

Case 12953

Proposed Advertisement

**Application of Permian Resources, Inc. for compulsory pooling and unorthodox well location, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests in the Strawn formation, Northeast Shoe Bar-Strawn Oil Pool, underlying the S/2 SE/4 of Section 7, Township 16 South, Range 36 East, to form a standard 80-acre spacing and proration unit to be dedicated to Applicant's Chambers No. 2 well. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Permian Resources, Inc. as operator of the well and a charge for risk involved in drilling said well. Applicant further seeks approval to designate the referenced unit as a Special Project Area for the directional drilling of its well from an unorthodox surface location 1000 feet from the South line and 1,100 feet from the East line to an unorthodox bottom hole location 950 feet from the South line and 1,025 feet from the East line in the SW/4 SE/4 (Unit O) of said Section 7 to a depth sufficient to test the Strawn and Wolfcamp formations. Applicant further proposes the simultaneous dedication of Wolfcamp production from the Chambers No. 2 well and the Chambers No. 1 well located in the SW/4 SE/4 of Section 7. The subject lands are approximately 3 miles West of the center of Lovington, New Mexico.

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