

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

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

**CASE NO. 25513**

**EXHIBIT INDEX**

**Compulsory Pooling Checklist**

<b>Exhibit A</b>	<b>Self-Affirmed Statement of Reagan Armstrong</b>
A-1	Application & Proposed Notice of Hearing
A-2	C-102 for the Well
A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties
A-4	Sample Well Proposal Letter & AFE
A-5	Chronology of Contact
<b>Exhibit B</b>	<b>Self-Affirmed Statement of Chris Reudelhuber</b>
B-1	Regional Locator Map
B-2	Cross-Section Location Map
B-3	Subsea Structure Map – Second Bone Spring
B-4	Subsea Structure Map – Third Bone Spring
B-5	Stratigraphic Cross Section
B-6	Gun Barrel Diagram
<b>Exhibit C</b>	<b>Self-Affirmed Statement of Jaclyn M. McLean</b>
C-1	Notice Letter to All Interested Parties Sent July 16, 2025
C-2	Postal Delivery Report
C-3	Electronic Return Receipts
C-4	Affidavit of Publication for July 22, 2025

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 25513	APPLICANT'S RESPONSE
Date: August 7, 2025	
Applicant	Permian Resources Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (OGRID No. 372165)
Applicant's Counsel:	Hardy McLean LLC
Case Title:	Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico.
Entries of Appearance/Intervenors:	Devon Energy Production Company, L.P.
Well Family	Outland
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Gramma Ridge; Bone Spring, North Pool (Code 28434)
Well Location Setback Rules:	Statewide
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	475.12 acres
Building Blocks:	quarter-quarter
Orientation:	North to South
Description: TRS/County	W/2 equivalent of irregular Section 1, Township 21 South, Range 34 East, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No.
Proximity Tracts: If yes, description	Yes. The completed interval of the Outland State Unit 1 132H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Section 1 to allow for the creation of a 475.12-acre standard horizontal spacing unit.
Proximity Defining Well: if yes, description	Outland State Unit 1 132H
Applicant's Ownership in Each Tract	Exhibit A-3
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Outland State Unit 1 121H SHL: 401' FNL & 2,267' FWL (Lot 3), Section 1, T21S-R34E BHL: 100' FSL & 660' FWL (Unit M), Section 1, T21S-R34E Completion Target: Second Bone Spring (Approx. 10,420' TVD)
Well #2	Outland State Unit 1 122H SHL: 401' FNL & 2,300' FWL (Lot 3), Section 1, T21S-R34E BHL: 100' FSL & 1,980' FWL (Unit N), Section 1, T21S-R34E Completion Target: Second Bone Spring (Approx. 10,420' TVD)
Well #3	Outland State Unit 1 131H SHL: 401' FNL & 2,333' FWL (Lot 3), Section 1, T21S-R34E BHL: 100' FSL & 330' FWL (Unit M), Section 1, T21S-R34E Completion Target: Third Bone Spring (Approx. 11,200' TVD)
Well #4	Outland State Unit 1 132H SHL: 401' FNL & 2,365' FWL (Lot 3), Section 1, T21S-R34E BHL: 100' FSL & 1,649' FWL (Unit N), Section 1, T21S-R34E Completion Target: Third Bone Spring (Approx. 11,200' TVD)
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit A-4
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits C-1, C-2, C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4

<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
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 A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-6
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibits B-3, B-4
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-5
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Dana S. Hardy
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Dana S. Hardy
<b>Date:</b>	7/30/2025

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

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

**CASE NO. 25513**

**SELF-AFFIRMED STATEMENT  
OF REAGAN ARMSTRONG**

1. I am employed by Permian Resources Operating, LLC (“Permian Resources”) as a Land Professional. I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”) and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. Copies of Permian Resources’ application and proposed hearing notice are attached as **Exhibit A-1**.

3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit; therefore I do not expect any opposition at hearing.

4. Permian Resources seeks to pool all uncommitted interests in the Bone Spring formation underlying a 475.12-acre, more or less, standard horizontal spacing unit, comprised of the W/2 equivalent of irregular Section 1, Township 21 South, Range 34 East, Lea County, New Mexico (“Unit”).

5. The Unit will be dedicated to the following wells (“Wells”):

- a. **Outland State Unit 1 121H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Lot 3) of Section 1 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 1;

**Permian Resources Operating, LLC  
Case No. 25513  
Exhibit A**



- b. **Outland State Unit 1 122H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Lot 3) of Section 1 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 1;
  - c. **Outland State Unit 1 131H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Lot 3) of Section 1 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 1; and
  - d. **Outland State Unit 1 132H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Lot 3) of Section 1 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 1.
6. The completed intervals of the Wells will be orthodox.
7. The completed interval of the Outland State Unit 1 132H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Section 1 to allow for the creation of a 475.12-acre standard horizontal spacing unit.
8. **Exhibit A-2** contains the C-102 for the Wells.
9. **Exhibit A-3** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Permian Resources seeks to pool highlighted in yellow.
10. Permian Resources has conducted a diligent search of all county public records, including phone directories and computer databases, as well as internet searches, to locate the interest owners it seeks to pool.
11. **Exhibit A-4** contains a sample well proposal letter and AFE sent to working interest owners for the Wells. The estimated costs reflected on the AFE are fair and reasonable and

comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

12. In my opinion, Permian Resources made a good-faith effort to reach voluntary joinder of uncommitted interests in the Wells as indicated by the chronology of contact described in **Exhibit A-5**.

13. As operator of the Unit and the Wells, Permian Resources requests overhead and administrative rates of \$10,000 per month while the Wells are being drilled and \$1,000 per month while the Wells are producing. These rates are fair and are comparable to the rates charged by Permian Resources and other operators in the vicinity.

14. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

15. In my opinion, the granting of Permian Resources' application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

16. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date next to my electronic signature below.



REAGAN ARMSTRONG

7/22/2025

Date

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

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

**CASE NO. 25513**

**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 475.12-acre, more or less, standard horizontal spacing unit, comprised of the W/2 equivalent of irregular Section 1, Township 21 South, Range 34 East, Lea 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 following wells ("Wells"):
  - a. **Outland State Unit 1 121H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 1 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 1;
  - b. **Outland State Unit 1 122H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 1 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 1;
  - c. **Outland State Unit 1 131H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 1 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 1; and

**Permian Resources Operating, LLC  
Case No. 25513  
Exhibit A-1**

- d. **Outland State Unit 1 132H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 1 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 1.
3. The completed interval of the Wells will be orthodox.
4. The completed interval of the Outland State Unit 1 132H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 to allow for the creation of a 475.12-acre standard horizontal spacing unit.
5. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Wells but has been unable to obtain voluntary agreements from all interest owners.
6. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
7. 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 Wells 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:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Wells in the Unit;
- C. Designating Applicant as operator of the Unit and the Wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the Wells;

- 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 Wells against any working interest owner who does not voluntarily participate in the drilling of the Wells.

Respectfully submitted,

HARDY McLEAN LLC

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

125 Lincoln Ave, Ste. 223

Santa Fe, NM 87501

Phone: (505) 230-4410

dhardy@hardymclean.com

jmclean@hardymclean.com

*Counsel for Permian Resources Operating, LLC*

**Application of Permian Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 475.12-acre, more or less, standard horizontal spacing unit, comprised of the W/2 equivalent of irregular Section 1, Township 21 South, Range 34 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"): **Outland State Unit 1 121H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 1 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 1; **Outland State Unit 1 122H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 1 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 1; **Outland State Unit 1 131H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 1 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 1; and **Outland State Unit 1 132H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 1 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 1. The completed interval of the Wells will be orthodox. The completed interval of the Outland State Unit 1 132H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 to allow for the creation of a 475.12-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Applicant as operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 16.4 miles northwest of Eunice, New Mexico.

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024	
		Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
		<input type="checkbox"/> As Drilled	

## WELL LOCATION INFORMATION

API Number	Pool Code <b>28434</b>	Pool Name <b>GRAMMA RIDGE; BONE SPRING, NORTH</b>
Property Code	Property Name <b>OUTLAND STATE UNIT 1</b>	Well Number <b>122H</b>
OGRID No. <b>372165</b>	Operator Name <b>PERMIAN RESOURCES OPERATING, LLC</b>	Ground Level Elevation <b>3,684'</b>
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

## Surface Location

UL	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot <b>LOT 3</b>	Ft. from N/S <b>401' FNL</b>	Ft. from E/W <b>2,300' FWL</b>	Latitude <b>32.521257°</b>	Longitude <b>-103.424616°</b>	County <b>LEA</b>
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## Bottom Hole Location

UL <b>N</b>	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot	Ft. from N/S <b>100' FSL</b>	Ft. from E/W <b>1,980' FWL</b>	Latitude <b>32.501084°</b>	Longitude <b>-103.425657°</b>	County <b>LEA</b>
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Dedicated Acres <b>475.12</b>	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

## Kick Off Point (KOP)

UL	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot <b>LOT 3</b>	Ft. from N/S <b>401' FNL</b>	Ft. from E/W <b>2,300' FWL</b>	Latitude <b>32.521257°</b>	Longitude <b>-103.424616°</b>	County <b>LEA</b>
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## First Take Point (FTP)

UL	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot <b>LOT 3</b>	Ft. from N/S <b>100' FNL</b>	Ft. from E/W <b>1,980' FWL</b>	Latitude <b>32.522083°</b>	Longitude <b>-103.425654°</b>	County <b>LEA</b>
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## Last Take Point (LTP)

UL <b>N</b>	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot	Ft. from N/S <b>100' FSL</b>	Ft. from E/W <b>1,980' FWL</b>	Latitude <b>32.501084°</b>	Longitude <b>-103.425657°</b>	County <b>LEA</b>
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<b>OPERATOR CERTIFICATIONS</b>  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		<b>SURVEYOR CERTIFICATIONS</b>  I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  <b>PRELIMINARY</b>  THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.  MARK J. MURRAY P.L.S. NO. 12177	
Signature _____ Date _____		Signature and Seal of Professional Surveyor _____	
Printed Name _____		Certificate Number <b>12177</b>	Date of Survey <b>7/11/2025</b>
Email Address _____			

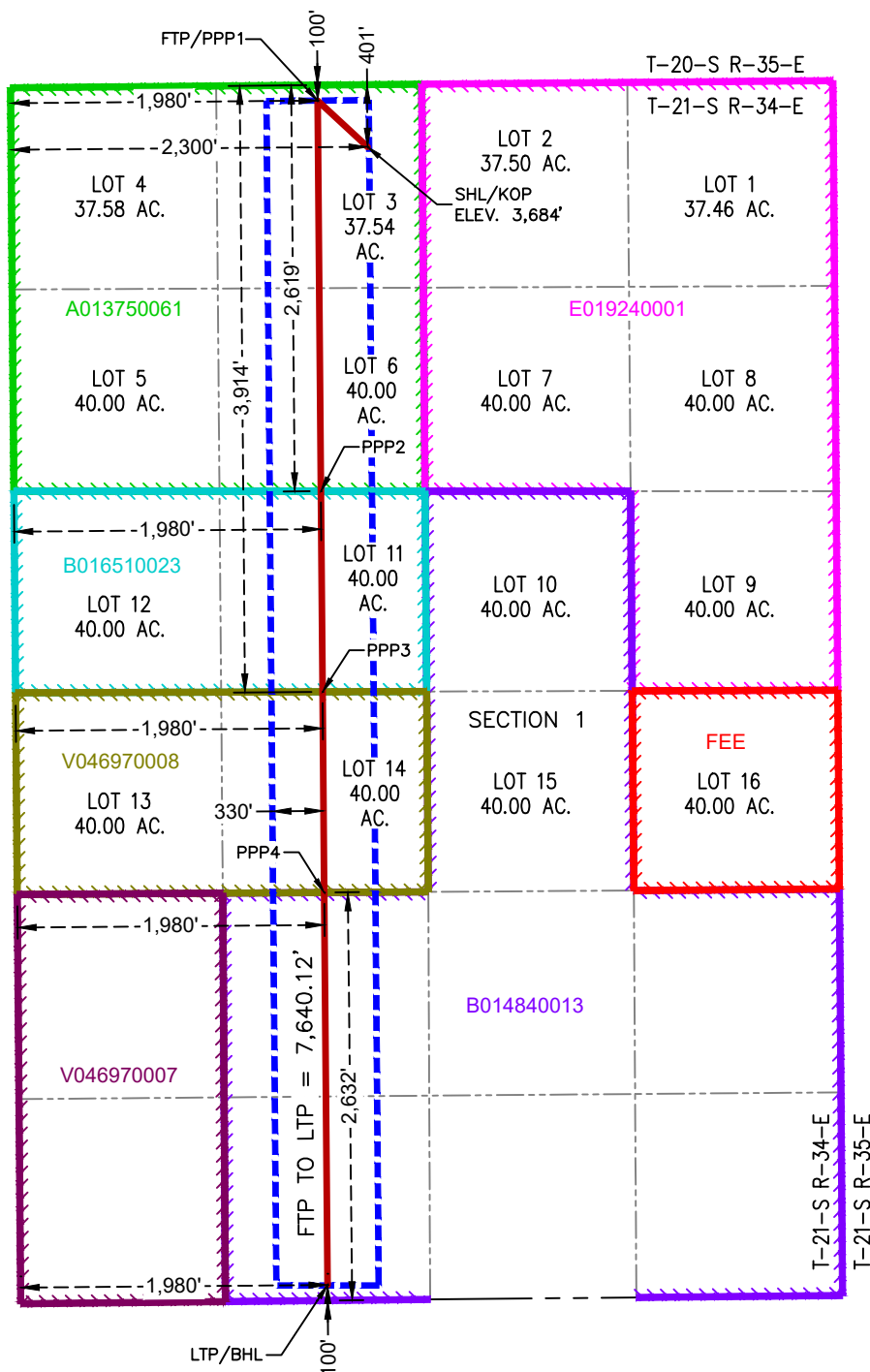
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

## ACREAGE DEDICATION PLATS

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.

