

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

APPLICATIONS OF E.G.L. REOURCES,
INC. FOR COMPULSORY POOLING, LEA
COUNTY, NEW MEXICO.

Case Nos. 22605 - 22608

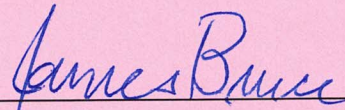
NOTICE OF FILING ADDITIONAL EXHIBITS

E.G.L. Resources, Inc. hereby submits for filing the following:

Replacement Exhibit 2C, which contains updated AFEs for the wells.

Exhibit 6, which is the landman's affidavit regarding notice of overlapping well units.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043
jamesbruc@aol.com

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

Project: Moonraker
 Field: Tonto, Bone Spring
 Well: Moonraker 22-27 Fed Com #201H
 Location: SHL SE/4 SW/4 of Section 15, T19S-R33E
 BHL SW/4 SW/4 of Section 27, T19S-R33E
 Lea County, New Mexico

Surface location is approximate and may be moved to find a suitable legal location free of terrain/obstacles/habitat/cultural/regulatory or any other surface use constraint.

Code	Drilling Intangibles	Code	Completion Intangibles	Code	Production Intangibles	Code	Facilities Intangibles	Total Cost
Prognosis: 2 mi lateral w/ off-lease SHL. Completion: 10,360' perf interval x 2500 lb/ft (25.9MM lb), 2500 gal/ft (617k bbl), 80 bpm. 199' stages = 52 stages, plug & perf frac. Rigless prep w/ acid crew. ESP for artificial lift.								
Permits/ Well Signs	12,000							12,000
Damages/ Right of Way								0
Title & Abstracts, Drilling Title Opinion								0
Survey and Stake Location	6,000							6,000
Locations and Roads - shared with 4 wells	50,000							50,000
Frac Pit Shared w/ 4 wells			37,500					37,500
Conductor (drilled & set)	20,000							20,000
Mobilization / Demobilization 5 days pre-spud + trucks & cranes / shared w/ 4 wells	95,000							95,000
Drilling (Day Work) 18 days spud - RR \$32,000 per day	576,000							576,000
Bits	50,000		3,000					53,000
Downhole drilling tools & stabilization, survey tool	50,000							50,000
Mud Logging 12 days \$2,000 per day	24,000							24,000
Open Hole Surveys/ Gyro								0
Water well, pump & line, water transfer	5,000		100,000					105,000
Water/Brine/Mud Hauling	10,000		20,000					30,000
Fresh Water \$ 1.50 10,000 bbl drilling 678,333 bbl comp'n (10% excess)	15,000		1,017,500					1,032,500
Brine Water	10,000							10,000
Fuel \$ 4.25 2,200 gal/day 52 Stages	168,300		561,800					729,900
Mud & Chemicals Water based mud in lateral.	150,000		25,000					175,000
Tubular Inspection DP: Cat IV on 1 strings / 2 wells. Casing: clean, drift, visual 3 strings.	30,000							30,000
Drill string rental								0
Casing Crew & LD Machine, CRT	50,000							50,000
Welding	1,500							1,500
Cementing	250,000							250,000
Directional Drilling 14 days spud - RR \$15,000 per day	210,000							210,000
Wellsite Supervisor	45,000		40,000					85,000
JOA Overhead 8500/mo	8,500		8,500					17,000
Open Hole Logs								0
Solids Control Equipment \$4,000 per day	72,000							72,000
Cuttings Haul-off & Disposal	80,000							80,000
Surface Rental Equipment \$5,000 /d Drilling. Frac stack, light towers, generators, housing.	90,000		280,000					370,000
BOP Rental, stripper head								0
Pulling Unit 5 days, 4000/d					20,000			20,000
Acidizing Acid crew to prep toe.			20,000					20,000
Frac Frac: see Prognosis above.			2,400,000					2,400,000
Water Transfer			50,000					50,000
Completion Tools 51 frac plugs			76,500					76,500
Cased Hole Wireline & Perforating 52 stages, 10k lube.			384,000		15,000			399,000
Coiled Tubing / Snubbing Unit + Tools, Nitrogen			250,000					250,000
Flowback & Well Testing					75,000			75,000
Trucking	30,000		30,000					60,000
Environmental								10,000
Materials & Supplies	5,000							5,000
Contract Labor, Roustabouts Wellhead field service, NU crews, pit cleaning, battery construction	10,000		10,000				100,000	120,000
Contingencies 3%	63,699		159,708		3,300		3,000	229,707
TOTAL INTANGIBLES	2,186,999		5,483,307		113,300		103,000	7,886,606

