State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie A. Kenderdine Cabinent Secretary

Ben Shelton Deputy Secretary

Erin Taylor Deputy Secretary **Gerasimos "Gerry" Razatos** Division Director (Acting) Oil Conservation Division



Kayla McConnell kayla mcconnell@eogresources.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8977

EOG Resources, Inc. [OGRID 7377] Osprey 10 Well No. 523H API No. 30-025-PENDING

Reference is made to your application received on May 7th, 2025.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	894 FSL & 1333 FEL	Ο	10	25S	34E	Lea
First Take Point	100 FSL & 2595 FEL	Ο	10	25S	34E	Lea
Last Take Point/	2538 FSL & 2595 FEL	J	03	25S	34E	Lea
Terminus						

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 E/2 Section 10	240	Red Hills; Bone Spring, East	97369
W/2 SE/4 Section 03			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **oil** well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line

Administrative Order NSL – 8977 EOG Resources, Inc. Page 2 of 2

perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal well shall be no closer than 100 feet in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 45 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 10, encroachment to the E/2 W/2Section 03, encroachment to the E/2 SW/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

The Division understands you are seeking this unorthodox location in order to develop the formation efficiently and in an economic manner. Therefore, optimizing pressures related to the completion of the well to yield a higher recovery of resources all while preventing waste and protect the correlative rights within the Bone Spring formation underlying the W/2 E/2 Section 10, and the W/2 SE/4 Section 03.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, Division approves this unorthodox location.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as the Division deems necessary.

GERASIMOS RAZATOS DIRECTOR (ACTING) GR/lrl

Date: 6-12-2025

Received by OCD: 5/7/2025 6:35:54 AM

ID NO. 459487		NSL - 8977		1
RECEIVED: 05/07/25	REVIEWER:	TYPE:	APP NO:	
1	- Geologi	ABOVE THIS TABLE FOR OCD DIVISI CO OIL CONSERVAT ical & Engineering E francis Drive, Santa	T ION DIVISION Bureau –	· · · · · · · · · · · · · · · · · · ·
	IT IS MANDATORY FOR A	RATIVE APPLICATIO	ONS FOR EXCEPTIONS TO	
Applicant: EOG Resources In Well Name: Osprey 10 523H Pool: Red Hills;Bone Spring, Eas	-		API: 30-0	Number: 7377 225- ode: 97369
SUBMIT ACCURATE AN	ND COMPLETE IN	IFORMATION REQUIRE INDICATED BELOW		IE TYPE OF APPLICATION
1) TYPE OF APPLICATIC A. Location – Spa NSL	cing Unit – Simu	e which apply for [A] Itaneous Dedication PROJECT AREA)		D
DHC [II] Injection –	ng - Storage - N $\Box CTB \Box F$	PLC PC OLS sure Increase – Enhan	ced Oil Recover	FOR OCD ONLY
C. Application D. Notification E. Notification F. Surface own	ators or lease ho erriding royalty of requires publish and/or concurr and/or concurr ner e above, proof o	olders owners, revenue owne		Notice Complete Application Content Complete
administrative appre	oval is accurate action will be to	t the information subneaded and complete to the aken on this application ivision.	e best of my knov	vledge. I also

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kayla McConnell

Print or Type Name

Date

04/30/2025

432-265-6804

Phone Number

kayla_mcconnell@eogresources.com e-mail Address

Kayla McConnell	

Signature

Released to Imaging: 6/17/2025 5:17:32 PM



Kayla McConnell Phone: (432) 265-6804 Email: kayla_mcconnell@eogresources.com

April 30, 2025

VIA ONLINE FILING

Gerasimos Razatos, Division Director (Acting) Oil Conservation Division New Mexico Department of Energy, Minerals, and Natural Resources 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Osprey 10 #523H well dedicated to the W2SE4 of Section 3 and W2E2 of Section 10, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico.

Dear (Acting) Director Razatos,

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its Osprey 10 #523H well (API No. not yet assigned). The spacing unit dedicated to the well is comprised of the W2SE4 of Section 3 and W2E2 of Section 10, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico and is within the Red Hills; Bone Spring, East (97369). The horizontal spacing unit for the well is approximately 240 acres and does not include proximity tracts.

