# State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie A. Kenderdine Cabinent Secretary

Ben Shelton Deputy Secretary

Erin Taylor Deputy Secretary **Gerasimos "Gerry" Razatos** Division Director (Acting) Oil Conservation Division



Jaclyn M. McLean jmclean@hardymclean.com

## ADMINISTRATIVE NON-STANDARD LOCATION

### Administrative Order NSL – 8979

#### Permian Resources Operating, LLC [OGRID 372165] Rana Salada 0604 Federal Com Well No. 113H API No. 30-015-54635

Reference is made to your application received on May 16<sup>th</sup>, 2025.

#### **Proposed Location**

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	586 FSL & 275 FEL	Р	01	23S	28E	Eddy
First Take Point	1601 FSL & 100 FWL	L/6	06	23S	29E	Eddy
Last Take Point	1698 FSL & 2556 FWL	Κ	04	23S	29E	Eddy
Terminus	1700 FSL & 2600 FWL	Κ	04	23S	29E	Eddy

#### **Proposed Horizontal Units**

Description	Acres	Pool	Pool Code
N/2 S/2 Section 06	396.67	Culebra Bluff; Bone Spring, South	15011
N/2 S/2 Section 05			
N/2 SW/4 Section 04			

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

Administrative Order NSL – 8979 Permian Resources Operating, LLC Page 2 of 2

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 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 268 feet to the southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 06, encroachment to the S/2 S/2 Section 05, encroachment to the S/2 S/2 Section 04, encroachment to the S/2 SW/4

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 in order to maximize the wellbore's contact to undeveloped resources in this unit, reducing stranded resources, accelerating recovery time and improving overall productivity. Thus, preventing waste and protecting the correlative rights within the Bone Spring formation underlying the N/2 S/2 Section 06, the N/2 S/2 Section 05 and the N/2 SW/4 Section 04.

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: 6-12-2025

**GERASIMOS RAZATOS DIRECTOR (ACTING)** GR/lrl

Received by OCD: 5/16/2025 5:24:03 AM

	Page 3 of 12	
Revised March 23,	2017	

ID NO.463987	NO.463987 NSL - 8979				
RECEIVED: 05/16/25	REVIEWER:	TYPE:	APP NO:		
	AE	BOVE THIS TABLE FOR OCD D	IVISION USE ONLY		
1:	NEW MEXICO OI - Geological & 220 South St. Francis	Engineering	g Bureau –	· (	
	ADMINISTRATIV	E APPLICATI	ON CHECKLIST		
	IS MANDATORY FOR ALL ADMII REGULATIONS WHICH REQUIRE P				
Applicant: Permian Resource	es Operating, LLC		OG	RID Number: <u>372165</u>	
Well Name: Rana Salada 0604	Fed Com 113H			30-015-54635	
Pool: Culebra Bluff; Bone Spring,	South		Poo	Code: 15011	
1) TYPE OF APPLICATIO		DICATED BELC apply for [A bus Dedicatio	<b>w</b> ] n	STHE TYPE OF APPLICATION	
	ng – Storage – Measur CTB DLC Disposal – Pressure Inc	PC C crease – Enha		very	
B. Royalty, ove C. Application D. Notification E. Surface owr	tors or lease holders rriding royalty owners requires published no and/or concurrent ap and/or concurrent ap ner above, proof of notif	, revenue ow tice oproval by SL oproval by BL	vners O M	Notice Complete Application Content Complete	
3) <b>CERTIFICATION:</b> I her administrative appro- understand that <b>no</b> a notifications are sub	' eby certify that the in oval is <b>accurate</b> and <b>c</b>	<b>complete</b> to t n this applica	he best of my kr ation until the rec	nowledge. I also quired information and	

Jaclyn M. McLean

Print or Type Name

May 14, 2025 Date

505-230-4410

Phone Number

Jaclyn M. McLean

Signature

Digitally signed by Jaclyn M. McLean 'Date: 2025.05.15 12:43:04 -06'00'

jmclean@hardymclean.com e-mail Address

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May 14, 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

Rana Salada 0604 Fed Com 113H (API No. 30-015-54635) N/2 S/2 of Sections 6 and 5, and the N/2 SW/4 of Section 4, Township 23 South, Range 28 East, Eddy County, New Mexico. Culebra Bluff; Bone Spring, South pool (Code 15011)

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 Rana Salada 0604 Fed Com 113H well, in a 396.67-acre, more or less, standard horizontal spacing unit, comprised of the N/2 S/2 of Sections 6 and 5, and the N/2 SW/4 of Section 4, Township 23 South, Range 28 East, Eddy County, New Mexico.