Code	Drilling Tangibles	Code	Completion Tangibles	Code	Production Tangibles	Code	Facilities Tangibles	Total Cost
Prognosis: 3 string casing program. Tank battery allocated for 4 wells.								
Tubulars	Length	Size	Description	Price/ft FOB Loc				
Surface	1,500	13 3/8	54.5# J55 BTC ERW	\$79.82	119,730			119,730
1st Intermediate	5,600	9 5/8	40# L80-HC BTC ERW	\$76.92	430,752			430,752
1st Intermediate								0
Production								0
Production	20,835	5 1/2	20# P110 Semi-Prem Smis	\$47.38	987,162			987,162
Tubing	9,550	2 7/8	6.5# L80 EUE	\$12.00		114,600		114,600
Wellhead Equipment					25,000			55,000
Float Equipment & Centralizers, Wet Shoe.					75,000			75,000
Liner hanger, Packer, TAC, other Tools						20,000		20,000
Flowlines, Valves, Fittings, pipeline							7,500	7,500
Tanks 4 oil, 4 water (750 bbl)							0	0
Battery: Pumps /Valves/Connections							87,500	87,500
Battery: Meters, Automation							137,500	137,500
Separation Equipment:							62,500	62,500
Compressors/Dehydrators						85,000	16,250	101,250
Gas Meter Run, flare, VRU, Combustor							0	0
LACT Pipeline LACT supplied by oil buyer.						20,000	50,000	70,000
Spill Containment							12,500	12,500
Artificial Lift ESP purchase, rental drive.						250,000	0	250,000
Electrical Installation						18,750	18,750	37,500
Contingencies, taxes 10%					163,764		3,000	226,849
TOTAL TANGIBLES					1,801,409		33,000	2,795,344
TOTAL WELL COST					3,988,408		645,610	10,681,950

Prepared By: Kelvin Fisher Date: 11/10/2022 Drill & Complete 9,504,715

Approval: Kelvin Fisher Date:

Partner Approval Amount:
 Joint Owner: Joint Owner Approval:
 Working Interest:

By execution of this AFE, the above signee is agreeing to be covered by the Operator's well control insurance and agreeing to the limits within and carrier of such insurance, neither of which is guaranteed as sufficient by Operator. In order to decline coverage by Operator's well control insurance, you must sign below and provide a Certificate of Insurance with waiver of subrogation prior to spud date and agree to hold Operator harmless for any loss to your interest not covered by your insurance or as otherwise set forth in Exhibit D of the Joint Operating Agreement.

Agree to decline coverage, provide proof, and hold harmless:

By: _____ Date: _____

Replacements
 EXHIBIT 2-C

Project: Moonraker
Field: Tonto, Bone Spring
Well: Moonraker 22-27 Fed Com #202H
Location: SHL SE/4 SW/4 of Section 15, T195-R33E
BHL SE/4 SW/4 of Section 27, T195-R33E
Lea County, New Mexico

Surface location is approximate and may be moved to find a suitable legal location free of terrain/obstacles/habitat/cultural/regulatory or any other surface use constraint.

Table with columns: Code, Drilling Intangibles, Completion Intangibles, Production Intangibles, Facilities Intangibles, Total Cost. Rows include: Prognosis: 2 mi lateral w/ off-lease SHL... 2500 gal/ft (617k bbl), 80 bpm. 199' stages = 52 stages, plug & perf frac. Rigless prep w/ acid crew. ESP for artificial lift.

Table with columns: Code, Drilling Tangibles, Completion Tangibles, Production Tangibles, Facilities Tangibles, Total Cost. Rows include: Prognosis: 3 string casing program. Tank battery allocated for 4 wells. Tubulars, Wellhead Equipment, Flowlines, Valves, Fittings, pipeline, Tanks, Battery: Pumps /Valves/Connections, Separation Equipment, Compressors/Dehydrators, Gas Meter Run, flare, VRU, Combustor, LACT, Spill Containment, Artificial Lift, Electrical Installation, Contingencies, taxes 10%, TOTAL TANGIBLES, TOTAL WELL COST.

Prepared By: Kelvin Fisher Date: 11/10/2022 Drill & Complete 9,504,715

Approval: Kelvin Fisher Date:

Partner Approval Amount:
Joint Owner:
Working Interest: Joint Owner Approval:

By execution of this AFE, the above signee is agreeing to be covered by the Operator's well control insurance and agreeing to the limits within and carrier of such insurance, neither of which is guaranteed as sufficient by Operator. In order to decline coverage by Operator's well control insurance, you must sign below and provide a Certificate of Insurance with waiver of subrogation prior to spud date and agree to hold Operator harmless for any loss to your interest not covered by your insurance or as otherwise set forth in Exhibit D of the Joint Operating Agreement.