This well has not yet been drilled nor approved. It is proposed to be drilled as follows:

- <u>Surface location</u> is located 894 feet from the South line, 1333 feet from the East line (Unit O) of Section 10,
- <u>Bottom hole location</u> is located 2538 feet from the South line, 2595 feet from the East line (Unit J) of Section 3,
- <u>First take point</u> is located 100 feet from the South line, 2595 feet from the East line (Unit O) of Section 10,
- <u>Last take point</u> is located 2538 feet from the South line, 2595 feet from the East line (Unit J) of Section 3.

The acreage is governed by the Division's statewide rules. The proposed completed interval is unorthodox because it will be closer than 330 feet to the western boundary. It encroaches on the spacing units in the E2SW4 of Section 3 and E2W2 of Section 10. Approval of the unorthodox

location will allow EOG to use its preferred well spacing plan for horizontal wells, which will prevent waste.

Exhibit A – Draft C-102 that shows a change in the horizontal lateral. This C-102 has been submitted to the OCD. This plat also shows the location of the proposed well, including the proposed unorthodox, completed interval. The proposed completed interval encroaches on the spacing unit/tracts to the West.

Exhibit B – Lease Cartoon showing the Osprey 10 #523H well in relation to the adjoining spacing units/tracts to the West.

Exhibit C – Certification Statement indicating that all tracts affected by this request have been reviewed, including a list of the affected parties.

Exhibit D – Provides proof that a copy of this application, including exhibits, was mailed to each affected party. This notice advises affected parties that any objection must be filed in writing with the Division within 20 days from the date the Division receives the application.

 $\label{eq:Exhibit E} \textbf{E} - \textbf{Engineering Statement providing justification for the requested non-standard location.}$

Thank you for your attention to this matter.

Thank you,

Kayla McConnell

Kayla McConnell Regulatory Specialist

Received by OCD: 5/7/2025 6:35:54 AM

ExhibRese 6 of 17

<u>C-102</u>			Energy		State of New Is & Natura		Departme	ent		Revis	ed July 9, 2024
Submit Electronic Via OCD Permitt			Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION					Initial Submittal			
									ubmittal `ype:	Amended Report	
								1	ype.	As Drilled	
WELL LOCATION AND ACREAGE DEDICATION					ON P	LAT					
API Number 30-025-			Pool Code	97369	Pool Na		D HILLS;	BON	E SPR	ING, EAST	
Property Code Property Name				REY 10				Well Number	523H		
OGRID No.	7377		Operator Name		EOG RESO	URCES, INC).			Ground Level Elev	^{ration} 3334'
Surface Owner:	State Fee	Tribal Federal				Mineral Owner:	State KFee Ti	ribal 🗌 Fe	ieral		
UL or lot no.	Section	Township	Range	Lot Idn	Surface Feet from the N/S	Location	Latitu	140		Longitude	Country
OL OF INT INC.	10	25-S	34-E	-	894' S	1333' E	N 32.14		W 10	03.4536098	County LEA
					Bottom Ho	le Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitu			Longitude	County
J	3	25-S	34-E	-	2538' S	2595' E	N 32.15	92631	VV 10	03.4576750	LEA
Dedicated Acres	Infill or Defi	ning Well Defini	ng Well API			Overlapping Spacing	g Unit (Y/N)		Consolidate	ed Code	
240.00	INFI	LL 30-	025-4645	2			N			F	
Order Numbers			R-21866			Well Setbacks are un	nder Common Own	nership:	Yes No		
					Kick Off P	oint (KOP)					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitu	ıde		Longitude	County
0	10	25-S	34-E	-	50' S	2595' E	N 32.13	79086	W 10	03.4576863	LEA
	<i>a</i> .				First Take	· /	· · ·				~
UL or lot no.	Section 10	Township 25-S	Range 34-E	Lot Idn -	Feet from the N/S 100' S	Feet from the E/W 2595' E	Latitu N 32.13		W 10	Longitude 03.4576864	County LEA
					Last Take I	Point (LTP)			-1		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitu	ıde		Longitude	County
J	3	25-S	34-E	-	2538' S	2595' E	N 32.15	92631	W 1	03.4576750	LEA
Unitized Area or A	noo of Uniform I	ntanast		Spacing Unity	Turne			ound Floor	Flovation		
Unitized Area of A				Spacing Unity		al Vertical	GI		Elevation	3359'	
I hereby certi- best of my kn that this orga in the land in well at this lo or unleased m pooling order	owledge and t nization eithe ucluding the p cation pursuo ineral interes heretofore entered	formation cont belief; and, if er owns a work proposed botton int to a contra st, or to a volu ered by the div	the well is a sing interest a hole location ct with an or ntary pooling vision.	vertical or c or unleased n o or has a ri wner of a wo agreement o	r a compulsory	SURVEYOF I hereby certify notes of actual is true and cor	, that the well	location	shown on	his blat DG/Motte	d from field that the same
If this well is a horizontal well, I further certify that this organization has received The consent of at least one lessee or owner of a working interest or unleased mineral interest in each track (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division. Kayla McConnell 04/24/2025					4/*	5/2025 9:4	1000	A CONTRACTOR OF			
Signature	LA MCC		Date			Signature and Seal	of Professional Su	irveyor	Date		
Print Name						Certificate Number	Ī	Date of Surv	/ey		
	MCCONN	ELL@EOO	GRESOU	RCES.CO	M			04	/04/2025		
E-mail Address											