The location for the Rana Salada 0604 Fed Com 113H well is as follows:

- <u>Surface Hole Location</u>: 586' FSL and 275' FEL (Unit P), Section 1, Township 23 South, Range 28 East
- <u>First Take Point</u>: 1,601' FSL and 100' FWL (Lot 6), Section 6, Township 23 South, Range 29 East
- <u>Last Take Point</u>: 1,698' FSL and 2,556' FWL (Unit K), Section 4, Township 23 South, Range 29 East
- <u>Bottom Hole Location</u>: 1,700' FSL and 2,600' FWL (Unit K), Section 4, Township 23 South, Range 29 East

125 Lincoln Avenue, Suite 223 Santa Fe, NM 87501 505-230-4410 Writer: Jaclyn M. McLean Managing Partner jmclean@hardymclean.com

HardyMclean.com

Hardy McLean LLC May 14, 2025 Page 2

The completed interval of the well will be unorthodox because it is located 268' from the southern boundary of the spacing unit. As explained in the engineering statement, included as **Exhibit A**, approval of the unorthodox, completed interval is necessary to minimize unnecessary burden, maximize lateral length, properly place stimulation energy, and optimize pressure drawdown, which will create cost efficiencies, prevent waste and protect correlative rights.

**Exhibit B** is a Form C-102 showing the location of the Rana Salada 0604 Fed Com 113H well in relation to the offset tracts.

**Exhibit** C is a plat for Section 1 of Township 22 South, and Sections 6, 5, and 4 of Township 23 South, which shows the Rana Salada 0604 Fed Com 113H well in relation to the adjoining tracts/proposed spacing units. The designated operator of the offsetting unit to the South is Permian Resources.

**Exhibit D** is a notice list 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, along with a copy of the notice letter.

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

Very truly yours,

HARDY MCLEAN LLC

<u>/s/ Jaclyn M. McLean</u> 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

#### 5/14/2025

Re: Rana Salada 0604 Fed Com 113H (API No. 30-015-54635) SHL: 275' FEL, 586' FSL of Section 1, T23S-R28E FTP: 100' FWL, 1601' FSL of Section 6, T23S-R29E LTP: 2556' FWL, 1698' FSL of Section 4, T23S-R29E BHL: 2,600' FWL, 1700' FSL of Section 4, T23S-R29E Eddy County, New Mexico

To Whom It May Concern,

Approval of a non-standard location will maximize the wellbore's contact to undeveloped resource in this unit, reducing stranded resources, accelerating recovery time, and improving overall productivity. The request for a non-standard location is therefore in the best interests of the mineral owners as well as the operator.

Approval of the unorthodox, completed interval is necessary to allow Permian to maximize lateral length, properly place stimulation energy, and optimize pressure drawdown, which will create cost efficiencies, prevent waste, and protect correlative rights.

To minimize unnecessary burden, prevent waste, and protect correlative rights, Permian respectfully requests approval of this non-standard location for the Rana Salada 0604 Fed Com 113H to allow the completed interval to be less than 330 feet from the southern boundary of the existing 320-acre horizontal spacing unit. In this instance, the FTP is 268 feet from the southern boundary.

Sincerely,

Drotin Van Bront

**Dustin Van Brunt** Sr. Staff Reservoir Engineer Permian Resources Operating, LLC

#### **EXHIBIT A**

Received by OCD: 5/16/2025 5:24:03 AM

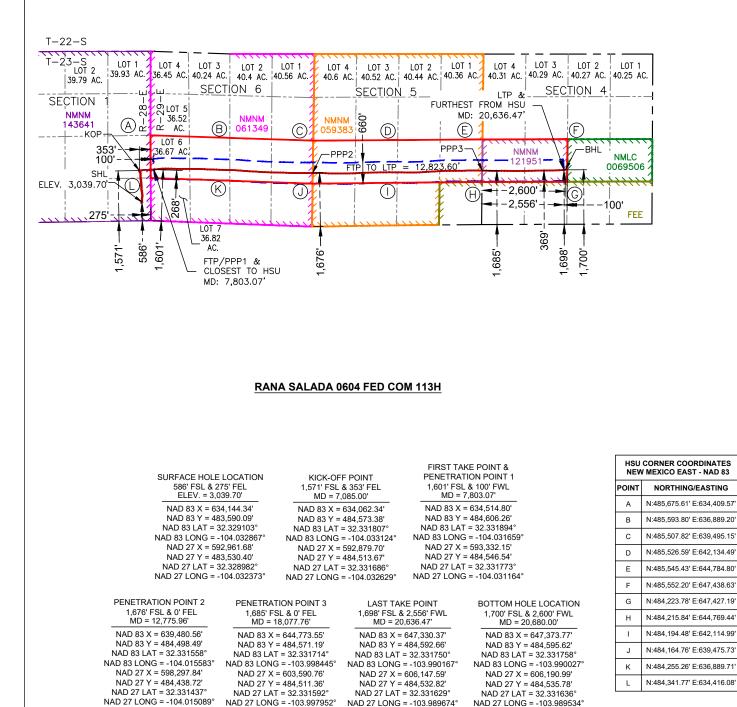
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									IBIT B	
<u>C-10</u>	_		En	w Mexico ral Resources Depa	artment			Revised July 9, 202		
Submit Electronically Via OCD Permitting			OIL CONSERVATION DIVISION					□ Initial Su	ubmittal	
							Submitta		Amended Report	
							Туре:	🗹 As Drille		
			WELL LOCATION INFORMATION							
API Nu	umber		Pool Code			Pool Name				
	30-015-5	4635		15011		CULEBRA BLUFF	; BONE S	PRING, S	SOUTH	
Proper	ty Code <b>32574</b>	6	Property N	ame	RANA SALA	DA 0604 FED COM	Well Numb	er 113H		
OGRIE			Operator N				Ground Level Elevation			
	372165         PERMIAN RESOU           Surface Owner:         State         Fee         Tribal         Federal					3,039.70'				
	Surface C	wner: 🗌 Stat	e 🗆 Fee 🗆	Tribal 🗆	Federal	Mineral Owr	ner: 🗌 State	e 🗆 Fee	🗆 Tribal 🗆 Fe	ederal
					Surfac	e Location				x.
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	I	ongitude	County
Ρ	1	23S	28E		586' FSL	275' FEL	32.329 <sup>,</sup>	103° -′	104.032867°	EDDY
					Bottom	Hole Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		ongitude	County
Κ	4	23S	29E		1,700' FSL	2,600' FWL	32.331758° -10		103.990027°	EDDY
	ated Acres	Infill or Defir	ning Well	Defining	Well API	Overlapping Spacing	Unit (Y/N)	Consolida	ation Code	
Order I	Numbers.					Well setbacks are u	nder Comm	on Owners	hip: □Yes □I	No
					Kick Of	f Point (KOP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		ongitude	County
1	1	235	28E	Lot	1,571' FSL	353' FEL	32.331		104.033124°	EDDY
					First Ta	ke Point (FTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	I	ongitude	County
	6	23S	29E	LOT 6	1,601' FSL	100' FWL	32.331	894° -′	104.031659°	EDDY
					Last Ta	ke Point (LTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	I	ongitude	County
κ	4	235	29E		1,698' FSL	2,556' FWL			102 000467	EDDY
					1,090 F3L	2,550 FVVL	32.331	750° -′	103.990167°	
				<b>.</b>	1,090 F3L	2,550 FVVL				
Unitize	d Area or A	rea of Uniform	n Interest	Spacing		rizontal 🗆 Vertical		nd Floor E		
Unitize	d Area or A		n Interest	Spacing						
				Spacing			Grou			
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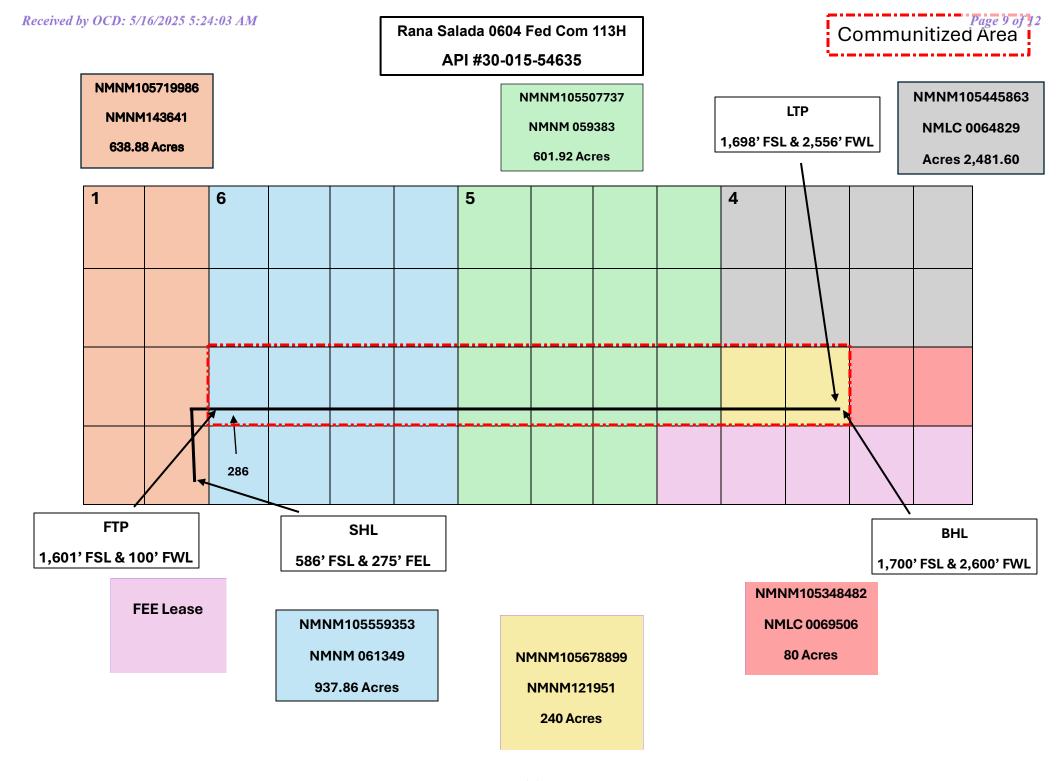
#### Received by OCD: 5/16/2025 5:24:03 AM ACREAGE DEDICATION PLATS