## OUTLAND STATE UNIT 1 122H



SURFACE HOLE LOCATION  
& KICK-OFF POINT  
401' FNL & 2,300' FWL  
ELEV. = 3,684'

NAD 83 X = 821,428.59'  
NAD 83 Y = 554,558.16'  
NAD 83 LAT = 32.521257°  
NAD 83 LONG = -103.424616°  
NAD 27 X = 780,246.25'  
NAD 27 Y = 554,496.14'  
NAD 27 LAT = 32.521133°  
NAD 27 LONG = -103.424134°

FIRST TAKE POINT &  
PENETRATION POINT 1  
100' FNL & 1,980' FWL  
NAD 83 X = 821,106.25'  
NAD 83 Y = 554,856.10'  
NAD 83 LAT = 32.522083°  
NAD 83 LONG = -103.425654°  
NAD 27 X = 779,923.92'  
NAD 27 Y = 554,794.06'  
NAD 27 LAT = 32.521959°  
NAD 27 LONG = -103.425171°

PENETRATION POINT 2  
2,619' FNL & 1,980' FWL  
NAD 83 X = 821,127.20'  
NAD 83 Y = 552,337.10'  
NAD 83 LAT = 32.515160°  
NAD 83 LONG = -103.425656°  
NAD 27 X = 779,944.80'  
NAD 27 Y = 552,275.13'  
NAD 27 LAT = 32.515036°  
NAD 27 LONG = -103.425173°

PENETRATION POINT 3  
3,914' FNL & 1,980' FWL  
NAD 83 X = 821,138.05'  
NAD 83 Y = 551,042.53'  
NAD 83 LAT = 32.511601°  
NAD 83 LONG = -103.425656°  
NAD 27 X = 779,955.60'  
NAD 27 Y = 550,980.59'  
NAD 27 LAT = 32.511477°  
NAD 27 LONG = -103.425174°

PENETRATION POINT 4  
2,632' FSL & 1,980' FWL  
NAD 83 X = 821,148.88'  
NAD 83 Y = 549,747.96'  
NAD 83 LAT = 32.508043°  
NAD 83 LONG = -103.425657°  
NAD 27 X = 779,966.38'  
NAD 27 Y = 549,686.05'  
NAD 27 LAT = 32.507919°  
NAD 27 LONG = -103.425175°

LAST TAKE POINT &  
BOTTOM HOLE LOCATION  
100' FSL & 1,980' FWL  
NAD 83 X = 821,170.21'  
NAD 83 Y = 547,216.24'  
NAD 83 LAT = 32.501084°  
NAD 83 LONG = -103.425657°  
NAD 27 X = 779,987.63'  
NAD 27 Y = 547,154.39'  
NAD 27 LAT = 32.500960°  
NAD 27 LONG = -103.425176°



<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024	
		Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
			<input type="checkbox"/> As Drilled

## WELL LOCATION INFORMATION

API Number	Pool Code <b>28434</b>	Pool Name <b>GRAMMA RIDGE; BONE SPRING, NORTH</b>
Property Code	Property Name <b>OUTLAND STATE UNIT 1</b>	Well Number <b>131H</b>
OGRID No. <b>372165</b>	Operator Name <b>PERMIAN RESOURCES OPERATING, LLC</b>	Ground Level Elevation <b>3,684'</b>
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

## Surface Location

UL	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot <b>LOT 3</b>	Ft. from N/S <b>401' FNL</b>	Ft. from E/W <b>2,333' FWL</b>	Latitude <b>32.521257°</b>	Longitude <b>-103.424509°</b>	County <b>LEA</b>
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## Bottom Hole Location

UL <b>M</b>	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot	Ft. from N/S <b>100' FSL</b>	Ft. from E/W <b>330' FWL</b>	Latitude <b>32.501074°</b>	Longitude <b>-103.431009°</b>	County <b>LEA</b>
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Dedicated Acres <b>475.12</b>	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

## Kick Off Point (KOP)

UL	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot <b>LOT 3</b>	Ft. from N/S <b>401' FNL</b>	Ft. from E/W <b>2,333' FWL</b>	Latitude <b>32.521257°</b>	Longitude <b>-103.424509°</b>	County <b>LEA</b>
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## First Take Point (FTP)

UL	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot <b>LOT 4</b>	Ft. from N/S <b>100' FNL</b>	Ft. from E/W <b>330' FWL</b>	Latitude <b>32.522082°</b>	Longitude <b>-103.431007°</b>	County <b>LEA</b>
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## Last Take Point (LTP)

UL <b>M</b>	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot	Ft. from N/S <b>100' FSL</b>	Ft. from E/W <b>330' FWL</b>	Latitude <b>32.501074°</b>	Longitude <b>-103.431009°</b>	County <b>LEA</b>
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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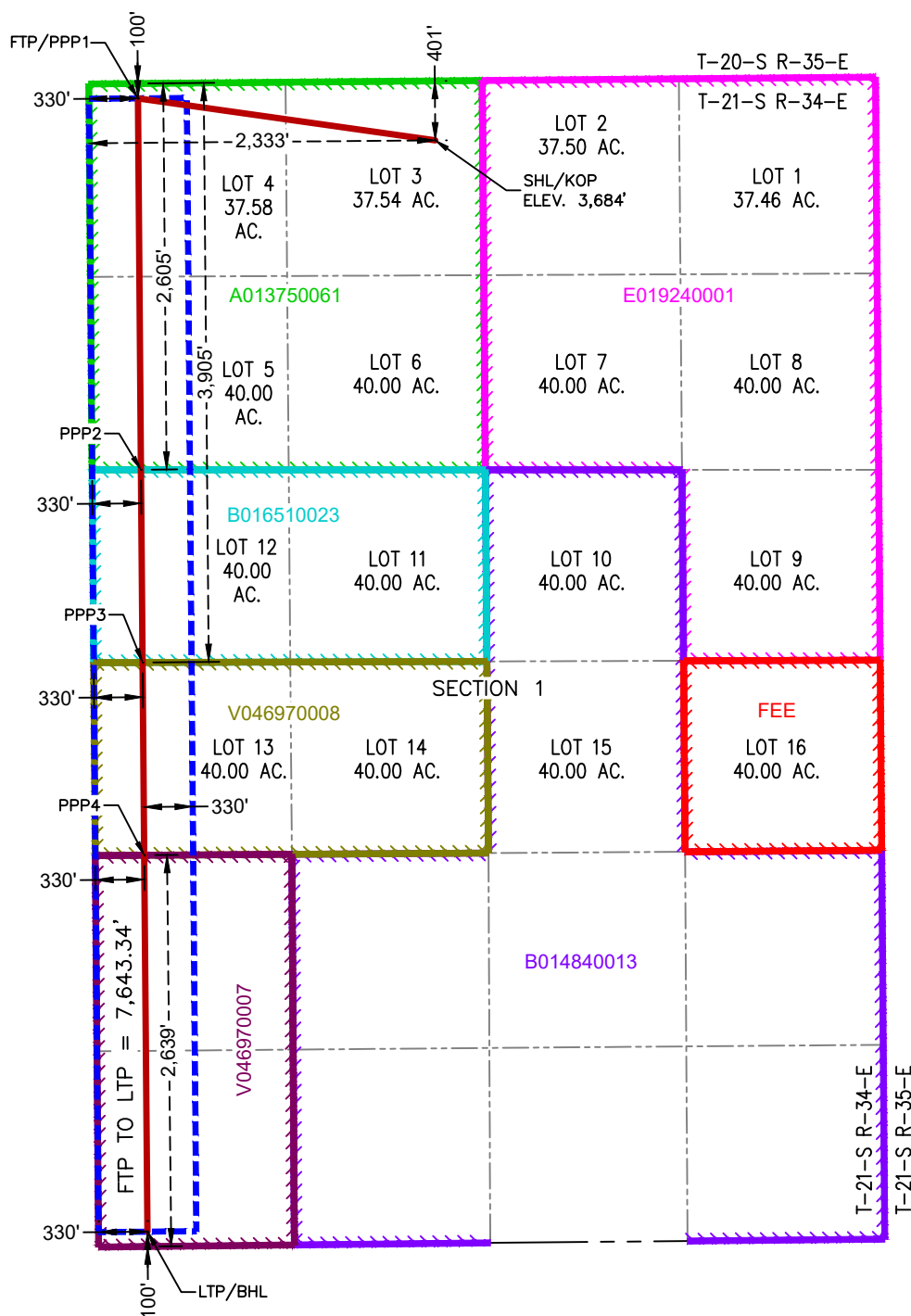
<b>OPERATOR CERTIFICATIONS</b>  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		<b>SURVEYOR CERTIFICATIONS</b>  I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  <b>PRELIMINARY</b>  THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.  MARK J. MURRAY P.L.S. NO. 12177	
Signature _____ Date _____		Signature and Seal of Professional Surveyor _____	
Printed Name _____		Certificate Number <b>12177</b>	Date of Survey <b>7/11/2025</b>
Email Address _____			

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

## ACREAGE DEDICATION PLATS

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.

**OUTLAND STATE UNIT 1 131H**

**SURFACE HOLE LOCATION  
& KICK-OFF POINT**  
401' FNL & 2,333' FWL  
ELEV. = 3,684'

NAD 83 X = 821,461.59'  
NAD 83 Y = 554,558.46'  
NAD 83 LAT = 32.521257°  
NAD 83 LONG = -103.424509°  
NAD 27 X = 780,279.25'  
NAD 27 Y = 554,496.43'  
NAD 27 LAT = 32.521133°  
NAD 27 LONG = -103.424027°

**FIRST TAKE POINT &  
PENETRATION POINT 1**  
100' FNL & 330' FWL

NAD 83 X = 819,456.31'  
NAD 83 Y = 554,841.77'  
NAD 83 LAT = 32.522082°  
NAD 83 LONG = -103.431007°  
NAD 27 X = 778,274.03'  
NAD 27 Y = 554,779.73'  
NAD 27 LAT = 32.521959°  
NAD 27 LONG = -103.430524°

**PENETRATION POINT 2**  
2,605' FNL & 330' FWL

NAD 83 X = 819,477.20'  
NAD 83 Y = 552,337.10'  
NAD 83 LAT = 32.515198°  
NAD 83 LONG = -103.431008°  
NAD 27 X = 778,294.84'  
NAD 27 Y = 552,275.12'  
NAD 27 LAT = 32.515074°  
NAD 27 LONG = -103.430525°

**PENETRATION POINT 3**  
3,905' FNL & 330' FWL

NAD 83 X = 819,488.06'  
NAD 83 Y = 551,037.26'  
NAD 83 LAT = 32.511625°  
NAD 83 LONG = -103.431008°  
NAD 27 X = 778,305.66'  
NAD 27 Y = 550,975.31'  
NAD 27 LAT = 32.511501°  
NAD 27 LONG = -103.430526°

**PENETRATION POINT 4**  
2,639' FSL & 330' FWL

NAD 83 X = 819,498.91'  
NAD 83 Y = 549,737.41'  
NAD 83 LAT = 32.508052°  
NAD 83 LONG = -103.431009°  
NAD 27 X = 778,316.47'  
NAD 27 Y = 549,675.50'  
NAD 27 LAT = 32.507929°  
NAD 27 LONG = -103.430527°

**LAST TAKE POINT &  
BOTTOM HOLE LOCATION**  
100' FSL & 330' FWL

NAD 83 X = 819,520.30'  
NAD 83 Y = 547,198.70'  
NAD 83 LAT = 32.501074°  
NAD 83 LONG = -103.431009°  
NAD 27 X = 778,337.77'  
NAD 27 Y = 547,136.85'  
NAD 27 LAT = 32.500950°  
NAD 27 LONG = -103.430527°

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024	
		Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
			<input type="checkbox"/> As Drilled

## WELL LOCATION INFORMATION

API Number	Pool Code <b>28434</b>	Pool Name <b>GRAMMA RIDGE; BONE SPRING, NORTH</b>
Property Code	Property Name <b>OUTLAND STATE UNIT 1</b>	Well Number <b>132H</b>
OGRID No. <b>372165</b>	Operator Name <b>PERMIAN RESOURCES OPERATING, LLC</b>	Ground Level Elevation <b>3,684'</b>
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

## Surface Location

UL	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot <b>LOT 3</b>	Ft. from N/S <b>401' FNL</b>	Ft. from E/W <b>2,365' FWL</b>	Latitude <b>32.521257°</b>	Longitude <b>-103.424406°</b>	County <b>LEA</b>
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## Bottom Hole Location

UL <b>N</b>	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot	Ft. from N/S <b>100' FSL</b>	Ft. from E/W <b>1,649' FWL</b>	Latitude <b>32.501082°</b>	Longitude <b>-103.426731°</b>	County <b>LEA</b>
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Dedicated Acres <b>475.12</b>	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

## Kick Off Point (KOP)

UL	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot <b>LOT 3</b>	Ft. from N/S <b>401' FNL</b>	Ft. from E/W <b>2,365' FWL</b>	Latitude <b>32.521257°</b>	Longitude <b>-103.424406°</b>	County <b>LEA</b>
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## First Take Point (FTP)

UL	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot <b>LOT 3</b>	Ft. from N/S <b>100' FNL</b>	Ft. from E/W <b>1,649' FWL</b>	Latitude <b>32.522083°</b>	Longitude <b>-103.426728°</b>	County <b>LEA</b>
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## Last Take Point (LTP)

UL <b>N</b>	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot	Ft. from N/S <b>100' FSL</b>	Ft. from E/W <b>1,649' FWL</b>	Latitude <b>32.501082°</b>	Longitude <b>-103.426731°</b>	County <b>LEA</b>
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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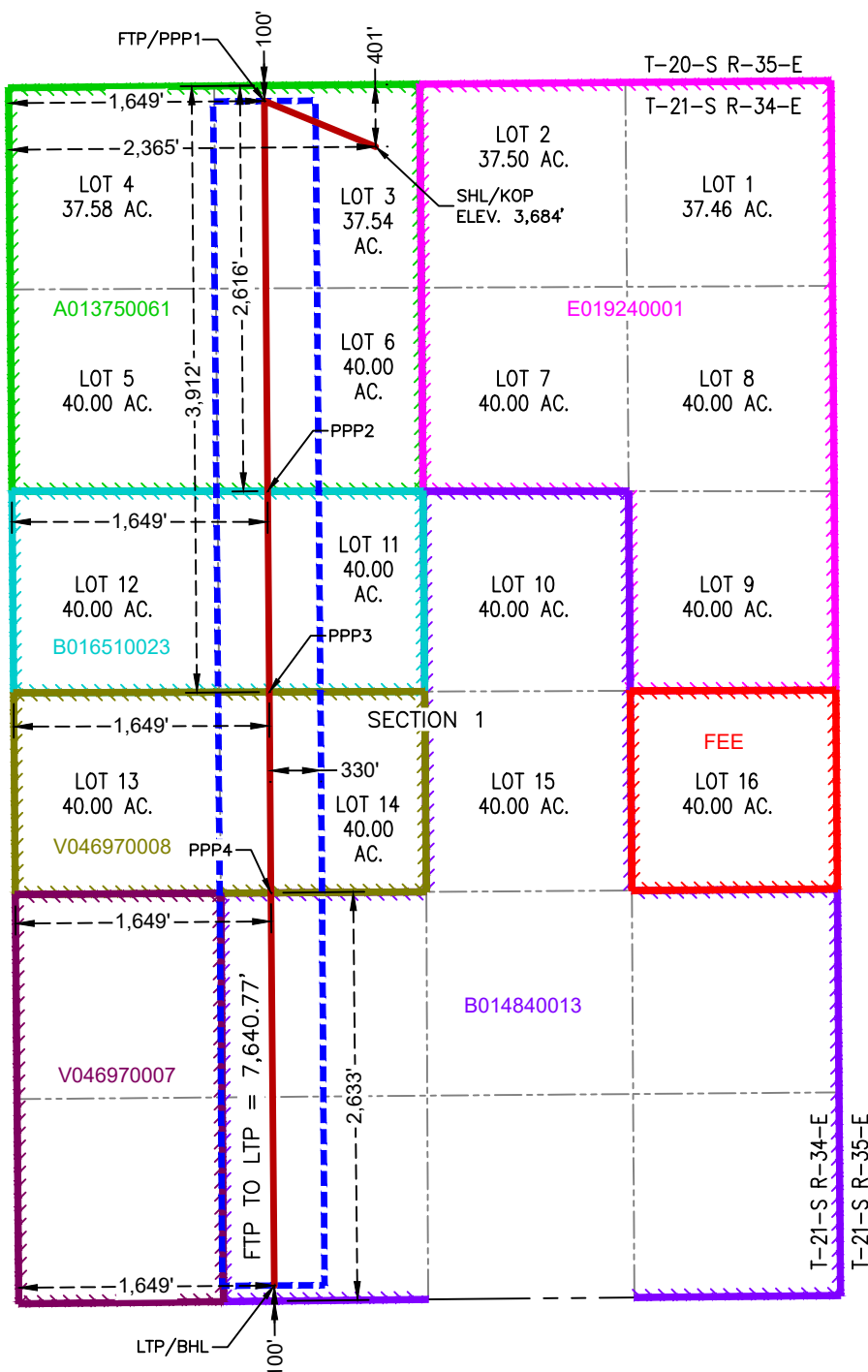
<b>OPERATOR CERTIFICATIONS</b>  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		<b>SURVEYOR CERTIFICATIONS</b>  I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  <b>PRELIMINARY</b> <b>THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.</b> <b>MARK J. MURRAY P.L.S. NO. 12177</b>	
Signature _____ Date _____		Signature and Seal of Professional Surveyor _____	
Printed Name _____		Certificate Number <b>12177</b>	Date of Survey <b>7/11/2025</b>
Email Address _____			

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

## ACREAGE DEDICATION PLATS

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.

