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

APPLICATION OF LEGACY RESERVES OPERATING LP TO AMEND ORDER NO. R-22338, LEA COUNTY, NEW MEXICO

Case No. _____ (Formerly Case 22228)

APPLICATION

Legacy Reserves Operating LP, OGRID No. 294281 ("Legacy" or "Applicant"), through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") to amend Order No. R-22338 to allow an additional year to commence drilling the proposed initial wells.

In support of its Application, Applicant states the following:

1. Division Order No. R-22338, entered on October 28, 2022, in Case No. 22228, pooled all uncommitted mineral interests in the Bone Spring formation underlying standard 320-acre, more or less, horizontal spacing unit comprised of the W¹/₂E¹/₂ of Section 14 and W¹/₂E¹/₂ of Section 23, Township 19 South, Range 33 East, N.M.P.M, Lea County, New Mexico, and dedicated the unit to the proposed Sapphire Fed Com 503H well.

2. Paragraph 19 of Order No. R-22338 requires Applicant to commence drilling the wells "within one year after the date of this Order, and complete Well no later than one (1) year after the commencement of drilling the Well." Paragraph 20 of Order No. R-22338 provides that the order will terminate if the well is not timely commenced, unless the operator "obtains an extension by an amendment of this Order for good cause shown."

1

3. Good cause exists to extend the drilling deadline and Applicant requests that Order R-22338 be amended to allow an additional year to commence drilling the initial well under the Order. Applicant still plans to drill the Sapphire Fed Com 503H well but is revising its development plan based on proximate well data. Applicant needs additional time to plan and permit additional wells to be batch drilled. An extension will enable Applicant to maximize productivity, prevent economic waste, and minimize surface and environmental impacts with more efficient planning.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 5, 2023, and after notice and hearing as required by law, the Division enter an order extending the time for Applicant to commence drilling the proposed initial wells under Order No. R-22338 to October 28, 2024.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By:

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Attorney for Legacy Reserves Operating LP Application of Legacy Reserves Operating LP to Amend Order No. R-22338, Lea County, New Mexico. Applicant in the above-styled cause seeks an order amending Order No. R-22338, issued on October 28, 2022, to extend the well commencement deadline one year, to October 28, 2024. Order No. R-22338 pooled all mineral interests in the Bone Spring formation in a 320-acre horizontal spacing unit comprised of the $W\frac{1}{2}E\frac{1}{2}$ of Section 14 and $W\frac{1}{2}E\frac{1}{2}$ of Section 23, Township 19 South, Range 33 East, N.M.P.M, Lea County, New Mexico, and requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. The well and lands are located approximately 3 miles southwest of Lovington, New Mexico.