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.



Released to Imaging: 6/17/2025 5:27:38 PM



Released to Imaging: 6/17/2025 5:27:38 PM

**EXHIBIT C** 

#### Notice List – Rana Salada 0604 Fed Com 113H NSL:

Bureau of Land Management 307 Dinosaur Trail Santa Fe, NM 87508 Date Notice Sent: 5/15/2025 Tracking Number: 9414836208551282578130

Devon Energy Co LP 333 W. Sheridan Avenue Oklahoma, OK 73102-5010 Date Notice Sent: 5/15/2025 Tracking Number: 9414836208551282578000

Northern Oil & Gas, Inc. 4350 Baker Road, Suite 400 Minnetonka, MN 55343 Date Notice Sent: 5/15/2025 Tracking Number: 9414836208551282578024

### **EXHIBIT D**





May 14, 2025

#### <u>VIA CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

#### **TO: ALL AFFECTED PERSONS**

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

Enclosed are copies of administrative applications requesting approval of unorthodox well locations for Permian Resources Operating, LLC's ("Permian Resources") Rana Salada 0604 Fed Com 113H well. An administrative application for the unorthodox well location was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty (20) days from the date this application is received by the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact Daniel Koury, Senior Landman at Permian Resources – Daniel.Koury@permianres.com.

Sincerely,

HARDY MCLEAN LLC

<u>/s/ Jaclyn M. McLean</u> Jaclyn M. McLean

ATTORNEYS FOR PERMIAN RESOURCES OPERATING, LLC

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

Jaclyn M. McLean Managing Partner jmclean@hardymclean.com

HardyMclean.com

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

Operator:	OGRID:
Permian Resources Operating, LLC	372165
300 N. Marienfeld St Ste 1000	Action Number:
Midland, TX 79701	463987
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)
CONDITIONS	

# Created<br/>ByConditionCondition<br/>DateIloweNone5/19/2025

CONDITIONS

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Action 463987