**OUTLAND STATE UNIT 1 132H**

SURFACE HOLE LOCATION  
& KICK-OFF POINT  
401' FNL & 2,365' FWL  
ELEV. = 3,684'

NAD 83 X = 821,493.59'  
NAD 83 Y = 554,558.74'  
NAD 83 LAT = 32.521257°  
NAD 83 LONG = -103.424406°  
NAD 27 X = 780,311.25'  
NAD 27 Y = 554,496.71'  
NAD 27 LAT = 32.521133°  
NAD 27 LONG = -103.423923°

FIRST TAKE POINT &  
PENETRATION POINT 1  
100' FNL & 1,649' FWL

NAD 83 X = 820,775.26'  
NAD 83 Y = 554,853.22'  
NAD 83 LAT = 32.522083°  
NAD 83 LONG = -103.426728°  
NAD 27 X = 779,592.95'  
NAD 27 Y = 554,791.19'  
NAD 27 LAT = 32.521959°  
NAD 27 LONG = -103.426245°

PENETRATION POINT 2  
2,616' FNL & 1,649' FWL

NAD 83 X = 820,796.20'  
NAD 83 Y = 552,337.10'  
NAD 83 LAT = 32.515167°  
NAD 83 LONG = -103.426729°  
NAD 27 X = 779,613.80'  
NAD 27 Y = 552,275.13'  
NAD 27 LAT = 32.515043°  
NAD 27 LONG = -103.426247°

PENETRATION POINT 3  
3,912' FNL & 1,649' FWL

NAD 83 X = 820,807.05'  
NAD 83 Y = 551,041.47'  
NAD 83 LAT = 32.511606°  
NAD 83 LONG = -103.426730°  
NAD 27 X = 779,624.61'  
NAD 27 Y = 550,979.53'  
NAD 27 LAT = 32.511482°  
NAD 27 LONG = -103.426248°

PENETRATION POINT 4  
2,633' FSL & 1,649' FWL

NAD 83 X = 820,817.89'  
NAD 83 Y = 549,745.84'  
NAD 83 LAT = 32.508045°  
NAD 83 LONG = -103.426730°  
NAD 27 X = 779,635.40'  
NAD 27 Y = 549,683.93'  
NAD 27 LAT = 32.507921°  
NAD 27 LONG = -103.426248°

LAST TAKE POINT &  
BOTTOM HOLE LOCATION  
100' FSL & 1,649' FWL

NAD 83 X = 820,839.23'  
NAD 83 Y = 547,212.72'  
NAD 83 LAT = 32.501082°  
NAD 83 LONG = -103.426731°  
NAD 27 X = 779,656.65'  
NAD 27 Y = 547,150.87'  
NAD 27 LAT = 32.500958°  
NAD 27 LONG = -103.426249°

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024	
		Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
			<input type="checkbox"/> As Drilled

## WELL LOCATION INFORMATION

API Number	Pool Code <b>28434</b>	Pool Name <b>GRAMMA RIDGE; BONE SPRING, NORTH</b>
Property Code	Property Name <b>OUTLAND STATE UNIT 1</b>	Well Number <b>121H</b>
OGRID No. <b>372165</b>	Operator Name <b>PERMIAN RESOURCES OPERATING, LLC</b>	Ground Level Elevation <b>3,684'</b>
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

## Surface Location

UL	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot <b>LOT 3</b>	Ft. from N/S <b>401' FNL</b>	Ft. from E/W <b>2,267' FWL</b>	Latitude <b>32.521257°</b>	Longitude <b>-103.424724°</b>	County <b>LEA</b>
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## Bottom Hole Location

UL <b>M</b>	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot	Ft. from N/S <b>100' FSL</b>	Ft. from E/W <b>660' FWL</b>	Latitude <b>32.501076°</b>	Longitude <b>-103.429939°</b>	County <b>LEA</b>
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Dedicated Acres <b>475.12</b>	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

## Kick Off Point (KOP)

UL	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot <b>LOT 3</b>	Ft. from N/S <b>401' FNL</b>	Ft. from E/W <b>2,267' FWL</b>	Latitude <b>32.521257°</b>	Longitude <b>-103.424724°</b>	County <b>LEA</b>
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## First Take Point (FTP)

UL	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot <b>LOT 4</b>	Ft. from N/S <b>100' FNL</b>	Ft. from E/W <b>660' FWL</b>	Latitude <b>32.522083°</b>	Longitude <b>-103.429936°</b>	County <b>LEA</b>
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## Last Take Point (LTP)

UL <b>M</b>	Section <b>1</b>	Township <b>21S</b>	Range <b>34E</b>	Lot	Ft. from N/S <b>100' FSL</b>	Ft. from E/W <b>660' FWL</b>	Latitude <b>32.501076°</b>	Longitude <b>-103.429939°</b>	County <b>LEA</b>
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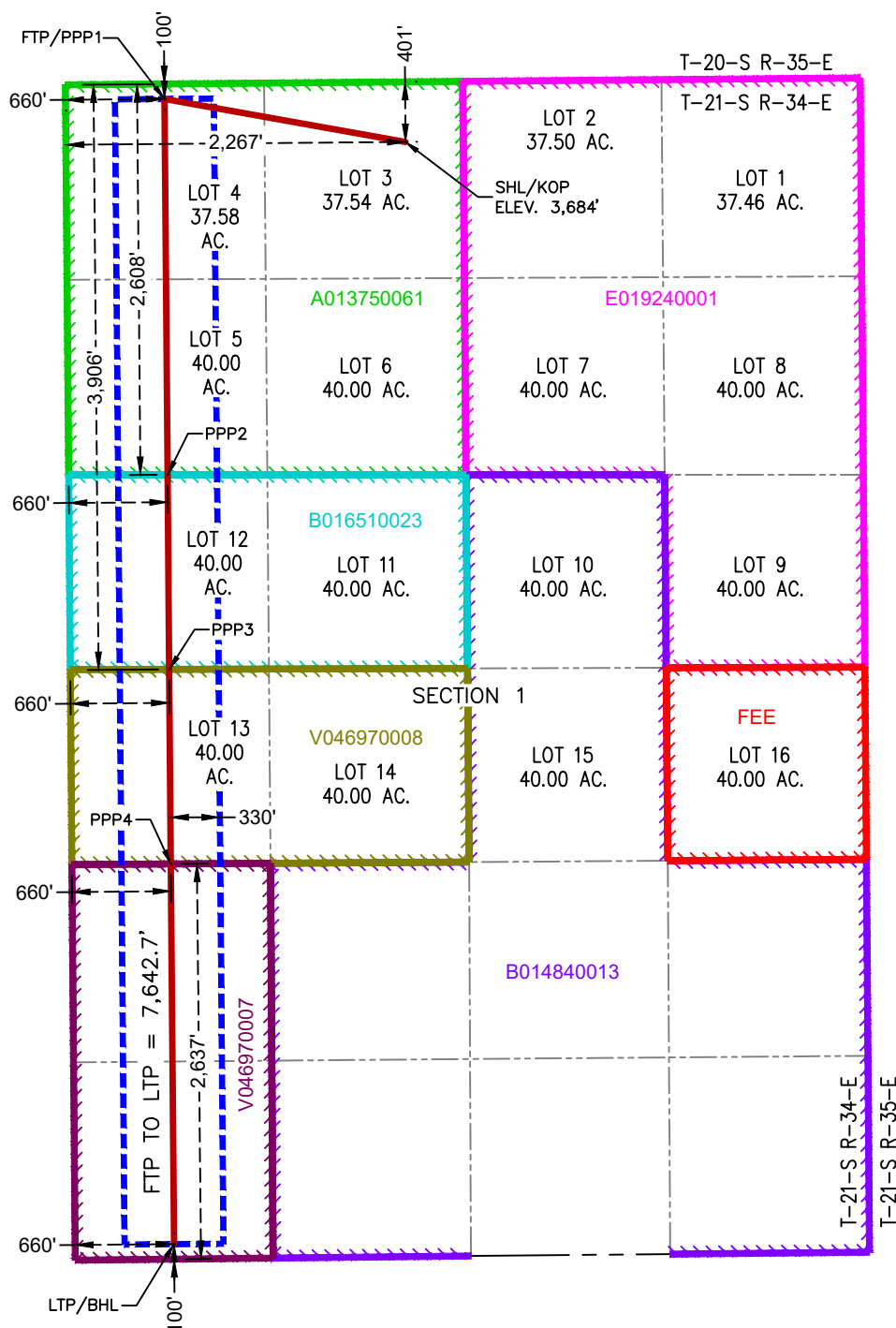
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<b>OPERATOR CERTIFICATIONS</b>  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.		<b>SURVEYOR CERTIFICATIONS</b>  I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  <b>PRELIMINARY</b>  THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.  MARK J. MURRAY P.L.S. NO. 12177	
Signature _____ Date _____		Signature and Seal of Professional Surveyor _____	
Printed Name _____		Certificate Number <b>12177</b>	Date of Survey <b>7/11/2025</b>
Email Address _____			

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**OUTLAND STATE UNIT 121H**



LAST TAKE POINT &  
BOTTOM LOG LOCATION  
100' FSL & 660' FWL

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NAD 83 X = 819,850.28'  
NAD 83 Y = 547,202.20'  
NAD 83 LAT = 32.501076°  
NAD 83 LONG = -103.429939°  
NAD 27 X = 778,667.74'  
NAD 27 Y = 547,140.36'  
NAD 27 LAT = 32.500952°  
NAD 27 LONG = -103.429457°



**Permian Resources Operating, LLC – Outland 1**

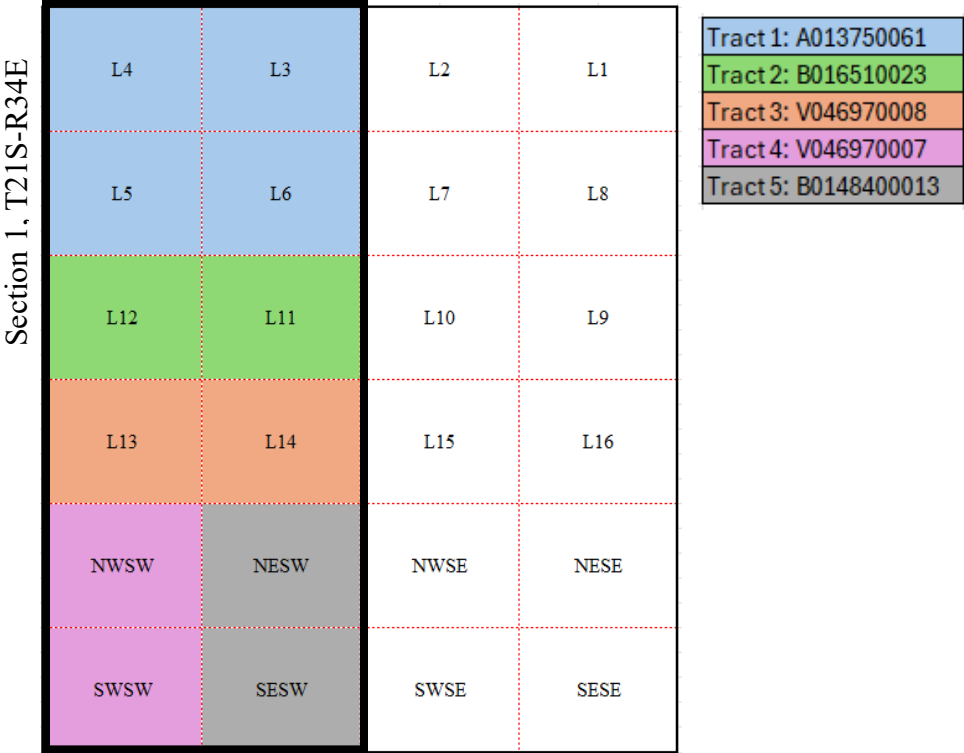
Township 21 South Range - 34 East

Section 1: W2 Equivalent (Including Lots 3-6, 11-14)

Lea County, New Mexico

Limited in Depth to the Bone Spring Formation

475.12 Acres, More or less



**Tract 1: Section 1: Lots 3-6 (Containing 155.12 acres More or Less)**

Party Name	Working Interest
*Earthstone Permian, LLC	100%
<b>Total</b>	<b>100%</b>

**Tract 2: Section 1: Lots 11-14 (Containing 160 acres More or Less)**

Party Name	Working Interest
*Earthstone Permian, LLC	49.56606%
Devon Energy Production Co LP	49.29841%
Maverick Oil & Gas Corp.	0.03099%
Timothy R. MacDonald	0.09298%
Ray Westall, et ux	1.01156%
<b>Total</b>	<b>100%</b>

**Tract 3: Section 1: S2 (Containing 160 acres More or Less)**

Party Name	Working Interest
*Earthstone Permian, LLC	99.86025%
Timothy R. MacDonald	0.10481%
Maverick Oil & Gas Corp.	0.03099%
<b>Total</b>	<b>100%</b>

*\*Earthstone Permian is a wholly owned subsidiary of Permian Resources Operating, LLC.*

Unit Capitulation:

Party Name	Working Interest
*Earthstone Permian, LLC	82.96896%
Timothy R. MacDonald	0.06661%
Maverick Oil & Gas Corp.	0.02220%
Devon Energy Production Co. LP	16.60159%
Ray Westall, et ux	0.34065%
Total	100%

Parties seeking to pool are highlighted in yellow.

