

**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 NON-STANDARD
HORIZONTAL SPACING UNIT,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 25539

PRE-HEARING STATEMENT

Permian Resources Operating, LLC (“Permian Resources” or “Applicant”) submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

Permian Resources Operating, LLC

ATTORNEYS

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INTERESTED PARTIES

None.

ATTORNEY

STATEMENT OF THE CASE

Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 640-acre, more or less, non-standard horizontal spacing unit comprised of Section 26, Township 22 South, Range 28 East, Eddy County, New Mexico (“Unit”). The Unit will be dedicated to the following u-turn wells (“Wells”):

- **Crocubot Federal 26 212H**, which will produce from a first take point located in the SW/4 SW/4 (Unit M) to a last take point located in the SE/4 SW/4 (Unit N);

- **Crocubot Federal 26 414H**, which will produce from a first take point located in the SE/4 SE/4 (Unit P) to a last take point located in the SW/4 SE/4 (Unit O);
- **Crocubot Federal 26 231H**, which will produce from a first take point located in the SW/4 SW/4 (Unit M) to a last take point located in the SE/4 SW/4 (Unit N);
and
- **Crocubot Federal 26 304H**, which will produce from a first take point located in the SE/4 SE/4 (Unit P) to a last take point located in the SW/4 SE/4 (Unit O).

Permian Resources also requests approval of a non-standard horizontal spacing unit pursuant to Rule 19.15.16.15(B)(5) NMAC, which will create cost efficiencies, prevent waste, and protect correlative rights.

The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells, the allocation of the costs, the designation of Applicant as operator of the Units and the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Daniel Koury	Landman	Affidavit	Approx. 6
Shane Jarvie	Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

Permian Resources intends to present this case by affidavit if there is no opposition to its application.

Respectfully submitted,

HARDY McLEAN LLC

By: /s/ Dana S. Hardy

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Oil Conservation Division
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QUESTIONS

Action 511716

QUESTIONS

Operator: Permian Resources Operating, LLC 300 N. Marienfeld St Ste 1000 Midland, TX 79701	OGRID: 372165
	Action Number: 511716
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.