

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Melanie Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary (Acting)

Gerasimos "Gerry" Razatos
Division Director (Acting)
Oil Conservation Division



Jaelyn M. McLean
jmclean@hardymclean.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8890

**Permian Resources Operating, LLC [OGRID 372165]
Tour Bus 23 Federal Com Well No. 304H
API No. 30-025-53692**

Reference is made to your application received on February 27th, 2025.

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	530 FNL & 1229 FEL	A	23	22S	34E	Lea
First Take Point	125 FNL & 992 FEL	A	23	22S	34E	Lea
Last Take Point	100 FSL & 968 FEL	P	26	22S	34E	Lea
Terminus	60 FSL & 967 FEL	P	26	22S	34E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 E/2 Section 23 E/2 E/2 Section 26	320	Ojo Chiso; Bone Spring	96553

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an oil well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal

Administrative Order NSL – 8890
Permian Resources Operating, LLC
Page 2 of 2

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

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

This well's completed interval is as close as 264 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 26, encroachment to the W/2 E/2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

The Division understands you are seeking this unorthodox location to minimize unnecessary burden, prevent waste, and to protect the correlative rights within the Bone Spring formation underlying the E/2 E/2 of Section 23 and the E/2 E/2 of Section 26.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as the Division deems necessary.



Date: 4/2/2025

GERASIMOS RAZATOS
DIRECTOR (ACTING)
GR/lrl

ID NO. 436529

NSL - 8890

RECEIVED: 02/27/25	REVIEWER:	TYPE:	APP NO: pLEL2505838192
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Permian Resources Operating, LLC **OGRID Number:** 372165
Well Name: Tour Bus 23 Federal Com 304H **API:** 30-025-53692
Pool: Ojo Chiso; Bone Spring **Pool Code:** 96553

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jaclyn M. McLean
Date

Print or Type Name

2/27/2025
Date

505-230-4410
Phone Number

Jaclyn M. McLean
Signature

Digitally signed by Jaclyn M. McLean
Date: 2025.02.27 09:58:49 -0700

jmclean@hardymclean.com
e-mail Address



February 27, 2025

VIA ONLINE FILING

Gerasimos Razatos
Acting Division Director
Oil Conservation Division
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

**Re: Permian Resources Operating, LLC
Request for Administrative Approval of Unorthodox Well Location**

Tour Bus Federal Com 304H
E/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico
Ojo Chiso; Bone Spring Pool (Code 96553)

Dear Mr. Razatos,

In accordance with Division Rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC, Permian Resources Operating, LLC ("Permian Resources") (OGRID No. 372165) seeks administrative approval of an unorthodox well location for its Tour Bus 23 Federal Com 304H well, in a 320-acre, more or less, standard horizontal spacing unit underlying the E/2 E/2 of Sections 23 and 26, Township 22 South, Range 34 East, Lea County, New Mexico.

The location for the **Tour Bus Federal Com 304H** well is as follows:

- Surface Hole Location: 530' FNL and 1,229' FEL of Section 23
- First Take Point: 125' FNL and 992' FEL of Section 23
- Last Take Point: 100' FSL and 968' FEL of Section 26
- Bottom Hole Location: 60' FSL and 967' FEL of Section 26

The completed interval of the well will be unorthodox because it is located 264' from the center quarter-quarter line. As explained in the engineering statement, included as **Exhibit A**, approval of the unorthodox, completed interval is necessary to allow Permian Resources to ensure

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

HardyMcClean.com

Writer:
Jaclyn M. McLean
Managing Partner
jmclean@hardymcClean.com

Hardy McLean, LLC
February 27, 2025

Page 2

the Tour Bus Federal Com 304H maintains its dedicated spacing unit. This will minimize unnecessary burden, create cost efficiencies, prevent waste, and protect correlative rights.

Exhibit B is a Form C-102 showing the location of the Tour Bus Federal Com 304H well in relation to the center quarter-quarter line.