*\*Earthstone Permian is a wholly owned subsidiary of Permian Resources Operating, LLC.*





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

OFFICE 432.695.4222  
FAX 432.695.4063

May 15, 2025

Timothy R. MacDonald  
3003 Paleo Point  
College Station, TX 77845

**RE: Well Proposals – Outland State Unit 1**  
W2 of Section 1, T21S-R34E  
Lea County, New Mexico

To Whom It May Concern:

Permian Resources Operating, LLC (“Permian”), as Operator, hereby proposes the drilling and completion of the following wells, at the below listed approximate locations within Section 1, Township 21 South, Range 34 East, Lea County, New Mexico:

**1. Outland State Unit 1 121H**

SHL: 150’ FNL & 1,400’ FWL of Section 1 or at a legal location in the N2N2 of Section 1  
BHL: 100’ FSL & 660’ FWL of Section 1  
FTP: 100’ FNL & 660’ FWL of Section 1  
LTP: 100’ FSL & 660’ FWL of Section 1  
TVD: Approximately 10,420’  
TMD: Approximately 18,705’  
Targeted Interval: SBSG  
Total Cost: See attached AFE

**2. Outland State Unit 1 122H**

SHL: 150’ FNL & 1,430’ FWL of Section 1 or at a legal location in the N2N2 of Section 1  
BHL: 100’ FSL & 1,980’ FWL of Section 1  
FTP: 100’ FNL & 1,980’ FWL of Section 1  
LTP: 100’ FSL & 1,980’ FWL of Section 1  
TVD: Approximately 10,420’  
TMD: Approximately 18,705’  
Targeted Interval: SBSG  
Total Cost: See attached AFE

**3. Outland State Unit 1 131H**

SHL: 150’ FNL & 1,460’ FWL of Section 1 or at a legal location in the N2N2 of Section 1  
BHL: 100’ FSL & 330’ FWL of Section 1  
FTP: 100’ FNL & 330’ FWL of Section 1  
LTP: 100’ FSL & 330’ FWL of Section 1  
TVD: Approximately 11,200’  
TMD: Approximately 19,485’  
Targeted Interval: TBSG  
Total Cost: See attached AFE

Permian Resources Operating, LLC  
Case No. 25513  
Exhibit A-4

Permian Resources is a result of the merger of Centennial Resource Development and Colgate Energy effective September 1, 2022.

**4. Outland State Unit 1 132H**

SHL: 150' FNL & 1,490' FWL of Section 1 or at a legal location in the N2N2 of Section 1

BHL: 100' FSL & 1,650' FWL of Section 1

FTP: 100' FNL & 1,650' FWL of Section 1

LTP: 100' FSL & 1,650' FWL of Section 1

TVD: Approximately 11,200'

TMD: Approximately 19,485'

Targeted Interval: TBSG

Total Cost: See attached AFE

Please further accept this proposal as a formal notice of intent to form a non-standard proration unit encompassing the full 475.12 gross acres in order to ensure commingling approval and reduction of costs associated with these projects.

The locations, TVDs, and targets are approximate and subject to change dependent on surface or subsurface issues encountered. Permian is proposing to drill these wells under the modified terms of the 1989 AAPL Operating Agreement and a form of said Operating Agreement will be provided upon request. The Operating Agreement has the following general provisions:

- 100%/300%/300% non-consent provisions
- \$10,000/\$1,000 drilling and producing rates
- Permian Resources Operating, LLC named as Operator

Please indicate your election to participate in the drilling and completion of the proposed well(s) on the enclosed ballot. Please sign and return this letter, a signed copy of each proposed AFE, and your geologic well requirements.

In the interest of time, should we not reach an agreement within thirty (30) days of the date of your receipt of this letter, Permian will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed wells. If you do not wish to participate, Permian would be interested in acquiring your interest in the subject lands which is subject to further mutually agreeable negotiation.

If you have any questions or concerns regarding this proposal, please contact Travis Macha at [Travis.Macha@permianres.com](mailto:Travis.Macha@permianres.com). Please mail or email your elections to Jordan Ireton at the above address or at [Jordan.Ireton@permianres.com](mailto:Jordan.Ireton@permianres.com).

Respectfully,



Travis Macha  
New Mexico Land Manager

*Enclosures*

***Elections on page to follow.***

<b>Well Elections:</b> <b><i>(Please indicate your responses in the spaces below)</i></b>		
<b>Well(s)</b>	<b>Elect to Participate</b>	<b>Elect to <u>NOT</u> Participate</b>
<b>Outland State Unit 1 121H</b>		
<b>Outland State Unit 1 122H</b>		
<b>Outland State Unit 1 131H</b>		
<b>Outland State Unit 1 132H</b>		

**Timothy R. MacDonald**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# Cost Estimate

Printed Date: May 13, 2025

<b>AFE Number:</b>	503092TM	<b>Description:</b>	Outland State Unit 1 121H
<b>AFE Name:</b>	Outland State Unit 1 121H	<b>AFE TYPE:</b>	Drill and Complete
<b>Well Operator:</b>	PERMIAN RESOURCES		
<b>Operator AFE #:</b>			

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
<b>Drilling Intangible</b>		
8015.3700	IDC - DISPOSAL	\$143,801.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$35,100.00
8015.2350	IDC - FUEL/MUD	\$86,000.00
8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.5000	IDC - WELL CONTROL INSURANCE	\$9,075.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$95,625.00
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$350,500.00
8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$271,734.38
8015.1700	IDC - DAYWORK CONTRACT	\$615,346.88
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$24,750.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$42,500.00
8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.4100	IDC - RENTAL EQUIPMENT	\$90,750.00
8015.3100	IDC - CASING CREW & TOOLS	\$65,000.00
8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$12,500.00
8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$64,865.63
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00
8015.5200	IDC - CONTINGENCY	\$131,551.62
8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$37,000.00
8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$18,150.00
8015.2300	IDC - FUEL / POWER	\$154,275.00
8015.2400	IDC - RIG WATER	\$20,625.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$61,086.00
8015.1500	IDC - RIG MOB / TRUCKING	\$127,500.00
8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.4200	IDC - MANCAMP	\$42,900.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$27,000.00
8015.2150	IDC - DRILL BIT	\$115,000.00
8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$221,585.44
8015.4300	IDC - WELLSITE SUPERVISION	\$95,700.00
8015.1300	IDC - SURFACE DAMAGE / ROW	\$35,000.00
	<b>Sub-total</b>	<b>\$3,054,920.95</b>
<b>Facilities</b>		
8035.4400	FAC - COMPANY LABOR	\$455.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$9,091.00
8035.1700	FAC - RENTAL EQUIPMENT	\$7,273.00
8035.1500	FAC - MATERIALS & SUPPLIES	\$3,636.00
8035.2500	FAC - CONSULTING SERVICES	\$455.00
8035.1600	FAC - TRANSPORTATION TRUCKING	\$2,727.00

## Cost Estimate

Printed Date: May 13, 2025

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
8035.3700	FAC - AUTOMATION MATERIAL	\$2,273.00
8035.3600	FAC - ELECTRICAL	\$4,545.00
8035.2400	FAC - SUPERVISION	\$4,545.00
8035.3200	FAC - VALVES FITTINGS & PIPE	\$22,727.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$1,364.00
8035.3000	FAC - HEATER TREATER/SEPARATOR	\$90,000.00
8035.1300	FAC - SURFACE DAMAGE	\$455.00
8035.4500	FAC - CONTINGENCY	\$5,071.00
8035.2100	FAC - INSPECTION & TESTING	\$227.00
8035.3400	FAC - METERS	\$17,000.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$455.00
8035.1310	FAC - PERMANENT EASEMENT/ROW	\$1,818.00
	<b>Sub-total</b>	<b>\$174,117.00</b>
<b>Completion Tangible</b>		
8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
	<b>Sub-total</b>	<b>\$47,250.00</b>
<b>Flowback Intangible</b>		
8040.4000	IFC - CHEMICALS	\$15,000.00
8040.1899	IFC - FRAC WATER RECOVERY	\$320,026.56
8040.3430	IFC - SURFACE PUMP RENTAL	\$20,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$10,000.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00
8040.3420	IFC - TANK RENTALS	\$20,000.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$109,000.00
	<b>Sub-total</b>	<b>\$514,026.56</b>
<b>Artificial Lift Intangible</b>		
8060.3420	IAL - REVERSE UNIT RENTAL	\$5,000.00
8060.3500	IAL - WELLSITE SUPERVISION	\$9,000.00
8060.1400	IAL - WIRELINE OPEN/CASED HOLE	\$5,000.00
8060.1210	IAL - SPOOLING SERVICES	\$6,000.00
8060.3410	IAL - LAYDOWN MACHINE	\$5,000.00
8060.3810	IAL - ACID	\$25,000.00
8060.1200	IAL - WORKOVER RIG	\$15,000.00
8060.2010	IAL - KILL TRUCK	\$5,000.00
8060.2300	IAL - COMPLETION FLUIDS	\$5,000.00
8060.2000	IAL - TRUCKING/VACUUM/TRANSP	\$7,000.00
8060.3400	IAL - RENTAL EQUIPMENT	\$10,000.00
8060.2600	IAL - CONTRACT LABOR/ROUSTABOUT	\$10,000.00
8060.1900	IAL - INSPECTION & TESTING	\$3,000.00
	<b>Sub-total</b>	<b>\$110,000.00</b>
<b>Drilling Tangible</b>		
8020.1300	TDC - CASING - INTERMEDIATE 2	\$191,589.47
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$132,275.94
8020.1100	TDC - CASING - SURFACE	\$85,251.81
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$53,125.00
8020.1500	TDC - WELLHEAD EQUIPMENT	\$53,125.00

# Cost Estimate

Printed Date: May 13, 2025

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
8020.1400	TDC - CASING - PRODUCTION	\$433,919.52
<b>Sub-total</b>		<b>\$949,286.74</b>
<b>Artificial Lift Tangible</b>		
8065.2500	TAL - VALVES/CONNECTIONS/FTGS	\$15,000.00
8065.2100	TAL - WELL SITE POWER EQUIPMENT/INSTALL	\$75,000.00
8065.1300	TAL - DOWNHOLE ARTIFICIAL LIFT EQPT	\$15,000.00
8065.3100	TAL - MEASUREMENT EQUIPMENT	\$5,000.00
8065.2000	TAL - WELLHEAD EQUIPMENT	\$50,000.00
8065.1100	TAL - TUBING	\$65,000.00
8065.2200	TAL - OHP INFRASTRUCTURE EQUIPMENT/INSTALL	\$50,000.00
8065.3200	TAL - COMM, TELEMETRY & AUTOMA	\$5,000.00
8065.1310	TAL - ESP EQUIPMENT/INSTALL	\$100,000.00
<b>Sub-total</b>		<b>\$380,000.00</b>
<b>Completion Intangible</b>		
8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00
8025.2000	ICC - TRUCKING	\$14,375.00
8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$20,843.00
8025.1600	ICC - COILED TUBING	\$184,906.00
8025.3400	ICC - RENTAL EQUIPMENT	\$184,919.00
8025.3800	ICC - OVERHEAD	\$10,000.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00
8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.3050	ICC - SOURCE WATER	\$458,250.00
8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,938,886.00
8025.1500	ICC - FUEL / POWER	\$294,495.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00
8025.3500	ICC - WELLSITE SUPERVISION	\$50,625.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$362,103.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00
8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$40,000.00
8025.3000	ICC - WATER HANDLING	\$175,000.00
<b>Sub-total</b>		<b>\$3,829,902.00</b>
<b>Pipeline</b>		
8036.2800	PLN - FLOWLINE MATERIAL	\$53,020.00
8036.2200	PLN - CONTRACT LABOR	\$53,020.00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$2,273.00
8036.1310	PLN - PERMANENT EASEMENT	\$8,333.00
8036.3200	PLN - VALVES FITTINGS & PIPE	\$10,000.00
8036.3620	PLN - POWER DISTRIBUTION LABOR	\$2,273.00
<b>Sub-total</b>		<b>\$128,919.00</b>
<b>Grand Total</b>		<b>\$9,188,422.25</b>

Accepted and Approved By:  
 Company Name (If Applicable): \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

# Cost Estimate

Printed Date: May 13, 2025

<b>AFE Number:</b>	503093TM	<b>Description:</b>	Outland State Unit 1 122H
<b>AFE Name:</b>	Outland State Unit 1 122H	<b>AFE TYPE:</b>	Drill and Complete
<b>Well Operator:</b>	PERMIAN RESOURCES		
<b>Operator AFE #:</b>			

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
<b>Drilling Intangible</b>		
8015.3700	IDC - DISPOSAL	\$143,801.00
8015.1600	IDC - RIG MOB / STANDBY RATE	\$35,100.00
8015.2350	IDC - FUEL/MUD	\$86,000.00
8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.5000	IDC - WELL CONTROL INSURANCE	\$9,075.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$95,625.00
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$350,500.00
8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$271,734.38
8015.1700	IDC - DAYWORK CONTRACT	\$615,346.88
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$24,750.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$42,500.00
8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.4100	IDC - RENTAL EQUIPMENT	\$90,750.00
8015.3100	IDC - CASING CREW & TOOLS	\$65,000.00
8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$12,500.00
8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$64,865.63
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00
8015.5200	IDC - CONTINGENCY	\$131,551.62
8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$37,000.00
8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$18,150.00
8015.2300	IDC - FUEL / POWER	\$154,275.00
8015.2400	IDC - RIG WATER	\$20,625.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$61,086.00
8015.1500	IDC - RIG MOB / TRUCKING	\$127,500.00
8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.4200	IDC - MANCAMP	\$42,900.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$27,000.00
8015.2150	IDC - DRILL BIT	\$115,000.00
8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$221,585.44
8015.4300	IDC - WELLSITE SUPERVISION	\$95,700.00
8015.1300	IDC - SURFACE DAMAGE / ROW	\$35,000.00
	<b>Sub-total</b>	<b>\$3,054,920.95</b>
<b>Facilities</b>		
8035.4400	FAC - COMPANY LABOR	\$455.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$9,091.00
8035.1700	FAC - RENTAL EQUIPMENT	\$7,273.00
8035.1500	FAC - MATERIALS & SUPPLIES	\$3,636.00
8035.2500	FAC - CONSULTING SERVICES	\$455.00
8035.1600	FAC - TRANSPORTATION TRUCKING	\$2,727.00

