APPLICATION OF E.G.L. RESOURCES, INC. TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, LEA COUNTY, NEW MEXICO.

CASE NO. 24638 ORDER NO. R-22821

EXHIBIT INDEX

Exhibit A	Self-Affirmed Statement of Matthew Langhoff
A-1	Application & Proposed Notice of Hearing
A-2	Order No. R-22821
Exhibit B	Self-Affirmed Statement of Dana S. Hardy
B-1	Sample Notice Letter to All Interested Parties
B-2	Chart of Notice to All Interested Parties
B-3	Copies of Certified Mail Receipts and Returns
B-4	Affidavit of Publication for July 18, 2024

APPLICATION OF E.G.L. RESOURCES, INC. TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, LEA COUNTY, NEW MEXICO.

CASE NO. 24638 ORDER NO. R-22821

SELF-AFFIRMED STATEMENT OF MATTHEW LANGHOFF

1. I am a Landman with E.G.L. Resources, Inc. ("E.G.L."). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division") and my qualifications as an expert in petroleum land matters were accepted and made a matter of record.

2. I am familiar with the land matters involved in the above-reference case. Copies of E.G.L.'s application and proposed hearing notice are attached as **Exhibit A-1**.

3. The Division issued Order No. R-22821 ("Order") in Case No. 23329 on August 4, 2023. The Order: approved a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 13 and 24, Township 19 South, Range 33 East, Lea County, New Mexico ("Unit"); dedicated the Unit to the Millie Mile 13-24 Federal Com No. 101H and Millie Mile 13-24 Federal Com No. 201H wells ("Wells"); and designated Applicant as operator of the Unit and Wells. A copy of the Order is attached as **Exhibit A-2**.

4. The Order provides that it shall terminate automatically if E.G.L. fails to commence drilling the Wells by August 4, 2024 unless good cause is shown.

E.G.L. Resources, Inc. Case No. 24638 Exhibit A 5. E.G.L. has been unable to commence drilling the Wells due to delays in the issuance of federal drilling permits. As a result, E.G.L. will be unable to commence drilling the Wells by the August 4, 2024 deadline and there is good cause for an extension of the deadline.

6. E.G.L. requests that the Division extend the deadline to commence drilling the Wells to August 4, 2025.

7. E.G.L. further requests the other provisions of the Order remain in force and effect.

8. E.G.L. is in good standing under the statewide rules and regulations.

9. In my opinion, the granting of E.G.L.'s application would best serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

10. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony 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.

1 At C. P. WAA

July 30, 2024

APPLICATION OF E.G.L. RESOURCES, INC. TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, LEA COUNTY, NEW MEXICO.

CASE NO. 24638 ORDER NO. R-22821

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-22821 ("Order"). In support of this application, E.G.L. states the following.

1. The Division entered the Order in Case No. 23329 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 W/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. 101H and Millie Mile 13-24 Federal Com 201H wells ("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.

E.G.L. Resources, Inc. Case No. 24638 Exhibit A-1 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.* Application of E.G.L. Resources, Inc. to Extend Time to Commence Drilling Operations, Lea

County, New Mexico. E.G.L. Resources, Inc. ("Applicant") seeks an order extending the deadline to commence drilling operations under Order No. R-22821 ("Order"). The Order, which was issued on August 4, 2023: 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 13 and 24, Township 19 South, Range 33 East, Lea County, New Mexico ("Unit"); dedicated the Unit to the Millie Mile 13-24 Federal Com Well No. 101H and Millie Mile 13-24 Federal Com 201H wells ("Wells"); and designated Applicant as operator of the Unit and Wells. Applicant requests the Division extend the deadline to commence drilling the Wells until August 4, 2025. The Wells are located approximately 7 miles east-northeast of Halfway, New Mexico.

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY E.G.L. RESOURCES INC.

CASE NO. 23329 ORDER NO. R-22821

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on June 15, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. E.G.L. Resources Inc. ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.