Exhibit C is a plat for Sections 23 and 26 that shows the Tour Bus Federal Com 304H well in relation to the adjoining tracts/proposed spacing units. The designated operator of the offsetting unit is Permian Resources

Exhibit D is a spreadsheet that identifies all affected persons who were sent a copy of this application and attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application.

Thank you for your attention to this matter. Please let me know if you require additional information.

Very truly yours,

HARDY MCLEAN LLC

/s/ Jaclyn M. McLean

Jaclyn M. McLean

Attorneys for Permian Resources Operating, LLC



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

OFFICE 432.695.4222
FAX 432.695.4063

February 26, 2025

Re: Tour Bus Federal Com 304H

SHL: Sec. 23 530' FNL & 1,229' FEL (*as-drilled footages*)

FTP: Sec. 23 125' FNL & 992' FEL (*as-drilled footages*)

LTP: Sec. 26 100' FSL & 968' FEL (*as-drilled footages*)

BHL: Sec 26 60' FSL & 967' FEL (*as-drilled footages*)

Non- Standard Location

[96553] Ojo Chiso; Bone Spring

Township 22 South, Range 34 East, Lea County, New Mexico

Section 23: E2E2

Section 26: E2E2

To Whom it May Concern,

Permian Resources Operating, LLC ("Permian") respectfully requests administrative approval on a non-standard location for the Tour Bus Federal Com 304H. The well was planned to be drilled at 990' FEL but drifted outside of the 50' tolerance window to 1,056' FEL being within 264' of the 1,320' QQ line. The well remained outside of the 50' tolerance window for a total of 647' as seen on the attached plat.

Permian is the offset operator of the W2E2 of Sections 23 & 23 where the Tour Bus 303H well was drilled alongside the 304H. All interest owners in each well are identical and no material issues have been observed. The purpose of this NSL application is to ensure the Tour Bus 304H maintains its 320-acre dedicated spacing.

To minimize unnecessary burden, prevent waste, and protect correlative rights, Permian respectfully requests approval of this non-standard location.