Agree to decline coverage, provide proof, and hold harmless:

By: Date:

Project: Moonraker
Field: WC, Wolfcamp
Well: Moonraker 22-27 Fed Com #501H
Location: SHL SE/4 SW/4 of Section 15, T19S-R33E
BHL SW/4 SW/4 of Section 27, T19S-R33E
Lea County, New Mexico

Surface location is approximate and may be moved to find a suitable legal location free of terrain/obstacles/habitat/cultural/regulatory or any other surface use constraint.

Table with columns: Code, Drilling Intangibles, Completion Intangibles, Production Intangibles, Facilities Intangibles, Total Cost. Rows include: Prognosis: 2 mi lateral w/ off-lease SHL. Completion: 10,360' perf interval x 2500 lb/ft (25.9MM lb), 2500 gal/ft (61.7k bbl), 80 bpm. 199' stages = 52 stages, plug & perf frac. Rigless prep w/ acid crew. ESP for artificial lift.

Table with columns: Code, Drilling Tangibles, Completion Tangibles, Production Tangibles, Facilities Tangibles, Total Cost. Rows include: Prognosis: 3 string casing program. Tank battery allocated for 4 wells. Tubulars (Surface, 1st Intermediate, Production), Wellhead Equipment, Float Equipment & Centralizers, Wet Shoe, Liner hanger, Packer, TAC, other Tools, Flowlines, Valves, Fittings, pipeline, Tanks, Battery: Pumps /Valves/Connections, Battery: Meters, Automation, Separation Equipment, Compressors/Dehydrators, Gas Meter Run, flare, VRU, Combustor, LACT, Spill Containment, Artificial Lift, Electrical Installation, Contingencies, taxes.

Prepared By: Kelvin Fisher Date: 11/10/2022 Drill & Complete 10,305,160

Approval: Kelvin Fisher Date:

Partner Approval Amount:
Joint Owner:
Working Interest: Joint Owner Approval:

By execution of this AFE, the above signee is agreeing to be covered by the Operator's well control insurance and agreeing to the limits within and carrier of such insurance, neither of which is guaranteed as sufficient by Operator. In order to decline coverage by Operator's well control insurance, you must sign below and provide a Certificate of insurance with waiver of subrogation prior to spud date and agree to hold Operator harmless for any loss to your interest not covered by your insurance or as otherwise set forth in Exhibit D of the Joint Operating Agreement.

Agree to decline coverage, provide proof, and hold harmless:

By: Date:

Project: Moonraker
Field: WC, Wolfcamp
Well: Moonraker 22-27 Fed Com #502H
Location: SHL SE/4 SW/4 of Section 15, T19S-R33E
BHL SE/4 SW/4 of Section 27, T19S-R33E
Lea County, New Mexico

Surface location is approximate and may be moved to find a suitable legal location free of terrain/obstacles/habitat/cultural/regulatory or any other surface use constraint.

Table with columns: Code, Drilling Intangibles, Completion Intangibles, Production Intangibles, Facilities Intangibles, Total Cost. Rows include: Prognosis, Permits/ Well Signs, Damages/ Right of Way, Title & Abstracts, Survey and Stake Location, Locations and Roads, Frac Pit, Conductor, Mobilization, Drilling (Day Work), Bits, Downhole drilling tools, Mud Logging, Open Hole Surveys, Water well, pump & line, Water/Brine/Mud Hauling, Fresh Water, Brine Water, Fuel, Mud & Chemicals, Tubular Inspection, Drill string rental, Casing Crew & LD Machine, Welding, Cementing, Directional Drilling, Wellsite Supervisor, JOA Overhead, Open Hole Logs, Solids Control Equipment, Cuttings Haul-off & Disposal, Surface Rental Equipment, BOP Rental, Pulling Unit, Acidizing, Frac, Water Transfer, Completion Tools, Cased Hole Wireline & Perforating, Coiled Tubing, Flowback & Well Testing, Trucking, Environmental, Materials & Supplies, Contract Labor, Contingencies, TOTAL INTANGIBLES.

Table with columns: Code, Drilling Tangibles, Completion Tangibles, Production Tangibles, Facilities Tangibles, Total Cost. Rows include: Prognosis, Tubulars (Surface, 1st Intermediate, Production, Tubing), Wellhead Equipment, Float Equipment & Centralizers, Liner hanger, Packer, TAC, other Tools, Flowlines, Valves, Fittings, pipeline, Tanks, Battery: Pumps /Valves/Connections, Battery: Meters, Automation, Separation Equipment, Compressors/Dehydrators, Gas Meter Run, flare, VRU, Combustor, LACT, Spill Containment, Artificial Lift, Electrical installation, Contingencies, taxes, TOTAL TANGIBLES, TOTAL WELL COST.

