STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES 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. 25543 ORDER NO. R-23498

PRE-HEARING STATEMENT

E.G.L. Resources, Inc. ("E.G.L." or "Applicant") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT ATTORNEYS

E.G.L. Resources, Inc. Dana S. Hardy

Jaclyn M. McLean Jaime Kennedy Hardy McLean LLC 125 Lincoln Ave. Suite 223

Santa Fe, NM 87501

Phone: (505) 230-4410

dhardy@hardymclean.com
jmclean@hardymclean.com
jkennedy@hardymclean.com

INTERESTED PARTIES ATTORNEY

None.

STATEMENT OF THE CASE

Applicant requests a one-year extension of time, until October 23, 2026, to commence drilling the wells authorized by Order No. R-23498 ("Order"). The Division issued the Order in Case No. 24416 on October 23, 2024. The Order: (1) pooled 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"); (2) 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 (3) designated Applicant as operator of the Unit and Wells.

Applicant requests a one-year extension of time to commence drilling the Wells because it has needed to adjust its drilling schedule to accommodate lease obligations. E.G.L. expects to commence drilling the Wells in the third quarter of 2026. Therefore, good cause exists for the requested extension.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Ruth Pelzel	Landman	Affidavit	Approx. 2

PROCEDURAL MATTERS

Applicant intends to present the case by affidavit if there is no opposition to its application.

Respectfully submitted,

HARDY MCLEAN LLC

/s/ Dana S. Hardy

Dana S. Hardy Jaclyn M. McLean Jaime Kennedy 125 Lincoln Ave, Ste. 223 Santa Fe, NM 87501 Phone: (505) 230-4410

dhardy@hardymclean.com jmclean@hardymclean.com jkennedy@hardymclean.com

Counsel for E.G.L. Resources, Inc.

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

QUESTIONS

Action 502623

QUESTIONS

Operator:	OGRID:
E G L RESOURCES INC	173413
P.O. Box 10886	Action Number:
Midland, TX 79702	502623
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	Not answered.	
Testimony time (in minutes)	Not answered.	