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-22822

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-22822 ("Order"). In support of this application, E.G.L. states the following.

- 1. The Division entered the Order in Case No. 23330 on August 4, 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 E/2 W/2 of Sections 13 and 24, Township 19 South, Range 33 East, Lea County, New Mexico ("Unit") and dedicated the Unit to the Millie Mile 13-24 Federal Com Well No. 102H and Millie Mile 13-24 Federal Com 202H well ("Wells").
 - 3. The Order designated Applicant as operator of the Unit and Wells.
- 4. 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.
- 5. Applicant's ability to commence drilling the Wells 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 Wells until August 4, 2025.
 - 7. Good cause exists for the requested extension.

WHEREFORE, Applicant requests this application be set for hearing on July 11, 2024, and after notice and hearing, the Division extend the deadline to commence drilling the Wells under the Order until August 4, 2025.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy Jaclyn M. McLean P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com

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