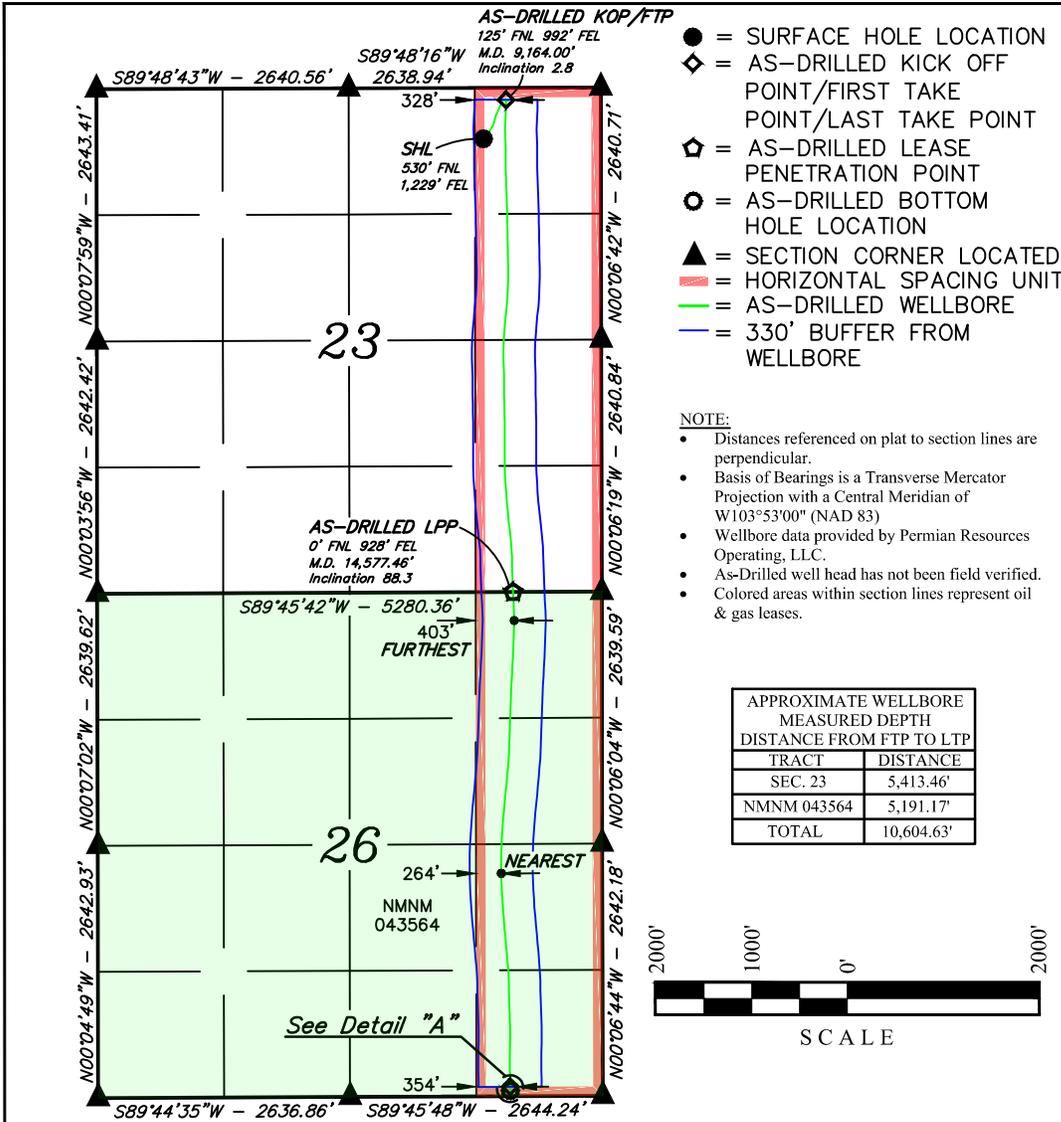
Sincerely,

A handwritten signature in black ink that reads "DAVID C. SONKA".

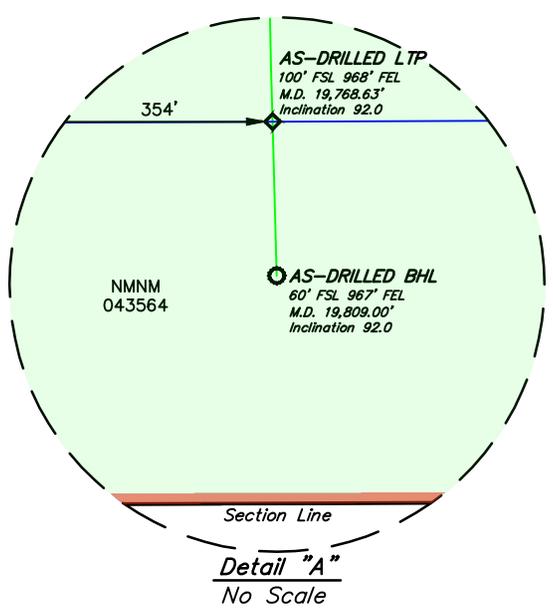
David Carlos Sonka
Reservoir Engineering Manager
Permian Resources Operating, LLC