300 N Marienfeld Street, Suite 1000, Midland, TX 79701  
 TEL (432) 695-4222 www.permianres.com

# Cost Estimate

Printed Date: May 13, 2025

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
8035.3700	FAC - AUTOMATION MATERIAL	\$2,273.00
8035.3600	FAC - ELECTRICAL	\$4,545.00
8035.2400	FAC - SUPERVISION	\$4,545.00
8035.3200	FAC - VALVES FITTINGS & PIPE	\$22,727.00
8035.4000	FAC - SAFETY / ENVIRONMENTAL	\$1,364.00
8035.3000	FAC - HEATER TREATER/SEPARATOR	\$90,000.00
8035.1300	FAC - SURFACE DAMAGE	\$455.00
8035.4500	FAC - CONTINGENCY	\$5,071.00
8035.2100	FAC - INSPECTION & TESTING	\$227.00
8035.3400	FAC - METERS	\$17,000.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$455.00
8035.1310	FAC - PERMANENT EASEMENT/ROW	\$1,818.00
	<b>Sub-total</b>	<b>\$174,117.00</b>
<b>Completion Tangible</b>		
8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
	<b>Sub-total</b>	<b>\$47,250.00</b>
<b>Flowback Intangible</b>		
8040.4000	IFC - CHEMICALS	\$15,000.00
8040.1899	IFC - FRAC WATER RECOVERY	\$320,026.56
8040.3430	IFC - SURFACE PUMP RENTAL	\$20,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$10,000.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00
8040.3420	IFC - TANK RENTALS	\$20,000.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$109,000.00
	<b>Sub-total</b>	<b>\$514,026.56</b>
<b>Artificial Lift Intangible</b>		
8060.3420	IAL - REVERSE UNIT RENTAL	\$5,000.00
8060.3500	IAL - WELLSITE SUPERVISION	\$9,000.00
8060.1400	IAL - WIRELINE OPEN/CASED HOLE	\$5,000.00
8060.1210	IAL - SPOOLING SERVICES	\$6,000.00
8060.3410	IAL - LAYDOWN MACHINE	\$5,000.00
8060.3810	IAL - ACID	\$25,000.00
8060.1200	IAL - WORKOVER RIG	\$15,000.00
8060.2010	IAL - KILL TRUCK	\$5,000.00
8060.2300	IAL - COMPLETION FLUIDS	\$5,000.00
8060.2000	IAL - TRUCKING/VACUUM/TRANSP	\$7,000.00
8060.3400	IAL - RENTAL EQUIPMENT	\$10,000.00
8060.2600	IAL - CONTRACT LABOR/ROUSTABOUT	\$10,000.00
8060.1900	IAL - INSPECTION & TESTING	\$3,000.00
	<b>Sub-total</b>	<b>\$110,000.00</b>
<b>Drilling Tangible</b>		
8020.1300	TDC - CASING - INTERMEDIATE 2	\$191,589.47
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$132,275.94
8020.1100	TDC - CASING - SURFACE	\$85,251.81
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$53,125.00
8020.1500	TDC - WELLHEAD EQUIPMENT	\$53,125.00



# Cost Estimate

Printed Date: May 13, 2025

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
8020.1400	TDC - CASING - PRODUCTION	\$433,919.52
<b>Sub-total</b>		<b>\$949,286.74</b>
<b>Artificial Lift Tangible</b>		
8065.2500	TAL - VALVES/CONNECTIONS/FTGS	\$15,000.00
8065.2100	TAL - WELL SITE POWER EQUIPMENT/INSTALL	\$75,000.00
8065.1300	TAL - DOWNHOLE ARTIFICIAL LIFT EQPT	\$15,000.00
8065.3100	TAL - MEASUREMENT EQUIPMENT	\$5,000.00
8065.2000	TAL - WELLHEAD EQUIPMENT	\$50,000.00
8065.1100	TAL - TUBING	\$65,000.00
8065.2200	TAL - OHP INFRASTRUCTURE EQUIPMENT/INSTALL	\$50,000.00
8065.3200	TAL - COMM, TELEMETRY & AUTOMA	\$5,000.00
8065.1310	TAL - ESP EQUIPMENT/INSTALL	\$100,000.00
<b>Sub-total</b>		<b>\$380,000.00</b>
<b>Completion Intangible</b>		
8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00
8025.2000	ICC - TRUCKING	\$14,375.00
8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$20,843.00
8025.1600	ICC - COILED TUBING	\$184,906.00
8025.3400	ICC - RENTAL EQUIPMENT	\$184,919.00
8025.3800	ICC - OVERHEAD	\$10,000.00
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00
8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.3050	ICC - SOURCE WATER	\$458,250.00
8025.2500	ICC - WELL STIMULATION/FRACTUR	\$1,938,886.00
8025.1500	ICC - FUEL / POWER	\$294,495.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00
8025.3500	ICC - WELLSITE SUPERVISION	\$50,625.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$362,103.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00
8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$40,000.00
8025.3000	ICC - WATER HANDLING	\$175,000.00
<b>Sub-total</b>		<b>\$3,829,902.00</b>
<b>Pipeline</b>		
8036.2800	PLN - FLOWLINE MATERIAL	\$53,020.00
8036.2200	PLN - CONTRACT LABOR	\$53,020.00
8036.3610	PLN - POWER DISTRIBUTION MATERIAL	\$2,273.00
8036.1310	PLN - PERMANENT EASEMENT	\$8,333.00
8036.3200	PLN - VALVES FITTINGS & PIPE	\$10,000.00
8036.3620	PLN - POWER DISTRIBUTION LABOR	\$2,273.00
<b>Sub-total</b>		<b>\$128,919.00</b>
<b>Grand Total</b>		<b>\$9,188,422.25</b>

Accepted and Approved By:  
 Company Name (If Applicable): \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

# Cost Estimate

Printed Date: May 13, 2025

<b>AFE Number:</b>	501573TM	<b>Description:</b>	Outland State Unit 1 131H
<b>AFE Name:</b>	Outland State Unit 1 131H	<b>AFE TYPE:</b>	Drill and Complete
<b>Well Operator:</b>	PERMIAN RESOURCES		
<b>Operator AFE #:</b>			

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
<b>Artificial Lift Tangible</b>		
8065.3200	TAL - COMM, TELEMETRY & AUTOMA	\$5,000.00
8065.1100	TAL - TUBING	\$125,000.00
8065.1300	TAL - DOWNHOLE ARTIFICIAL LIFT EQPT	\$15,000.00
8065.2200	TAL - OHP INFRASTRUCTURE EQUIPMENT/INSTALL	\$50,000.00
8065.2000	TAL - WELLHEAD EQUIPMENT	\$50,000.00
8065.2500	TAL - VALVES/CONNECTIONS/FTGS	\$15,000.00
8065.2100	TAL - WELL SITE POWER EQUIPMENT/INSTALL	\$75,000.00
8065.1310	TAL - ESP EQUIPMENT/INSTALL	\$100,000.00
8065.3100	TAL - MEASUREMENT EQUIPMENT	\$5,000.00
	<b>Sub-total</b>	<b>\$440,000.00</b>
<b>Artificial Lift Intangible</b>		
8060.1400	IAL - WIRELINE OPEN/CASED HOLE	\$5,000.00
8060.1210	IAL - SPOOLING SERVICES	\$6,000.00
8060.1900	IAL - INSPECTION & TESTING	\$3,000.00
8060.3400	IAL - RENTAL EQUIPMENT	\$10,000.00
8060.3420	IAL - REVERSE UNIT RENTAL	\$5,000.00
8060.3410	IAL - LAYDOWN MACHINE	\$5,000.00
8060.3500	IAL - WELLSITE SUPERVISION	\$9,000.00
8060.2000	IAL - TRUCKING/VACUUM/TRANSP	\$7,000.00
8060.2300	IAL - COMPLETION FLUIDS	\$5,000.00
8060.2010	IAL - KILL TRUCK	\$5,000.00
8060.1200	IAL - WORKOVER RIG	\$15,000.00
8060.3810	IAL - ACID	\$25,000.00
8060.2600	IAL - CONTRACT LABOR/ROUSTABOUT	\$10,000.00
	<b>Sub-total</b>	<b>\$110,000.00</b>
<b>Facilities</b>		
8035.1700	FAC - RENTAL EQUIPMENT	\$15,000.00
8035.1300	FAC - SURFACE DAMAGE	\$1,000.00
8035.1600	FAC - TRANSPORTATION TRUCKING	\$10,000.00
8035.2100	FAC - INSPECTION & TESTING	\$2,500.00
8035.2500	FAC - CONSULTING SERVICES	\$2,500.00
8035.3600	FAC - ELECTRICAL	\$25,000.00
8035.3200	FAC - VALVES FITTINGS & PIPE	\$75,000.00
8035.4500	FAC - CONTINGENCY	\$9,780.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$40,000.00
8035.4400	FAC - COMPANY LABOR	\$2,500.00
8035.3400	FAC - METERS	\$17,000.00
8035.1500	FAC - MATERIALS & SUPPLIES	\$2,500.00
8035.2000	FAC - WASTE DISPOSAL	\$1,500.00
8035.2400	FAC - SUPERVISION	\$15,000.00

300 N Marienfeld Street, Suite 1000, Midland, TX 79701  
 TEL (432) 695-4222 www.permianres.com

# Cost Estimate

Printed Date: May 13, 2025

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
8035.3000	FAC - HEATER TREATER/SEPARATOR	\$90,000.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$1,500.00
8035.3700	FAC - AUTOMATION MATERIAL	\$25,000.00
	<b>Sub-total</b>	<b>\$335,780.00</b>
<b>Drilling Intangible</b>		
8015.5200	IDC - CONTINGENCY	\$125,738.17
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$54,916.00
8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.2300	IDC - FUEL / POWER	\$149,600.00
8015.4300	IDC - WELLSITE SUPERVISION	\$92,800.00
8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$12,500.00
8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.2350	IDC - FUEL/MUD	\$86,000.00
8015.5000	IDC - WELL CONTROL INSURANCE	\$8,800.00
8015.2400	IDC - RIG WATER	\$20,000.00
8015.1300	IDC - SURFACE DAMAGE / ROW	\$35,000.00
8015.2150	IDC - DRILL BIT	\$98,000.00
8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$217,234.50
8015.1600	IDC - RIG MOB / STANDBY RATE	\$36,300.00
8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$17,600.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$24,000.00
8015.4100	IDC - RENTAL EQUIPMENT	\$88,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$42,500.00
8015.1700	IDC - DAYWORK CONTRACT	\$617,100.00
8015.3700	IDC - DISPOSAL	\$139,706.00
8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$263,500.00
8015.3100	IDC - CASING CREW & TOOLS	\$70,000.00
8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.4200	IDC - MANCAMP	\$41,600.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$95,625.00
8015.1500	IDC - RIG MOB / TRUCKING	\$127,500.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$269,000.00
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$27,000.00
8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$62,900.00
8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$37,000.00
	<b>Sub-total</b>	<b>\$2,919,919.67</b>
<b>Completion Intangible</b>		
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00
8025.3400	ICC - RENTAL EQUIPMENT	\$179,640.00
8025.1600	ICC - COILED TUBING	\$184,906.00
8025.2000	ICC - TRUCKING	\$14,375.00
8025.3000	ICC - WATER HANDLING	\$156,642.00
8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00

# Cost Estimate

Printed Date: May 13, 2025

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
8025.3050	ICC - SOURCE WATER	\$276,734.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00
8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00
8025.2500	ICC - WELL STIMULATION/FRACTUR	\$2,066,465.00
8025.3500	ICC - WELLSITE SUPERVISION	\$64,800.00
8025.1500	ICC - FUEL / POWER	\$556,127.00
8025.3800	ICC - OVERHEAD	\$10,000.00
8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$40,000.00
8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$14,700.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$372,068.00
<b>Sub-total</b>		<b>\$4,031,957.00</b>
<b>Drilling Tangible</b>		
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$53,125.00
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$188,110.31
8020.1400	TDC - CASING - PRODUCTION	\$623,282.69
8020.1100	TDC - CASING - SURFACE	\$89,006.69
8020.1500	TDC - WELLHEAD EQUIPMENT	\$53,125.00
<b>Sub-total</b>		<b>\$1,006,649.69</b>
<b>Pipeline</b>		
8036.3200	PLN - VALVES FITTINGS & PIPE	\$15,000.00
8036.2800	PLN - FLOWLINE MATERIAL	\$24,000.00
8036.1310	PLN - PERMANENT EASEMENT	\$7,273.00
8036.1300	PLN - SURFACE DAMAGE / ROW	\$5,000.00
8036.2200	PLN - CONTRACT LABOR	\$9,000.00
<b>Sub-total</b>		<b>\$60,273.00</b>
<b>Flowback Intangible</b>		
8040.1899	IFC - FRAC WATER RECOVERY	\$307,142.00
8040.4000	IFC - CHEMICALS	\$15,000.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00
8040.3420	IFC - TANK RENTALS	\$20,000.00
8040.3430	IFC - SURFACE PUMP RENTAL	\$20,000.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$125,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$10,000.00
<b>Sub-total</b>		<b>\$517,142.00</b>
<b>Completion Tangible</b>		
8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
<b>Sub-total</b>		<b>\$47,250.00</b>
<b>Grand Total</b>		<b>\$9,468,971.36</b>

Accepted and Approved By:  
 Company Name (If Applicable): \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Cost Estimate**

Printed Date: May 13, 2025

<b>AFE Number:</b>	501574TM	<b>Description:</b>	Outland State Unit 1 132H
<b>AFE Name:</b>	Outland State Unit 1 132H	<b>AFE TYPE:</b>	Drill and Complete
<b>Well Operator:</b>	PERMIAN RESOURCES		
<b>Operator AFE #:</b>			

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
<b>Artificial Lift Tangible</b>		
8065.3200	TAL - COMM, TELEMETRY & AUTOMA	\$5,000.00
8065.1100	TAL - TUBING	\$125,000.00
8065.1300	TAL - DOWNHOLE ARTIFICIAL LIFT EQPT	\$15,000.00
8065.2200	TAL - OHP INFRASTRUCTURE EQUIPMENT/INSTALL	\$50,000.00
8065.2000	TAL - WELLHEAD EQUIPMENT	\$50,000.00
8065.2500	TAL - VALVES/CONNECTIONS/FTGS	\$15,000.00
8065.2100	TAL - WELL SITE POWER EQUIPMENT/INSTALL	\$75,000.00
8065.1310	TAL - ESP EQUIPMENT/INSTALL	\$100,000.00
8065.3100	TAL - MEASUREMENT EQUIPMENT	\$5,000.00
	<b>Sub-total</b>	<b>\$440,000.00</b>
<b>Artificial Lift Intangible</b>		
8060.1400	IAL - WIRELINE OPEN/CASED HOLE	\$5,000.00
8060.1210	IAL - SPOOLING SERVICES	\$6,000.00
8060.1900	IAL - INSPECTION & TESTING	\$3,000.00
8060.3400	IAL - RENTAL EQUIPMENT	\$10,000.00
8060.3420	IAL - REVERSE UNIT RENTAL	\$5,000.00
8060.3410	IAL - LAYDOWN MACHINE	\$5,000.00
8060.3500	IAL - WELLSITE SUPERVISION	\$9,000.00
8060.2000	IAL - TRUCKING/VACUUM/TRANSP	\$7,000.00
8060.2300	IAL - COMPLETION FLUIDS	\$5,000.00
8060.2010	IAL - KILL TRUCK	\$5,000.00
8060.1200	IAL - WORKOVER RIG	\$15,000.00
8060.3810	IAL - ACID	\$25,000.00
8060.2600	IAL - CONTRACT LABOR/ROUSTABOUT	\$10,000.00
	<b>Sub-total</b>	<b>\$110,000.00</b>
<b>Facilities</b>		
8035.1700	FAC - RENTAL EQUIPMENT	\$15,000.00
8035.1300	FAC - SURFACE DAMAGE	\$1,000.00
8035.1600	FAC - TRANSPORTATION TRUCKING	\$10,000.00
8035.2100	FAC - INSPECTION & TESTING	\$2,500.00
8035.2500	FAC - CONSULTING SERVICES	\$2,500.00
8035.3600	FAC - ELECTRICAL	\$25,000.00
8035.3200	FAC - VALVES FITTINGS & PIPE	\$75,000.00
8035.4500	FAC - CONTINGENCY	\$9,780.00
8035.2200	FAC - CONTRACT LABOR / ROUSTAB	\$40,000.00
8035.4400	FAC - COMPANY LABOR	\$2,500.00
8035.3400	FAC - METERS	\$17,000.00
8035.1500	FAC - MATERIALS & SUPPLIES	\$2,500.00
8035.2000	FAC - WASTE DISPOSAL	\$1,500.00
8035.2400	FAC - SUPERVISION	\$15,000.00

