Well and Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an

Examiner of the Oil Conservation Division on August 7, 2025, and, after notice and hearing as

required by law, the Division enter an order:

Pooling all uncommitted interests in the Unit; A.

B. Approving the Well in the Unit;

C. Designating Applicant as operator of the Unit and the Well to be drilled thereon;

D. Authorizing Applicant to recover its costs of drilling, equipping and completing the

Well;

E. Approving the actual operating charged and costs of supervision while drilling and

after completion, together with a provision adjusting the rated pursuant to the

COPAS accounting procedures; and

F. Imposing a 200% penalty for the risk assumed by Applicant in drilling and

completing the Well against any working interest owner who does not voluntarily

participate in the drilling of the Well.

Respectfully submitted,

HARDY MCLEAN LLC

<u>/s/ Dana S. Hardy</u>

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