EXHIBIT A

Property Name TOUR BUS 23 FED COM	Well Number 304H	Drawn By L.T.T. 02-19-25	Revised By
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NAD 83 (SURFACE HOLE LOCATION)		FOOTAGES
LATITUDE = 32°22'58.79" (32.382998°)		530' FNL
LONGITUDE = -103°26'10.28" (-103.436188°)		1,229' FEL
NAD 27 (SURFACE HOLE LOCATION)		
LATITUDE = 32°22'58.35" (32.382874°)		
LONGITUDE = -103°26'08.55" (-103.435710°)		
STATE PLANE NAD 83 (N.M. EAST)		
N: 504227.57' E: 818284.36'		
STATE PLANE NAD 27 (N.M. EAST)		
N: 504166.95' E: 777101.01'		
NAD 83 (AS-DRILLED KOP/FTP)		FOOTAGES
LATITUDE = 32°23'02.80" (32.384111°)		125' FNL
LONGITUDE = -103°26'07.50" (-103.435416°)		992' FEL
NAD 27 (AS-DRILLED KOP/FTP)		
LATITUDE = 32°23'02.35" (32.383987°)		
LONGITUDE = -103°26'05.77" (-103.434937°)		
STATE PLANE NAD 83 (N.M. EAST)		
N: 504634.42' E: 818519.36'		
STATE PLANE NAD 27 (N.M. EAST)		
N: 504573.79' E: 777336.01'		
NAD 83 (AS-DRILLED LPP)		FOOTAGES
LATITUDE = 32°22'11.78" (32.369938°)		0' FNL
LONGITUDE = -103°26'06.90" (-103.435249°)		928' FEL
NAD 27 (AS-DRILLED LPP)		
LATITUDE = 32°22'11.33" (32.369813°)		
LONGITUDE = -103°26'05.17" (-103.434771°)		
STATE PLANE NAD 83 (N.M. EAST)		
N: 499478.46' E: 818614.18'		
STATE PLANE NAD 27 (N.M. EAST)		
N: 499417.97' E: 777430.72'		
NAD 83 (AS-DRILLED LTP)		FOOTAGES
LATITUDE = 32°21'20.51" (32.355697°)		100' FSL
LONGITUDE = -103°26'07.50" (-103.435418°)		968' FEL
NAD 27 (AS-DRILLED LTP)		
LATITUDE = 32°21'20.06" (32.355573°)		
LONGITUDE = -103°26'05.78" (-103.434940°)		
STATE PLANE NAD 83 (N.M. EAST)		
N: 494297.29' E: 818605.62'		
STATE PLANE NAD 27 (N.M. EAST)		
N: 494236.95' E: 777422.06'		
NAD 83 (AS-DRILLED BHL)		FOOTAGES
LATITUDE = 32°21'20.11" (32.355586°)		60' FSL
LONGITUDE = -103°26'07.49" (-103.435415°)		967' FEL
NAD 27 (AS-DRILLED BHL)		
LATITUDE = 32°21'19.66" (32.355462°)		
LONGITUDE = -103°26'05.77" (-103.434937°)		
STATE PLANE NAD 83 (N.M. EAST)		
N: 494256.95' E: 818606.87'		
STATE PLANE NAD 27 (N.M. EAST)		
N: 494196.61' E: 777423.31'		



E2E2 of Sections 23 26, T22S-R34E, Lea County, New Mexico

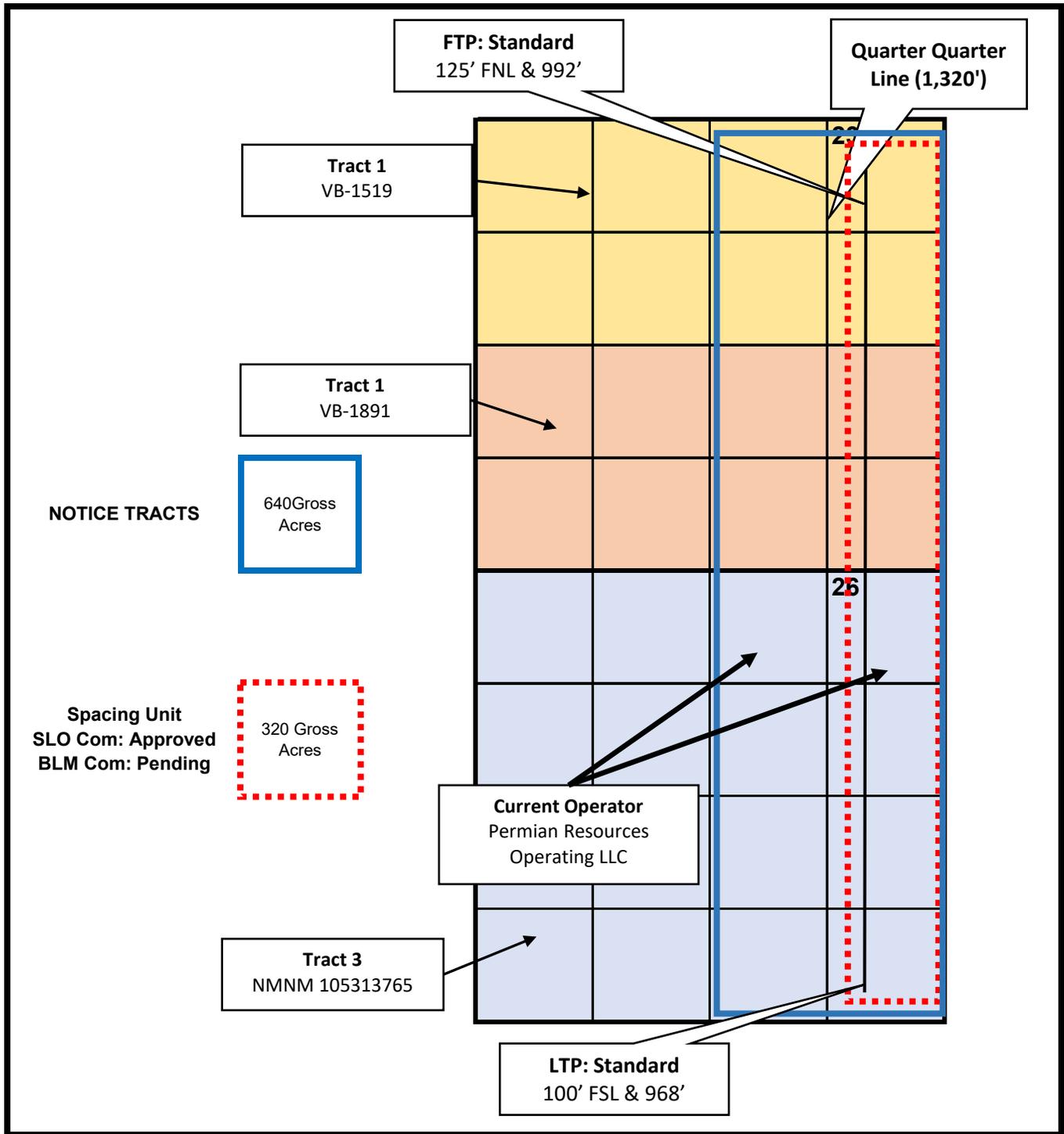


EXHIBIT C

Tour Bus 304H NSL Mailing List								
Date Mailed	Notice Party	Address	City	State	Zip	Tract	Tract WI	Tracking Number
2/27/2025	United States of America	301 Dinosaur Trail	Santa Fe	NM	87508	3	N/A	9414836208551278902604
2/27/2025	State of New Mexico	310 Old Santa Fe Trail	Santa Fe	NM	87501	1 & 2	N/A	9414836208551278902611
N/A	Permian Resources	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	*Permian Resources is the operator of the E2E2 & W2E2 of Sections 23 * 26							

EXHIBIT D

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

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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

CONDITIONS

Action 436529

CONDITIONS

Operator: Permian Resources Operating, LLC 300 N. Marienfeld St Ste 1000 Midland, TX 79701	OGRID: 372165
	Action Number: 436529
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	2/27/2025