

**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. 25904**

**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.

**ATTORNEYS**

**STATEMENT OF THE CASE**

Permian Resources seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 1,257.31-acre, more or less, non-standard horizontal spacing unit comprised of Lots 1 through 16 (N/2 equivalent) of Section 6, Township 21 South, Range 33 East, and all of Section 36, Township 20 South, Range 33 East, Lea County, New Mexico. The unit will be dedicated to the following wells: **Two Face State Com 111H**, which will produce from a first take point in the NW/4 NW/4 (Unit D) of Section 36, Township 20 South, Range 33 East, to a last

take point in the SW/4 SW/4 (Unit M) of Section 36, Township 20 South, Range 33 East; **Two Face Fed Com 112H**, which will produce from a first take point located in the NW/4 NE/4 (Unit B) of Section 36, Township 20 South, Range 33 East, to a last take point in Lot 14 (SE/4 NW/4 equivalent) of Section 6, Township 21 South, Range 33 East; **Two Face State Com 121H**, which will produce from a first take point located in the NW/4 NW/4 (Unit D) of Section 36, Township 20 South, Range 33 East, to a last take point in the SW/4 SW/4 (Unit M) of Section 36, Township 20 South, Range 33 East; **Two Face State Com 122H**, which will produce from a first take point located in the NW/4 NW/4 (Unit D) of Section 36, Township 20 South, Range 33 East, to a last take point in the SW/4 SW/4 (Unit M) of Section 36, Township 20 South, Range 33 East; **Two Face Fed Com 123H**, which will produce from a first take point located in the NE/4 NW/4 (Unit C) of Section 36, Township 20 South, Range 33 East, to a last take point in Lot 13 (SW/4 NW/4 equivalent) of Section 6, Township 21 South, Range 33 East; **Two Face Fed Com 124H** j-turn well, which will produce from a first take point located in the NW/4 NE/4 (Unit B) of Section 36, Township 20 South, Range 33 East, to a last take point in Lot 2 (NW/4 NE/4 equivalent) of Section 6, Township 21 South, Range 33 East; **Two Face Fed Com 125H** j-turn well, which will produce from a first take point located in the NE/4 NE/4 (Unit A) of Section 36, Township 20 South, Range 33 East, to a last take point in Lot 1 (NE/4 NE/4 equivalent) of Section 6, Township 21 South, Range 33 East; **Two Face State Com 171H** u-turn well, which will produce from a first take point located in the NW/4 NW/4 (Unit D) of Section 36, Township 20 South, Range 33 East, to a last take point in NE/4 NW/4 (Unit C) of Section 36, Township 20 South, Range 33 East; **Two Face Fed Com 173H** j-turn well, which will produce from a first take point located in the NW/4 NE/4 (Unit B) of Section 36, Township 20 South, Range 33 East, to a last take point in Lot 4 (NW/4 NW/4 equivalent) of Section 6, Township 21 South, Range 33 East; **Two Face State Com 131H**,

which will produce from a first take point located in the NW/4 NW/4 (Unit D) of Section 36, Township 20 South, Range 33 East, to a last take point in the SW/4 SW/4 (Unit M) of Section 36, Township 20 South, Range 33 East; and **Two Face Fed Com 133H** u-turn well, which will produce from a first take point located in Lot 14 (SE/4 NW/4 equivalent) of Section 6, Township 21 South, Range 33 East, to a last take point in Lot 16 (SE/4 NE/4 equivalent) of Section 6, Township 21 South, Range 33 East.

The completed intervals of the Bone Spring Two Face State Com wells will be orthodox. Applicant has received administrative approval (Administrative Order NSP – 2336) of the non-standard spacing unit.

Also to be considered will be the cost of drilling and completing the Bone Spring Two Face wells, the allocation of the costs, the designation of Applicant as operator of the units and wells, and a 200% charge for the risk involved in drilling and completing the wells.

#### PROPOSED EVIDENCE

<b>Witness</b>	<b>Occupation</b>	<b>Estimated Time</b>	<b>Exhibits</b>
Mark Hajdik	Landman	Affidavit	Approx. 6
Christopher Cantin	Geologist	Affidavit	Approx. 5

#### PROCEDURAL MATTERS

Applicant intends to present this case by affidavit if there is no objection to its application.

Respectfully submitted,

HARDY MCLEAN LLC

/s/ Dana S. Hardy

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

QUESTIONS

Action 547522

**QUESTIONS**

Operator:  Permian Resources Operating, LLC 300 N. Marienfeld St Ste 1000 Midland, TX 79701	OGRID: 372165
	Action Number: 547522
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS****Testimony**

*Please assist us by provide the following information about your testimony.*

Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>