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

IN THE MATTER OF THE APPLICATION OF DAVID H. ARRINGTON OIL & GAS, INC. FOR APPROVAL OF AN UNORTHODOX OIL WELL LOCATION AND SIMULTANEOUS DEDICATION LEA COUNTY, NEW MEXICO.

MOTION FOR CONTINUANCE

CASE NO. 12,663 Permian Resources Holdings, Inc., ("Permian"), through their counsel, J. Scott Hall, moves that the Division enter its order continuing the hearing in this matter now set for May $\frac{1}{2}$. 2001 to the June 14, 2001 examiner hearing docket. As grounds for this motion, Permian states:

- 1. Permian owns oil and gas lease acreage in the W/2 of Section 13, T-16-S, R-35-E, NMPM, directly offsetting the well being proposed by David H. Arrington Oil and Gas, Inc., ("Arrington"), at an unorthodox oil well location 330' from the north and east lines of Section 14. Accordingly, Permian would be adversely affected if the relief requested in Arrington's Application in this case were granted. Accordingly, Permian opposes the Arrington Application.
- 2. Permian intends to appear at the hearing on the Arrington Application and present engineering and geologic testimony. Permian plans to present geologic evidence and testimony through its CEO, Robert Marshall, who is familiar with the geology in the subject area.
- 3. Recently, Mr. Marshall underwent open-heart surgery and has been advised by his physician that he is restricted from travel during his recuperation. Mr. Marshall's testimony is necessary for the Division to make a fully informed decision on the

Arrington Application. There is also insufficient time for Permian to retain a consulting geologist who can evaluate the matter and be prepared to render testimony at the hearing on May 17th. (See Affidavit of Robert Marshall, Exhibit A, attached.)

- 4. These circumstances constitute good grounds for continuing the hearing to the June 14, 2001 docket. Moreover, Permian will be prejudiced if the matter proceeds to hearing without the testimony of its primary geologic witness. On the other hand, no prejudice will accrue to Arrington.
- 5. A request to continue this case was relayed to Arrington through its local counsel, but no response has been received as of this date.

WHEREFORE, Permian requests that the hearing in this matter be continued to the June 14, 2001 examiner hearing docket.

Respectfully submitted,

MILLER, STRATVERT & TORGERSON, P.A.

1. Jour Dall

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J. Scott Hall

Attorneys for Permian Resources Holdings, Inc.

Post Office Box 1986

Santa Fe, New Mexico 87504-1986

(505) 989-9614

Certificate of Mailing

I hereby certify that a true and correct copy of the foregoing was forwarded to counsel of record on the 4 day of May, 2001, as follows:

Mr. Michael H. Feldewert, Esq. Holland & Hart, LLP & Campbell & Carr Post Office Box 2208 Santa Fe, New Mexico 87504

J. Scott Hall

1. I wan dall

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

IN THE MATTER OF THE APPLICATION OF DAVID H. ARRINGTON OIL & GAS, INC. FOR APPROVAL OF AN UNORTHODOX OIL WELL LOCATION AND SIMULTANEOUS DEDICATION LEA COUNTY, NEW MEXICO.

CASE NO. 12,663

AFFIDAVIT OF ROBERT MARSHALL

ROBERT MARSHALL, being duly sworn, states:

- 1. I am the age of majority and am otherwise competent to testify to the matters set forth herein.
- 2. I am currently CEO of Permian Resources Holdings, Inc. and am a petroleum geologist by education and professional experience.
- 3. Permian Resources Holdings, Inc. owns lease acreage in Section 13, T-16-S, R-35-E, NMPM, Lea County, New Mexico, directly offsetting the lands in Section 14 that are the subject of the unorthodox well location being proposed by David H. Arrington Oil and Gas, Inc. in New Mexico Oil Conservation Division Case No. 12633.
- 4. It is my opinion that Permian Resources would be adversely affected if the relief requested in the Arrington Application were approved by the Division. Consequently, Permian opposes the Arrington Application.
- 5. I expect to appear and present geologic testimony at the hearing on the Arrington Application. However, I have recently undergone cardiac surgery and have been restricted by my physician from traveling by air or otherwise for the present time.

EXHIBIT A

6. It is my view that my testimony will provide the Division with a more fully informed basis upon which the Arrington Application may be considered. It is also my view that there is insufficient time to retain and prepare a consulting geologist to render testimony in my absence.

Robert Marshall

State of Texas)
)ss
County of Midland)

SUBSCRIBED AND SWORN to before me this 9th day of May, 2001, by Robert Marshall.

Notary Public

My Commission Expires:

