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

APPLICATION OF E.G.L. RESOURCES, INC. TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS UNDER ORDER NO. R-23498, LEA COUNTY, NEW MEXICO.

CASE NO. ___ORDER NO. R-23498

APPLICATION

- E.G.L. Resources, Inc. ("E.G.L." or "Applicant") (OGRID No. 192373) files this application with the Oil Conservation Division ("Division") requesting a one-year extension of time to commence drilling operations under Order No. R-23498 ("Order"). In support of this application, E.G.L. states the following.
 - 1. The Division entered the Order in Case No. 24416 on October 23, 2024.
- 2. The Order: pooled all uncommitted interests in the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 10 and 15, Township 18 South, Range 35 East, Lea County, New Mexico ("Unit"); dedicated the Unit to the Smithers 10-15 Fed Com #101H, Smithers 10-15 Fed Com #102H, Smithers 10-15 Fed Com #103H, Smithers 10-15 Fed Com #201H, and Smithers 10-15 Fed Com #203H wells ("Wells"); and designated Applicant as operator of the Unit and the Wells.
- 3. The Order requires Applicant to commence drilling the Wells within one (1) year of the date of the Order unless Applicant obtains a time extension from the Division Director for good cause shown.
- 4. Applicant's ability to commence drilling the Wells has been impacted by the need to adjust its drilling schedule to accommodate lease obligations.
- 5. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Wells until October 23, 2026.

6. Good cause exists for the requested extension.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on September 11, 2025, and, after notice and hearing as required by law, the Division extend the deadline to commence drilling the Wells under the Order until October 23, 2026.

Respectfully submitted,

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