E.G.L. Resources, Inc. Case No. 24638 Exhibit A-2

- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
- 20. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 21. This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.
- 22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 23. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 25. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 26. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs that exceed the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

- 30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 32. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 33. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 34. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 35. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Date: 8/4/2023

DYLÄN-M²FUGE DIRECTOR DMF/hat

Exhibit A

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COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 23329	APPLICANT'S RESPONSE
Date: June 15, 2023	
Applicant	E.G.L Resources, Inc.
Designated Operator & OGRID (affiliation if applicable)	E.G.L Resources, Inc./OGRID 192373
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
Formation/Pool	
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
Spacing Unit	
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-</u> <u>standard unit requested in this</u> <u>application?</u>	Yes EXHIBIT
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N

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Proximity Defining Well: if yes, description		
Applicant's Ownership in Each Tract	Exhibit 2-A	
Well(s)		
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	
AFE Capex and Operating Costs		
Drilling Supervision/Month \$	\$8500	
Production Supervision/Month \$	\$800	
Justification for Supervision Costs	Exhibit 2, page 2	
Requested Risk Charge	Cost plus 200%	
Notice of Hearing		
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	

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Ownership Determination	
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	and the second second as the second
ownership type)	Exhibit 2-A; Working Interest Owners
Unlocatable Parties to be Pooled	Yes
Ownership Depth Severance	
(including percentage above &	
below)	No Depth Severance
Joinder	
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	and the second
Facilities	Exhibit 2-C
Geology	
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
Forms, Figures and Tables	
C-102	Exhibit 2-A

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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
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	Grewing Bruce
Date:	June 13, 2023

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APPLICATION OF E.G.L. RESOURCES, INC. TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, LEA COUNTY, NEW MEXICO.

CASE NO. 24638 ORDER NO. R-22821

SELF-AFFIRMED STATEMENT OF DANA S. HARDY

1. I am attorney in fact and authorized representative of E.G.L. Resources, Inc., the Applicant herein.

2. I am familiar with the Notice Letter attached as **Exhibit B-1** and caused the Notice Letter, along with the Application in this case, to be sent to the parties set out in the chart attached as **Exhibit B-2**.

3. Exhibit B-2 also provides the date each Notice Letter was sent and the date each return was received.

4. Copies of the certified mail green cards and white slips are attached as Exhibit B-3 as supporting documentation for proof of mailing and the information provided on Exhibit B-2.

5. On July 18, 2024, I caused a notice to be published to all interested parties in the Hobbs News-Sun. An Affidavit of Publication from the Legal Clerk of the Hobbs News-Sun, along with a copy of the notice publication, is attached as **Exhibit B-4**.

6. I understand this Self-Affirmed Statement will be used as written testimony in the subject case. I affirm that my testimony 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.

/s/ Dana S. Hardy Dana S. Hardy July 28, 2024 Date

> E.G.L. Resources, Inc. Case No. 24638 Exhibit B



HINKLE SHANOR LLP

ATTORNEYS AT LAW P.O. BOX 2068 SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623

July 15, 2024

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

<u>VIA CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 24638 – Application of E.G.L. Resources, Inc. to Extend Time to Commence Drilling Operations Under Order No. R-22821, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **August 8**, **2024**, beginning at 8:15 a.m.

The hearing will be conducted in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website: <u>https://www.emnrd.nm.gov/ocd/hearing-info/</u>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing The statement must be submitted through the OCD E-Permitting date. system (https://www.apps.emnrd.nm.gov/ocd/ocdpermitting/) via e-mail or to ocd.hearings@emnrd.nm.gov and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this application, please contact Matthew Langhoff, Landman at PBEX, LLC – mlanghoff@pbex.com.

