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, LEA COUNTY, NEW MEXICO.

CASE NO. _____ ORDER NO. R-22552

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-22552 ("Order"). In support of this application, E.G.L. states the following.

1. The Division entered the Order in Case No. 22605 on March 30, 2023.

2. The Order pooled all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 22 and 27, Township 19 South, Range 33 East, Lea County, New Mexico ("Unit") and dedicated the Unit to the Moonraker 22-27 Fed. Com. Well No. 201H ("Well").

3. The Order designated Applicant as operator of the Unit and Well.

4. Paragraph 19 of the Order requires Applicant to commence drilling the Well within one (1) year of the date of the Order unless Applicant obtains a time extension from the Division Director for good cause shown.

5. Applicant's ability to commence drilling the Well has been impacted by delays in the issuance of federal drilling permits.

6. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Well until March 30, 2025.

7. Good cause exists for the requested extension.

WHEREFORE, Applicant requests this application be set for hearing on March 7, 2024,

and after notice and hearing, the Division extend the deadline to commence drilling the Well under the Order until March 30, 2025.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

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