Prepared By: Kelvin Fisher Date: 11/10/2022 Drill & Complete 10,305,160

Approval: Kelvin Fisher Date:

Partner Approval Amount:
Joint Owner:
Working Interest: Joint Owner Approval:

By execution of this AFE, the above signee is agreeing to be covered by the Operator's well control insurance and agreeing to the limits within and carrier of such insurance, neither of which is guaranteed as sufficient by Operator. In order to decline coverage by Operator's well control insurance, you must sign below and provide a Certificate of Insurance with waiver of subrogation prior to spud date and agree to hold Operator harmless for any loss to your interest not covered by your insurance or as otherwise set forth in Exhibit D of the Joint Operating Agreement.

Agree to decline coverage, provide proof, and hold harmless:

By: Date:

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

**APPLICATION OF E.G.L. RESOURCES, INC.
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

Case Nos. 22605 - 22608

SELF-AFFIRMED STATEMENT OF MATTHEW LANGHOFF

Matthew Langhoff deposes and states:

1. I am a landman for E.G.L. Resources, Inc. ("E.G.L."), and have personal knowledge of the matters stated herein.

2. The wells involved in these Case Nos. 22605 and 22606 overlap existing Bone Spring well units for the Malachite 22 Fed. Well Nos. 1H and 2H, located in the W/2 of Section 22, Township 19 South, Range 33 East, N.M.P.M, Lea County, New Mexico. I gave notice of the overlapping well units to the operator of those wells, Raybaw Operating, LLC, and the other working interest owners (EOG, OXY, and Earthstone) by the letter attached hereto, by certified mail. No objection to the overlapping units has been received by E.G.L.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 and 2 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: November 15, 2022

Matthew Langhoff
Matthew Langhoff

EXHIBIT

6



E. G. L. Resources, Inc.

October 24, 2022

EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702

CERTIFIED, RETURN RECEIPT REQUESTED

RE: EGL Resources, Inc. Notice for Application of Overlapping Spacing Unit
Section 22, W/2, 19S-33E
Lea County, NM

To Whom it may concern:

As the current owner of an interest in an existing horizontal spacing unit in Section 22, Township 19 South, Range 33 East in Lea County, New Mexico, you are being provided notice as per the New Mexico Administration Code Rules and regulations of EGL Resources intention to apply for an Overlapping Spacing Unit in the above referenced Section. Any objection to the application of this Unit must be provided to EGL Resources within 20 days from the date this notice was mailed.

Please see below for approximate well location details.

Existing Well Information

Well Name: Malachite 22 Fed #1H (API: 30-025-40318)
Depth: 9,199'
SHL: 330' FNL & 330' FWL, Section 22-19S-33E
BHL: 225' FSL & 516' FWL, Section 22-19S-33E

Well Name: Malachite 22 Fed #2H (API: 30-025-40389)
Depth: 9,291'
SHL: 330' FNL & 1465' FWL, Section 22-19S-33E
BHL: 338' FSL & 1985' FWL, Section 22-19S-33E

Overlapping Well Information

Moonraker22-27 BS Fed #201H
SHL: 497' FSL & 1271' FWL, Section 15-19S-33E
BHL: 100' FSL & 660' FWL, Section 27-19S-33E
TVD: 10,120'
TMD: 20,835'
Horizontal Spacing Unit: W/2 of Sections 22 and 27-19S-33E, Lea County, New Mexico
Targeted Interval: Bone Spring Formation

Moonraker 22-27 BS Fed #202H

SHL: 497' FSL & 1331' FWL, Section 15-19S-33E

BHL: 100' FSL & 1980' FWL, Section 27-19S-33E

TVD: 10,120'

TMD: 20,835'

Horizontal Spacing Unit: W/2 of Sections 22 and 27-19S-33E, Lea County, New Mexico

Targeted Interval: Bone Spring Formation

Moonraker 22-27 BS Fed #501H

SHL: 497' FSL & 1301' FWL, Section 15-19S-33E

BHL: 100' FSL & 660' FWL, Section 27-19S-33E

TVD: 10,880'

TMD: 21,595'

Horizontal Spacing Unit: W/2 of Sections 22 and 27-19S-33E, Lea County, New Mexico

Targeted Interval: Wolfcamp Formation

Moonraker 22-27 BS Fed #502H

SHL: 497' FSL & 1361' FWL, Section 15-19S-33E

BHL: 100' FSL & 1980' FWL, Section 27-19S-33E

TVD: 10,880'

TMD: 21,595'

Horizontal Spacing Unit: W/2 of Sections 22 and 27-19S-33E, Lea County, New Mexico

Targeted Interval: Wolfcamp Formation

Should you have any additional questions or concerns, please contact me at mlanghoff@pbex.com, or feel free to call me at (432) 894-0967.

We look forward to working with you,

EGL Resources, INC



Matthew Langhoff
Landman III