300 N Marienfeld Street, Suite 1000, Midland, TX 79701  
TEL (432) 695-4222 www.permianres.com

# Cost Estimate

Printed Date: May 13, 2025

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
8035.3000	FAC - HEATER TREATER/SEPARATOR	\$90,000.00
8035.1900	FAC - WATER DISPOSAL / SWD	\$1,500.00
8035.3700	FAC - AUTOMATION MATERIAL	\$25,000.00
	<b>Sub-total</b>	<b>\$335,780.00</b>
<b>Drilling Intangible</b>		
8015.5200	IDC - CONTINGENCY	\$125,738.17
8015.1200	IDC - LEGAL, TITLE SERVICES	\$13,000.00
8015.2200	IDC - BITS, TOOLS, STABILIZERS	\$54,916.00
8015.1310	IDC - PERMANENT EASEMENT	\$12,000.00
8015.2300	IDC - FUEL / POWER	\$149,600.00
8015.4300	IDC - WELLSITE SUPERVISION	\$92,800.00
8015.3800	IDC - WELLHEAD PREPARE/REPAIR	\$12,500.00
8015.3400	IDC - MATERIALS & SUPPLIES	\$5,000.00
8015.2350	IDC - FUEL/MUD	\$86,000.00
8015.5000	IDC - WELL CONTROL INSURANCE	\$8,800.00
8015.2400	IDC - RIG WATER	\$20,000.00
8015.1300	IDC - SURFACE DAMAGE / ROW	\$35,000.00
8015.2150	IDC - DRILL BIT	\$98,000.00
8015.2500	IDC - MUD/CHEMICALS/ACIDIZING	\$217,234.50
8015.1600	IDC - RIG MOB / STANDBY RATE	\$36,300.00
8015.4600	IDC - SAFETY / ENVIRONMENTAL	\$17,600.00
8015.3500	IDC - TRUCKING/VACUUM/ TRANSP	\$24,000.00
8015.4100	IDC - RENTAL EQUIPMENT	\$88,000.00
8015.2000	IDC - CONDUCTOR HOLE & SERVICE	\$42,500.00
8015.1700	IDC - DAYWORK CONTRACT	\$617,100.00
8015.3700	IDC - DISPOSAL	\$139,706.00
8015.1900	IDC - DIRECTNL DRILL & SURVEY	\$263,500.00
8015.3100	IDC - CASING CREW & TOOLS	\$70,000.00
8015.1100	IDC - STAKING & SURVEYING	\$15,000.00
8015.4200	IDC - MANCAMP	\$41,600.00
8015.1400	IDC - ROAD, LOCATIONS, PITS	\$95,625.00
8015.1500	IDC - RIG MOB / TRUCKING	\$127,500.00
8015.3000	IDC - CEMENT SERV/FLOAT EQUIP	\$269,000.00
8015.1000	IDC - PERMITS,LICENSES,ETC	\$15,000.00
8015.3200	IDC - CONTRACT LABOR/ROUSTABOUT	\$27,000.00
8015.3600	IDC - SOLIDS CONTROL/ CLOSED LOOP SYSTEM	\$62,900.00
8015.2700	IDC - INSPECTION, TESTING & REPAIR	\$37,000.00
	<b>Sub-total</b>	<b>\$2,919,919.67</b>
<b>Completion Intangible</b>		
8025.2600	ICC - CONTRACT LABOR/ROUSTABOUT	\$15,000.00
8025.3400	ICC - RENTAL EQUIPMENT	\$179,640.00
8025.1600	ICC - COILED TUBING	\$184,906.00
8025.2000	ICC - TRUCKING	\$14,375.00
8025.3000	ICC - WATER HANDLING	\$156,642.00
8025.3600	ICC - SUPERVISION/ENGINEERING	\$5,000.00
8025.3700	ICC - SAFETY / ENVIRONMENTAL	\$15,000.00

## Cost Estimate

Printed Date: May 13, 2025

<u>Account</u>	<u>Description</u>	<u>Gross Est. (\$)</u>
8025.3050	ICC - SOURCE WATER	\$276,734.00
8025.3100	ICC - WELLHEAD/FRACTREE REPAIR	\$40,000.00
8025.2300	ICC - COMPLETION FLUIDS	\$10,000.00
8025.1100	ICC - ROAD, LOCATIONS, PITS	\$10,500.00
8025.2500	ICC - WELL STIMULATION/FRACTUR	\$2,066,465.00
8025.3500	ICC - WELLSITE SUPERVISION	\$64,800.00
8025.1500	ICC - FUEL / POWER	\$556,127.00
8025.3800	ICC - OVERHEAD	\$10,000.00
8025.1400	ICC - WIRELINE OPEN/CASED HOLE	\$40,000.00
8025.1800	ICC - WATER DISPOSAL/VACUUM TRUCK	\$14,700.00
8025.2200	ICC - ELECTRIC LOGGING / PERFORATING	\$372,068.00
	<b>Sub-total</b>	<b>\$4,031,957.00</b>
<b>Drilling Tangible</b>		
8020.1700	TDC - PACKER/DOWNHOLE TOOLS	\$53,125.00
8020.1200	TDC - CASING - INTERMEDIATE - 1	\$188,110.31
8020.1400	TDC - CASING - PRODUCTION	\$623,282.69
8020.1100	TDC - CASING - SURFACE	\$89,006.69
8020.1500	TDC - WELLHEAD EQUIPMENT	\$53,125.00
	<b>Sub-total</b>	<b>\$1,006,649.69</b>
<b>Pipeline</b>		
8036.3200	PLN - VALVES FITTINGS & PIPE	\$15,000.00
8036.2800	PLN - FLOWLINE MATERIAL	\$24,000.00
8036.1310	PLN - PERMANENT EASEMENT	\$7,273.00
8036.1300	PLN - SURFACE DAMAGE / ROW	\$5,000.00
8036.2200	PLN - CONTRACT LABOR	\$9,000.00
	<b>Sub-total</b>	<b>\$60,273.00</b>
<b>Flowback Intangible</b>		
8040.1899	IFC - FRAC WATER RECOVERY	\$307,142.00
8040.4000	IFC - CHEMICALS	\$15,000.00
8040.2000	IFC - TRUCKING/VACUUM/TRANSP	\$20,000.00
8040.3420	IFC - TANK RENTALS	\$20,000.00
8040.3430	IFC - SURFACE PUMP RENTAL	\$20,000.00
8040.2900	IFC - WELL TESTING / FLOWBACK	\$125,000.00
8040.3500	IFC - WELLSITE SUPERVISION	\$10,000.00
	<b>Sub-total</b>	<b>\$517,142.00</b>
<b>Completion Tangible</b>		
8030.2000	TCC - WELLHEAD EQUIPMENT	\$47,250.00
	<b>Sub-total</b>	<b>\$47,250.00</b>
<b>Grand Total</b>		<b>\$9,468,971.36</b>

Accepted and Approved By:  
Company Name (If Applicable): \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Contact Chronology

Date	Party	Description
5/15/2025	Timothy R. MacDonald	Preorder proposals sent via certified mail with development details, options to participate in the development, and an email contact for questions.
5/15/2025	Maverick Oil & Gas Corp.	Preorder proposals sent via certified mail with development details, options to participate in the development, and an email contact for questions.
5/15/2025	Devon Energy Production Co. LP	Preorder proposals sent via certified mail with development details, options to participate in the development, and an email contact for questions.
5/15/2025	Ray Westall, et ux	Preorder proposals sent via certified mail with development details, options to participate in the development, and an email contact for questions.
7/23/2025	Maverick Oil & Gas Corp.	An email was sent to the responsible Landman to ask if they had any questions about PR’s proposal. They asked what their interest was, and it was provided via email.
7/23/2025	Devon Energy Production Co. LP	An email was sent to the responsible Landman to ask if they had any questions about PR’s proposal. Devon responded by saying the responsible Landman was out but would let PR know if they had any questions.



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

APPLICATION OF PERMIAN RESOURCES  
OPERATING, LLC FOR COMPULSORY  
POOLING AND APPROVAL OF  
OVERLAPPING SPACING UNIT,  
LEA COUNTY, NEW MEXICO.

CASE NO. 25511

APPLICATIONS OF PERMIAN RESOURCES  
OPERATING, LLC FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 25512, 25513

**SELF-AFFIRMED STATEMENT  
OF CHRIS REUDELHUBER**

1. I am a geologist with Permian Resources Operating, LLC ("Permian Resources"). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division") and my credentials as an expert in petroleum geology were accepted and made a matter of record.

2. I am familiar with the geological matters that pertain to the above-referenced cases.

3. **Exhibit B-1** is a regional locator map that identifies the Outland project area, in proximity to the Capitan Reef within the Delaware Basin, for the Bone Spring horizontal spacing units that are the subject of these applications.

4. **Exhibit B-2** is a cross-section location map for the proposed horizontal spacing units within the Bone Spring formation. The approximate wellbore paths for the Outland State Unit 11-2 133H, Outland State Unit 11-2 134H, Outland State Unit 1 123H, Outland State Unit 1 124H, Outland State Unit 1 133H, Outland State Unit 1 134H, Outland State Unit 1 121H, Outland State Unit 1 122H, Outland State Unit 1 131H, and Outland State Unit 1 132H proposed wells

Permian Resources Operating, LLC  
Case No. 25513  
Exhibit B

(“Wells”) are represented by dashed orange and dashed red lines. Existing producing wells in the targeted interval are represented by solid orange and solid red lines. This map identifies the cross-section running from A-A’ with the cross-section wells name and a black line in proximity to the proposed Wells.

5. **Exhibit B-3** is a Subsea Structure map of the Second Bone Spring formation in TVD subsea with a contour interval of 100 ft. The map identifies the approximate wellbore paths for the proposed Wells with an orange dashed and red dashed lines. It also identifies the location of the cross-section running from A-A’ in proximity to the proposed Wells. The data points are indicated by red triangles. The map demonstrates the formation is gently dipping to the west in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

6. **Exhibit B-4** is a Subsea Structure map of the Third Bone Spring formation in TVD subsea with a contour interval of 100 ft. The map identifies the approximate wellbore paths for the proposed Wells with an orange dashed and red dashed lines. It also identifies the location of the cross-section running from A-A’ in proximity to the proposed Wells. The data points are indicated by red triangles. The map demonstrates the formation is gently dipping to the west in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

7. **Exhibit B-5** identifies two wells penetrating the targeted interval, which I used to construct a stratigraphic cross-section from A to A’. It contains gamma ray, resistivity, and porosity logs. The cross section is oriented from north to south and is hung on the top of the Wolfcamp formation. The proposed landing zone for the Wells are labeled on the exhibit. The approximate well-paths for the proposed Wells are indicated by a dashed orange line and red

dashed line to be drilled from north to south across the units. This cross-section demonstrates the target interval is continuous across the Unit.

8. **Exhibit B-5** is a gun barrel diagram that shows the proposed Wells in the Bone Spring formation. The spacing unit is defined by a blue box and is labeled with the case number.

9. In my opinion, a stand-up orientation for the Wells is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and the preferred fracture orientation in this portion of the trend.

10. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the Wells.

11. In my opinion, the granting of Permian Resources' application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

12. The exhibits attached hereto were either prepared by me or under my supervision or were compiled from company business records.

13. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.

  
CHRIS REUELHUBER

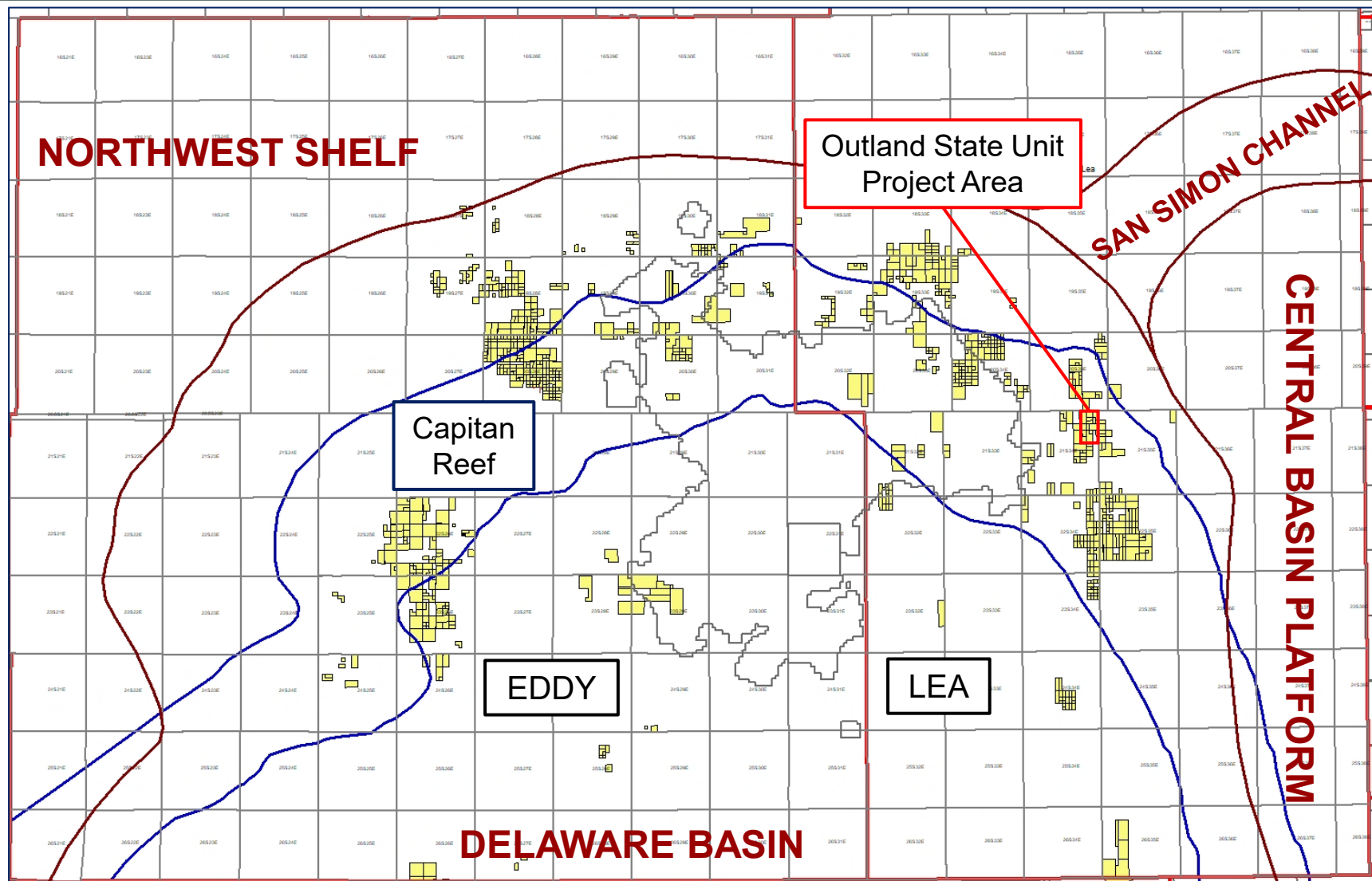
7/23/25  
Date

# Regional Locator Map

Exhibit B-1



Outland State Unit 11-2 133H, Outland State Unit 11-2 134H, Outland State Unit 1 123H, Outland State Unit 1 124H, Outland State Unit 1 133H, Outland State Unit 1 134H, Outland State Unit 1 121H, Outland State Unit 1 122H, Outland State Unit 1 131H, and Outland State Unit 1 132H



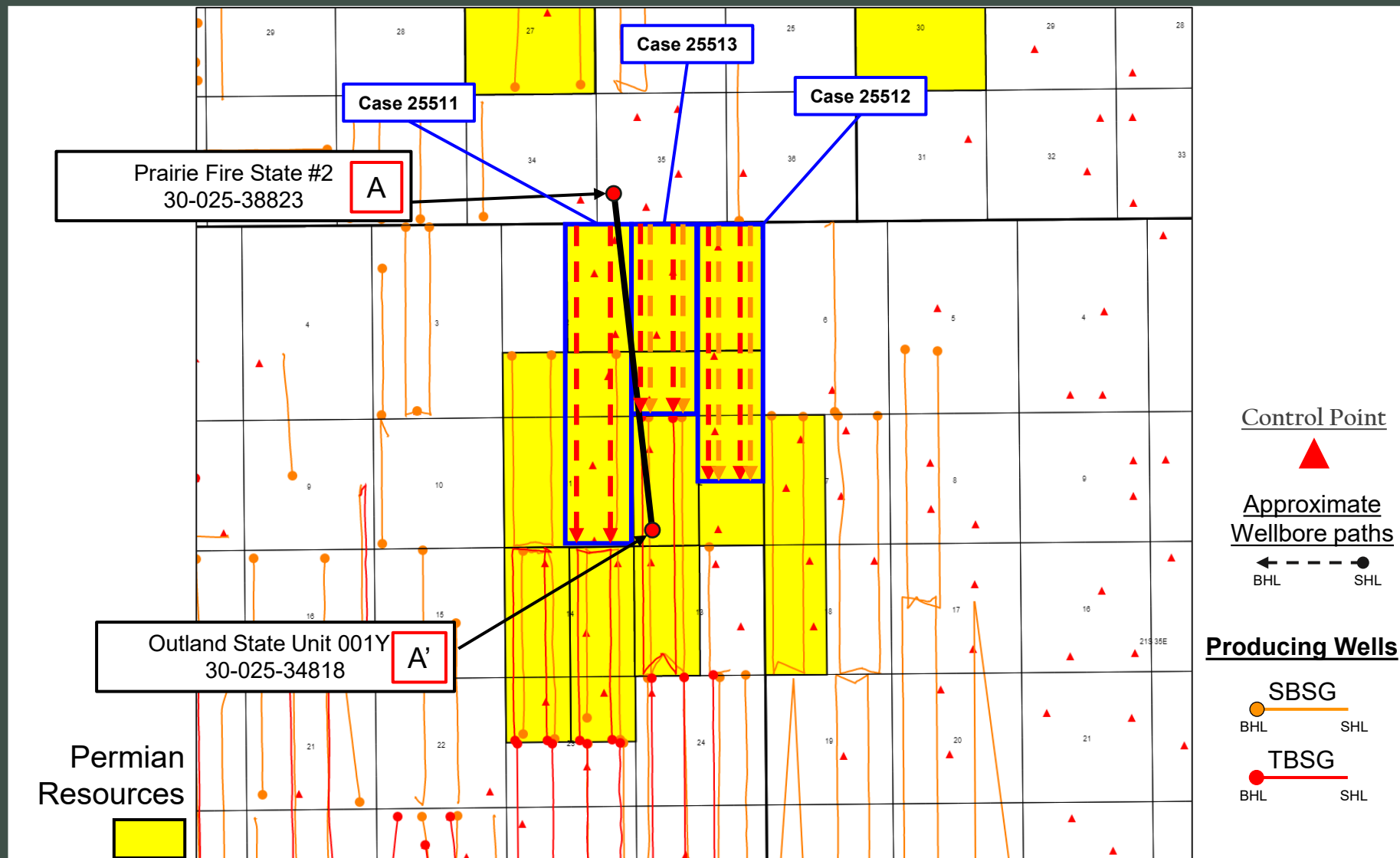
Permian Resources

Permian Resources Operating, LLC Case No. 25513 Exhibit B-1



# Cross-Section Locator Map

Outland State Unit 11-2 133H, Outland State Unit 11-2 134H, Outland State Unit 1 123H, Outland State Unit 1 124H, Outland State Unit 1 133H, Outland State Unit 1 134H, Outland State Unit 1 121H, Outland State Unit 1 122H, Outland State Unit 1 131H, and Outland State Unit 1 132H

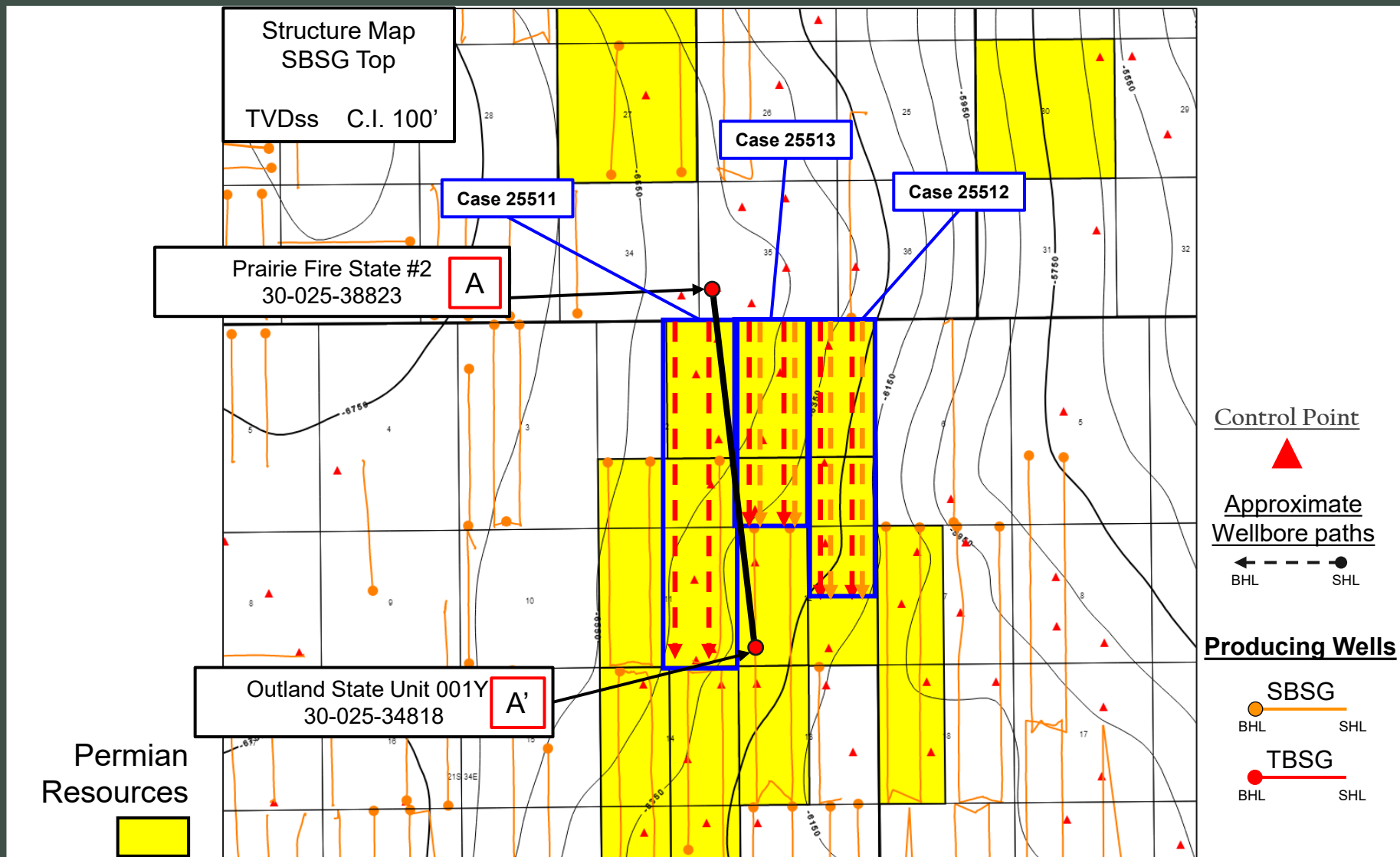


# Second Bone Spring – Structure Map

Exhibit B-3



Outland State Unit 11-2 133H, Outland State Unit 11-2 134H, Outland State Unit 1 123H, Outland State Unit 1 124H, Outland State Unit 1 133H, Outland State Unit 1 134H, Outland State Unit 1 121H, Outland State Unit 1 122H, Outland State Unit 1 131H, and Outland State Unit 1 132H

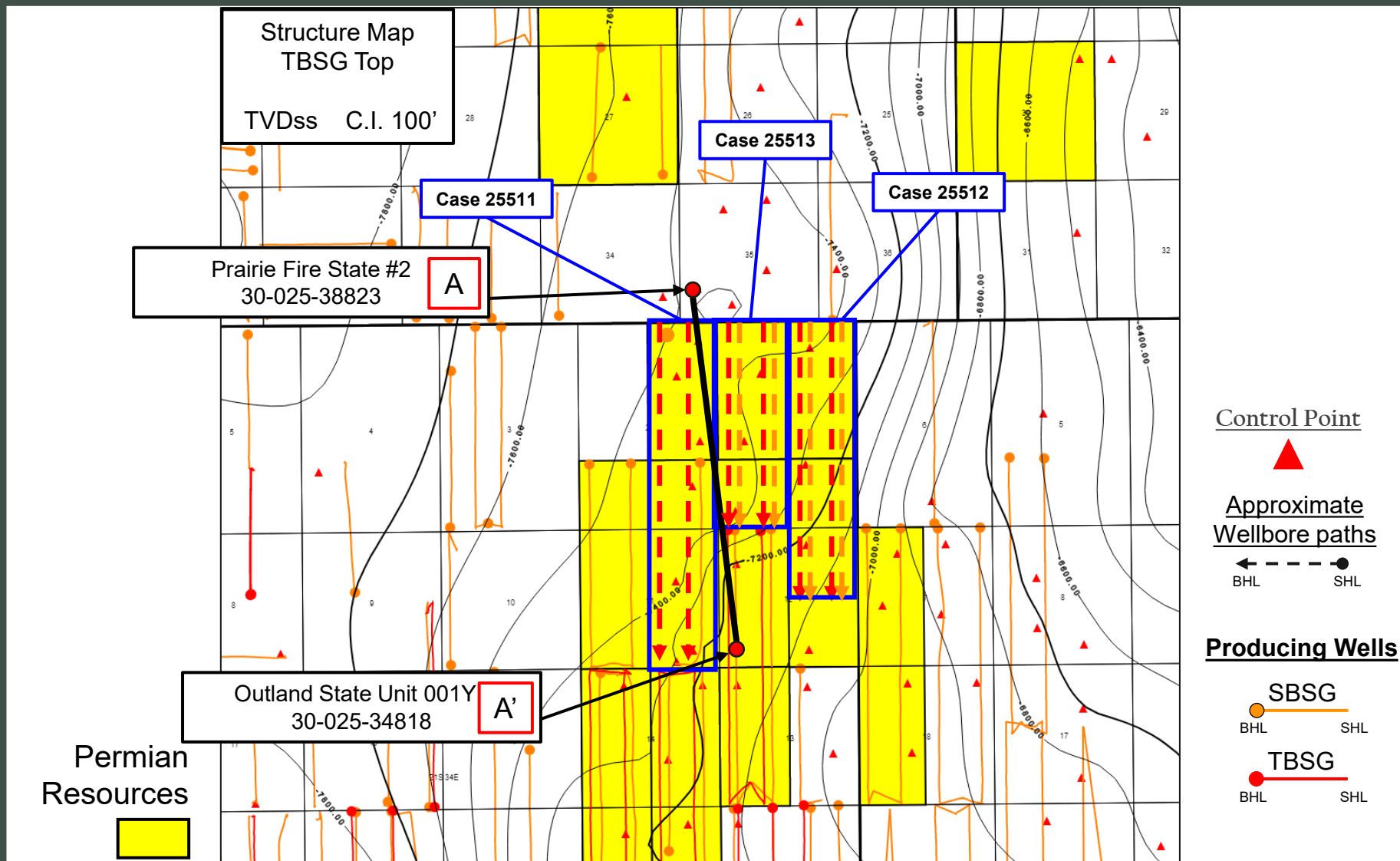


# Third Bone Spring – Structure Map

Exhibit B-4



Outland State Unit 11-2 133H, Outland State Unit 11-2 134H, Outland State Unit 1 123H, Outland State Unit 1 124H, Outland State Unit 1 133H, Outland State Unit 1 134H, Outland State Unit 1 121H, Outland State Unit 1 122H, Outland State Unit 1 131H, and Outland State Unit 1 132H