Sincerely, /s/ Dana S. Hardy

Dana S. Hardy

E.G.L. Resources, Inc. Case No. 24638 Exhibit B-1

Enclosure

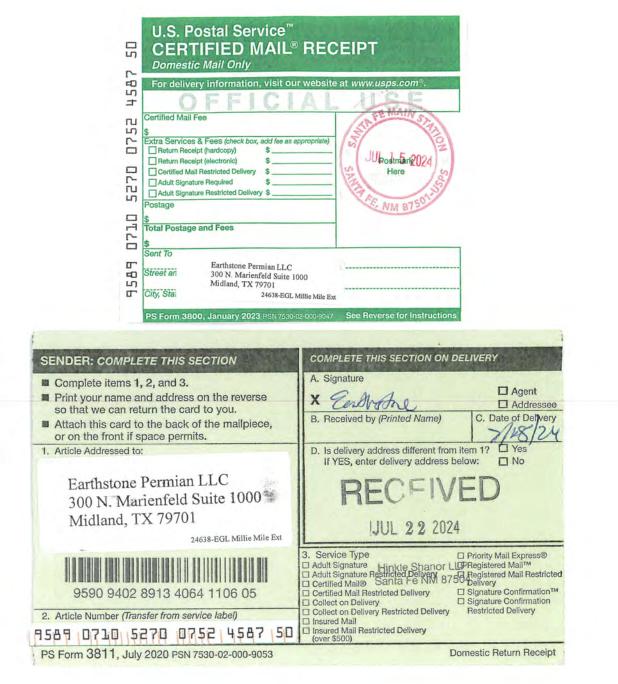
PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332 7601 JEFFERSON ST NE - SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321 PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

APPLICATION OF E.G.L. RESOURCES, INC. TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, LEA COUNTY, NEW MEXICO.

CASE NO. 24638

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
DSD Energy Resources, LLC	7/15/2024	Per USPS Tracking
1150 N. Kimball Ave, Suite 100		(Last Checked 07/28/24):
Southlake, TX 76092		
		07/18/24 – Delivered to
		individual at the address.
Earthstone Permian LLC	7/15/2024	07/22/24
300 N. Marienfeld Suite 1000		
Midland, TX 79701		
Estate of David J. Sorenson, dec.	7/15/2024	07/29/24
c/o Gregory J. Nibert & Carolyn S.		
Nibert, Personal Representatives		
1900 W. 27 th Street		
Roswell, NM 88201		
Hutchings Oil Company	7/15/2024	07/26/24
PO Box 1216		
Albuquerque, NM 87103		
MacDonald, Timothy R.	7/15/2024	07/26/24
3003 Paleo Point		
College Station, TX 77845		
Mitchell, Stephen	7/15/2024	Per USPS Tracking
PO Box 2415		(Last Checked 07/28/24):
Midland, TX 79702		
		07/19/24 – Preparing for
		delivery.
Nuevo Seis LP	7/15/2024	07/24/24
PO Box 2588		
Roswell, NM 88202		
Williamson Enterprises	7/15/2024	07/22/24
1402 St. Tropez Lane		
Arlington, TX 76013		

