

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

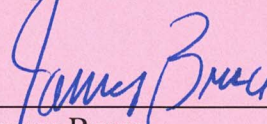
APPLICATION OF E.G.L. REOURCES,  
INC. FOR COMPULSORY POOLING, LEA  
COUNTY, NEW MEXICO.

Case No. 23329

NOTICE OF FILING ADDITIONAL EXHIBIT

E.G.L. Resources, Inc. hereby submits for filing Exhibit 6, which is the pooling checklist.

Respectfully submitted,



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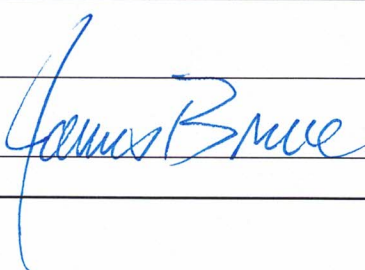
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Attorney for E.G.L. Resources, Inc.

<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 23329</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: June 15, 2023</b>	
Applicant	<b>E.G.L Resources, Inc.</b>
Designated Operator & OGRID (affiliation if applicable)	<b>E.G.L Resources, Inc./OGRID 192373</b>
Applicant's Counsel:	James Bruce
Case Title:	Application of E.G.L Resources, Inc. for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	Earthstone Energy/Hinkle Shanor Coterra Energy/Abadie Schill COG Operating/Ocean Munds-Dry, <i>et al.</i>
Well Family	Millie Mile Bone Spring wells
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Gem; Bone Spring, East/Pool Code 27230
Well Location Setback Rules:	Statewide Rules for horizontal wells – 330' and 100' setbacks
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County	W/2W/2 §13 and W/2W/2 §24, Township 19 South, Range 33 East, NMPM, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes  EXHIBIT <b>6</b>
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N

Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibit 2-A
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Millie Mile 13-24 Federal Com. Well No. 101H API No. 30-025-Pending SHL: 230 FSL & 1771 FWL §12 BHL: 100 FSL & 660 FWL §24 FTP: 100 FNL & 660 FWL §13 LTP: 100 FSL & 660 FWL §24 First Bone Spring/TVD 9350 feet/MD 20400 feet
Well #2	Millie Mile 13-24 Federal Com. Well No. 201H API No. 30-025-Pending SHL: 230 FSL & 1831 FWL §12 BHL: 100 FSL & 660 FWL §24 FTP: 100 FNL & 660 FWL §13 LTP: 100 FSL & 660 FWL §24 Second Bone Spring/TVD 10150 feet/MD 21200 feet
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8500
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit 2, page 2
Requested Risk Charge	Cost plus 200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit 1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 4
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 5

<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit 2-A
Tract List (including lease numbers and owners)	Exhibit 2-A
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	
Pooled Parties (including ownership type)	Exhibit 2-A; Working Interest Owners
Unlocatable Parties to be Pooled	Yes
Ownership Depth Severance (including percentage above & below)	No Depth Severance
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit 2-B
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibit 2-A
Chronology of Contact with Non-Joined Working Interests	Exhibit 2-B
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	Exhibit 2-C
Cost Estimate to Equip Well	Exhibit 2-C
Cost Estimate for Production Facilities	Exhibit 2-C
<b>Geology</b>	
Summary (including special considerations)	Exhibit 3
Spacing Unit Schematic	Exhibits 2-A and 3-A
Gunbarrel/Lateral Trajectory Schematic	
Well Orientation (with rationale)	North-South; Exhibits 3 and 3-A
Target Formation	First and Second Bone Spring Sands
HSU Cross Section	Exhibit 3-C
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit 2-A

Tracts	Exhibit 2-A
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 2-A
General Location Map (including basin)	Exhibit 3-A
Well Bore Location Map	Exhibit 2-A
Structure Contour Map - Subsea Depth	Exhibit 3-A
Cross Section Location Map (including wells)	Exhibit 3-C
Cross Section (including Landing Zone)	Exhibit 3-C
<b>Additional Information</b>	
Special Provisions/Stipulations	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	James Bruce
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	June 13, 2023