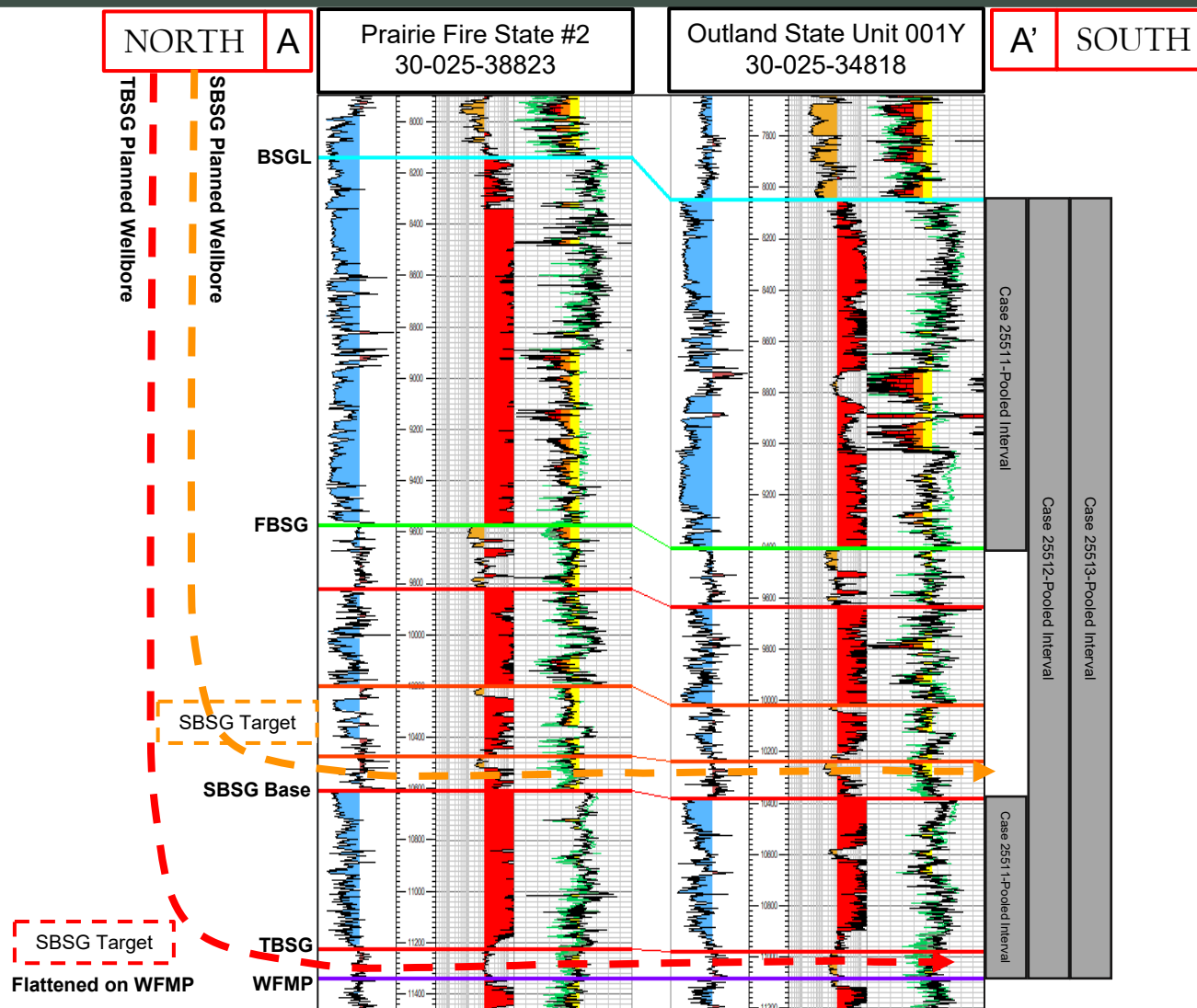






# Stratigraphic Cross-Section A-A'

Outland State Unit 11-2 133H, Outland State Unit 11-2 134H, Outland State Unit 1 123H, Outland State Unit 1 124H, Outland State Unit 1 133H, Outland State Unit 1 134H, Outland State Unit 1 121H, Outland State Unit 1 122H, Outland State Unit 1 131H, and Outland State Unit 1 132H

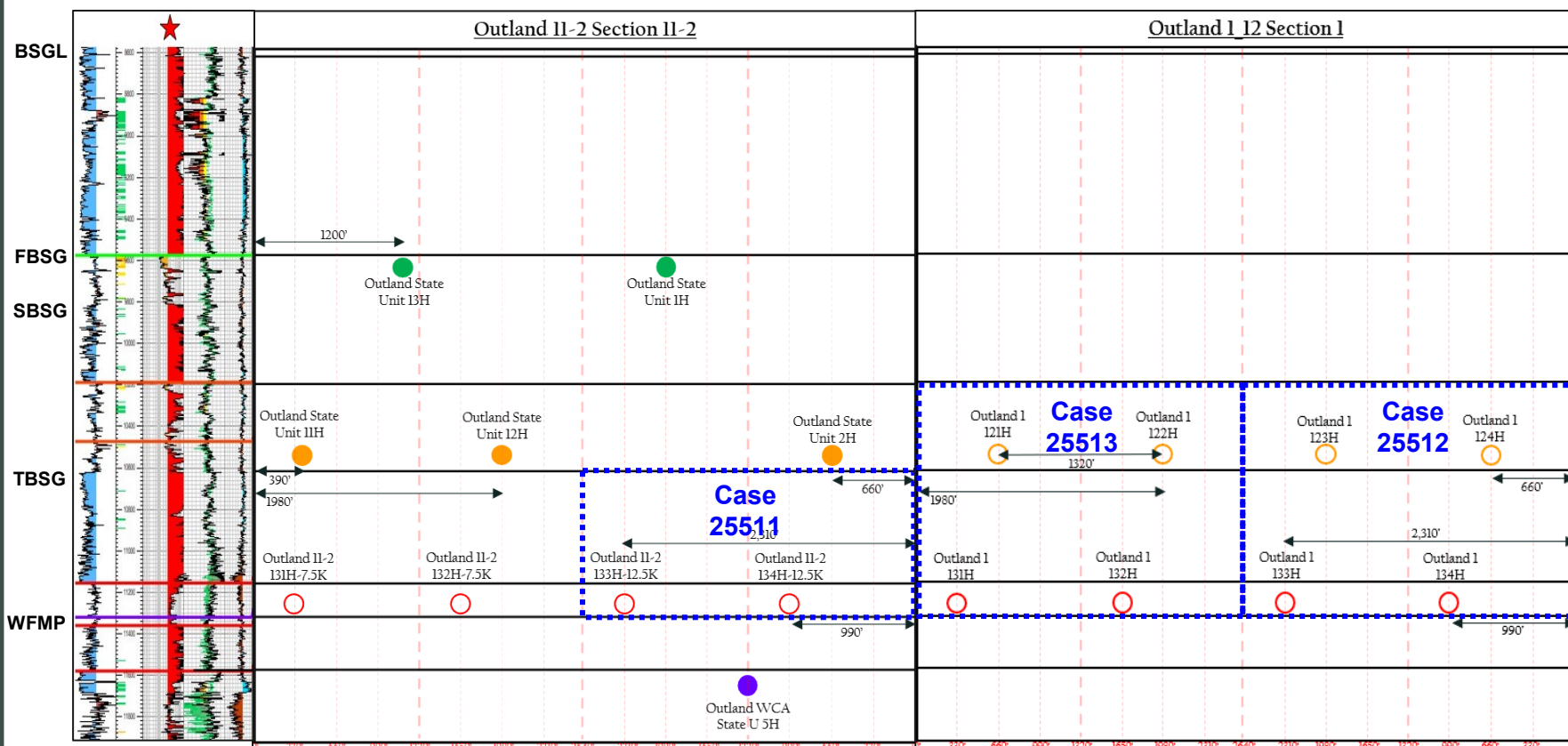






# Gun Barrel Development Plan

Outland State Unit 11-2 133H, Outland State Unit 11-2 134H, Outland State Unit 1 123H, Outland State Unit 1 124H, Outland State Unit 1 133H, Outland State Unit 1 134H, Outland State Unit 1 121H, Outland State Unit 1 122H, Outland State Unit 1 131H, and Outland State Unit 1 132H



○ Subject well

○ Subject well

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

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

**CASE NO. 25513**

**SELF-AFFIRMED STATEMENT  
OF JACLYN M. MCLEAN**

1. I am attorney in fact and authorized representative of Permian Resources Operating, LLC (“Permian Resources”) the Applicant herein.
2. I am familiar with the Notice Letter attached as **Exhibit C-1**, and caused the Notice Letter, along with the Application in this case, to be sent to the parties listed in the Postal Delivery Report attached as **Exhibit C-2**.
3. Exhibit C-2 also provides the date the Notice Letter was sent, along with the delivery status of each.
4. Electronic return receipts are attached as **Exhibit C-3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.
5. On July 22, 2025, I caused a notice to be published in the Hobbs News-Sun. An Affidavit of Publication from the legal clerk of the Hobbs-News Sun along with a copy of the Notice Publication, is attached as **Exhibit C-4**.
6. I understand this Self-Affirmed Statement will be used as written testimony in the subject case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

/s/Jaclyn M. McLean  
Jaclyn M. McLean

July 30, 2025  
Date

**Permian Resources Operating, LLC  
Case No. 25513  
Exhibit C**



**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

July 16, 2025

**TO: ALL PARTIES ENTITLED TO NOTICE**

**Re: Case Nos. 25511 - 25513 - Applications of Permian Resources Operating, LLC for  
Compulsory Pooling, Eddy County, New Mexico.**

To whom it may concern:

This letter is to advise you that the enclosed applications were filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **August 07, 2025**, beginning at 9:00 a.m.

The hearing will be conducted in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1<sup>st</sup> Floor, Santa Fe, NM 87505. The hearing may be held only virtually at the discretion of the Division. To confirm the manner in which the hearing will be held, and to participate virtually, please visit the OCD Hearings website at the following link: <https://www.emnrd.nm.gov/oed/hearing-info/>. You are not required to attend this hearing, but as an owner of an interest that may be affected by these applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days prior to the scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. If you are not registered with the OCD's E-Permitting system, you must submit the statement via e-mail to [oed.hearings@emnrd.nm.gov](mailto:oed.hearings@emnrd.nm.gov) and should include: the names of the parties; whether or not the parties are represented by counsel; a concise statement of the case; the names of witnesses anticipated to be called to testify at the hearing; the approximate amount of time needed to present the case; and an identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about these applications, please contact Reagan Armstrong, Senior Landman for Permian Resources Operating, LLC at [reagan.armstrong@permianres.com](mailto:reagan.armstrong@permianres.com).

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125 Lincoln Avenue, Suite 223  
Santa Fe, NM 87501  
505-230-4410

HardyMcClean.com

**Writer:**  
Jaclyn M. McLean  
Managing Partner  
[jmclean@hardymclean.com](mailto:jmclean@hardymclean.com)

**Permian Resources Operating, LLC  
Case No. 25513  
Exhibit C-1**

Hardy McLean LLC  
July 30, 2025

Page 2

Sincerely,  
/s/ Jaclyn M. McLean  
Jaclyn M. McLean

**Postal Delivery Report**  
**Permian Resources Outland State - Case No. 25513**

Recipient	Date Mailed	USPS Tracking Number	Date Received	Status
Timothy R. MacDonald	7/16/2025	9414836208551284985905	7/21/2025	Delivered, Left with Individual COLLEGE STATION, TX 77845
Ray Westall, et ux	7/16/2025	9414836208551284985943	7/21/2025	Delivered, Individual Picked Up at Postal Facility LOCO HILLS, NM 88255
Devon Energy Production Co	7/16/2025	9414836208551284985974	7/22/2025	Delivered, PO Box DALLAS, TX 75284
Maverick Oil and Gas Corp	7/16/2025	9414836208551284986087	N/A	Reminder to Schedule Redelivery of your item

**Permian Resources Operating, LLC**  
**Case No. 25513**  
**Exhibit C-2**



July 21, 2025

Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9414 8362 0855 1284 9859 05.**

#### Item Details

<b>Status:</b>	Delivered, Left with Individual
<b>Status Date / Time:</b>	July 21, 2025, 2:43 pm
<b>Location:</b>	COLLEGE STATION, TX 77845
<b>Postal Product:</b>	First-Class Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic
<b>Recipient Name:</b>	TIMOTHY R MACDONALD

#### Recipient Signature

Signature of Recipient:

Address of Recipient:

3003 PALEO PT, COLLEGE  
STATION, TX 77845

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

Timothy R. MacDonald  
3003 Paleo Point  
College Station , TX 77845  
Reference #: PR Outland 25513  
Item ID: PR Outland 25513

Permian Resources Operating, LLC  
Case No. 25513  
Exhibit C-3



July 21, 2025

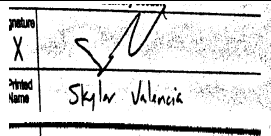
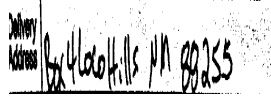
Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9414 8362 0855 1284 9859 43.**

#### Item Details

<b>Status:</b>	Delivered, Individual Picked Up at Postal Facility
<b>Status Date / Time:</b>	July 21, 2025, 10:53 am
<b>Location:</b>	LOCO HILLS, NM 88255
<b>Postal Product:</b>	First-Class Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic
<b>Recipient Name:</b>	RAY WESTALL ET UX

#### Recipient Signature

Signature of Recipient:	
Address of Recipient:	

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

Ray Westall, et ux  
PO Box 4  
Loco Hills , NM 88255  
Reference #: PR Outland 25513  
Item ID: PR Outland 25513



July 23, 2025

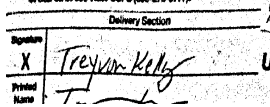
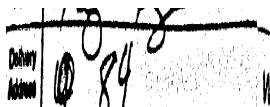
Dear Simple Certified:

The following is in response to your request for proof of delivery on your item with the tracking number:  
**9414 8362 0855 1284 9859 74.**

#### Item Details

<b>Status:</b>	Delivered, PO Box
<b>Status Date / Time:</b>	July 22, 2025, 9:51 pm
<b>Location:</b>	DALLAS, TX 75284
<b>Postal Product:</b>	First-Class Mail®
<b>Extra Services:</b>	Certified Mail™ Return Receipt Electronic
<b>Recipient Name:</b>	DEVON ENERGY PRODUCTION CO

#### Recipient Signature

Signature of Recipient:	
Address of Recipient:	

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,  
United States Postal Service®  
475 L'Enfant Plaza SW  
Washington, D.C. 20260-0004

Devon Energy Production Co  
PO Box 842485  
Dallas , TX 75284  
Reference #: PR Outland 25513  
Item ID: PR Outland 25513



# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated  
July 22, 2025  
and ending with the issue dated  
July 22, 2025.



Publisher

Sworn and subscribed to before me this  
22nd day of July 2025.



Business Manager

STATE OF NEW MEXICO  
My commission expires  
January 29, 2027  
NOTARY PUBLIC  
(Seal) GUSSIE RUTH BLACK  
COMMISSION # 1087526  
COMMISSION EXPIRES 01/29/2027

## LEGAL NOTICE July 22, 2025

This is to notify all interested parties, including; Timothy MacDonald, Maverick Oil & Gas Corp, Devon Energy Production Co. LP, Ray Westall, et ux; and their successors and assigns; that the New Mexico Oil Conservation Division will conduct a hearing on the application submitted Permian Resources Operating, LLC ("Applicant") for Case No. 25513. The hearing will be conducted on August 7, 2025, in a hybrid fashion, both virtually and in person at the Energy, Minerals, Natural Resources Department, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the O C D website: <https://www.emnrd.nm.gov/ocd/hearing-info/>. In Case No. 25513, Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 475.12-acre, more or less, standard horizontal spacing unit, comprised of the W/2 equivalent of irregular Section 1, Township 21 South, Range 34 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"): **Outland State Unit 1 121H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 1 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 1; **Outland State Unit 1 122H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 1 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 1; **Outland State Unit 1 131H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 1 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 1; and **Outland State Unit 1 132H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 1 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 1. The completed interval of the Wells will be orthodox. The completed interval of the Outland State Unit 1 132H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 to allow for the creation of a 475.12-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Applicant as operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 16.4 miles northwest of Eunice, New Mexico.  
#00302889

67118479

00302889

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

HARDY MCLEAN LLC  
125 LINCOLN AVE, STE. 223  
SANTA FE, NM 87501

Permian Resources Operating, LLC  
Case No. 25513  
Exhibit C-4