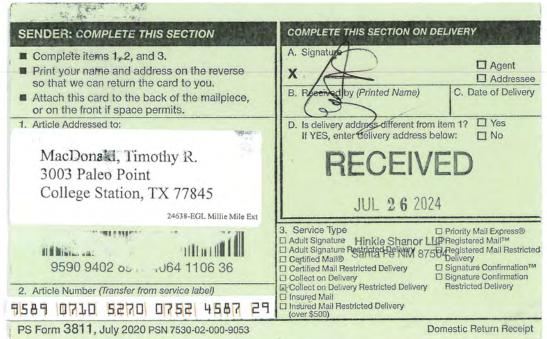


E.G.L. Resources, Inc. Case No. 24638 Exhibit B-3

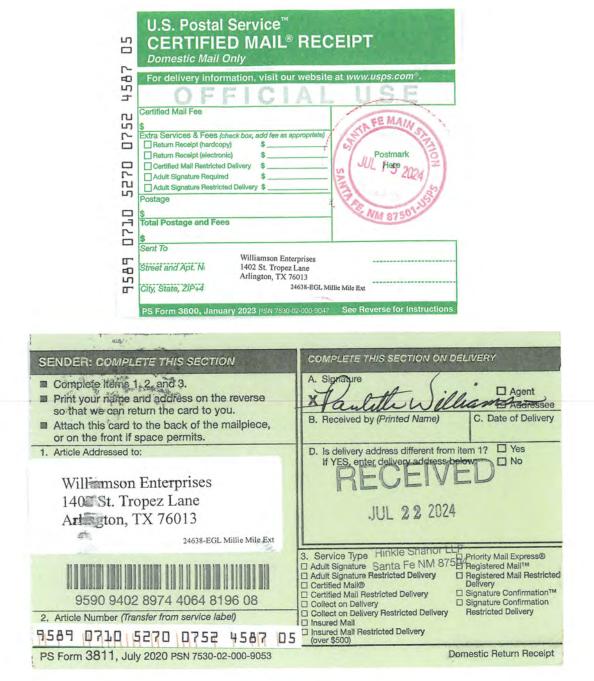












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55	U.S. Postal Service [™] CERTIFIED MAIL [®] RECEIPT Domestic Mail Only
497	En 1 / La
÷	For delivery information, visit our website at www.usps.com®.
ГU	OFFICIAL USE
F	Certified Mail Fee
0751	s e
2	Extra Services & Fees (check box, add fee as appropriate)
	Return Receipt (hardcopy) Return Receipt (electronic) S UPostman2024 S
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5270	Adult Signature Required \$ Adult Signature Restricted Delivery \$ Postage
1	Postage
	\$
0770	Total Postage and Fees
5	\$
-	Sent To
Г	DSD Energy Resources, LLC Street and A 1150 N. Kimball Ave, Suite 100
58	Southlake TX 76092
5	City, State, 2
	Uny, State, 2

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ALERT: FLOODING AND SEVERE WEATHER IN THE SOUTHERN AND CENTRAL U.S. MAY IMPA...

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FAQs >

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Delivered Delivered, Left with Individual SOUTHLAKE, TX 76092 July 18, 2024, 1:28 pm

Out for Delivery SOUTHLAKE, TX 76092 July 18, 2024, 9:42 am

Arrived at Post Office

SOUTHLAKE, TX 76092 July 18, 2024, 9:31 am

Departed USPS Regional Facility

FORT WORTH TX DISTRIBUTION CENTER July 17, 2024, 9:52 pm

Arrived at USPS Regional Facility

FORT WORTH TX DISTRIBUTION CENTER

In Transit to Next Facility July 16, 2024

Departed USPS Facility ALBUQUERQUE, NM 87101 July 15, 2024, 9:30 pm

Arrived at USPS Facility

ALBUQUERQUE, NM 87101 July 15, 2024, 7:15 pm

Hide Tracking History

What Do USPS Tracking Statuses Mean? (https://faq.usps.com/s/article/Where-is-my-package)

Text & Email Updates	\checkmark
USPS Tracking Plus®	\checkmark
Product Information	\checkmark
See Less 🔨	

Track Another Package

Enter tracking or barcode numbers

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FAQs

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Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated July 18, 2024 and ending with the issue dated July 18, 2024.

Publisher

Sworn and subscribed to before me this 18th day of July 2024.

RuthBlack

Business Manager

My commission expires January 29, 2027

Seal) STATE OF NEW MEXICO NOTARY PUBLIC GUSSIE RUTH BLACK COMMISSION # 1087526 COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publisn legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made. 02107475

GILBERT HINKLE, SHANOR LLP PO BOX 2068 SANTA FE, NM 87504

LEGAL

LEGAL NOTICE July 18, 2024

This is to notify all interested parties, including DSD Energy Resources, LLC; Earthstone Permian LLC; Estate of David J. Sorenson, dec. c/o Gregory J. Nibert & Carolyn S. Nibert, Personal Representatives; Hutchings Oil Company; MacDonald, Timothy R.; Mitchell, Stephen; Nuevo Seis LP; Williamson Enterprises; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by E.G.L. Resources, Inc. (Case No. 24638). The hearing will be conducted on August 8, 2024, in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website:

instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/. E.G.L. Resources, Inc. ("E.G.L." or "Applicant") (OGRID No.

Resources, Inc. ("E.G.L." or "Applicant") (OGRID No. 192373) applies for an order seeks an order extending the deadline to commence drilling operations under Order No. R 22821 ("Order"). The Order, which was issued on August 4, 2023; 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 13 and 24, Township 19 South, Range 33 East, Lea County, New Mexico ("Unit"); dedicated the Unit to the Millie Mile 13-24 Federal Com Well No. 101H and Millie Mile 13-24 Federal Com 201H wells ("Wells"); and designated Applicant as operator of the Unit and Wells. Applicant requests the Division extend the deadline to commence drilling the Wells until August 4, 2025. The Wells are located approximately 7 miles east-northeast of Halfway, New Mexico. #00292333

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E.G.L. Resources, Inc. Case No. 24638 Exhibit B-4

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