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Received by OCD: 5/7/2025 6:35:54 AM



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more D	HEMM C	WWHE P	HENE R	Osprey 10 #523H W2SE4 of Section 3 and W2E2 of Section 10 T25S-R34E, Lea County
20190 E	SEM-V F	3WHE G	SENE H	Various Fee Leases
114704 L	HESW K	Hose	HESE I	Osprey 10 #523H Spacing
2w9w H	525W H	2wse o	**** * 3	Well: Osprey 10 #523H
Hallar D	255- Hein/ C	84E ^{WOHE}	HEHE Å	Operator/Working Interest
Sulfice E	SEM.V T	30/HE G	<u>зене</u> Н	EOG Resources, Inc. <u>Other Working Interest</u> <u>Owners:</u>
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April 30, 2025

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in Sections 3 and 10-25S-34E, Lea County, New Mexico, for purposes of the unorthodox location for EOG's Osprey 10 #523H well located in the W2SE4 of Section 3 and W2E2 of Section 10-25S-34E. As of the date of this letter, the affected parties are:

- 1. EOG Resources, Inc. 5509 Champions Dr. Midland, TX 79706
- 2. Chevron U.S.A., Inc. 1400 Smith Road Houston, Texas 77002
- 3. Seegers Drilling Company 14140 Midway Rd., Ste. 202 Farmers Branch, TX 75244
- MBOE, Inc. 1020 E. Levee Street Suite 130 Dallas, Texas 75207
- Apollo Permian LLC PO Box 14779 Oklahoma City, OK 73113-0000
- Paloma Permian AssetCo, LLC 1100 Louisiana St., Ste. 5100 Houston, Texas 77002
- Wagner Family Trust
 6500 West Freeway, Ste. 222
 Fort Worth, TX 76116

- HHL09 Trust C/O H. Hays Lindsley 5539 Farquhar Lane Dallas, Texas 75209
- Salt Fork Limited PO Box 911 Breckenridge, TX 76424-0911
- MRC Permian Company One Lincoln Centre
 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240
- 11. Lonzo Estell Settles Jr 1306 S. 41st St. Temple, TX 76504
- 12. Nancy and Briana Settles 225 Sandi Ln. Liverpool, TX 77577-9758
- Delores Svidlow Revocable Inherited Property Trust 36 Misty Pond Dr. Frisco, Texas 75034
- 14. Sid Johnson Living Trust 8034 FM 513 Lone Oak, Texas 75453
- 15. Anne C. Ray 5223 Beckington Ln. Dallas, TX 75287
- 16. Robert B Ray 5523 Beckington Lane Dallas, TX 75287-5419
- 17. Ashland Asset Holding Company, LLC P.O. Box 470249 Fort Worth, TX 76147
- 18. Catherine Ray 2906 Terrain Ln Austin, TX 78731

- 19. Lucy Anne Ray 5223 Beckington Lane Dallas, TX 75287
- 20. William Harlan Ray 3832 Villanova St Dallas, TX 75225
- 21. William E. Horvath 4900 Mariah Road NW Alburquerque, NM 87120
- 22. Kathy Whitworth PO Box 577 Royse City, TX 75189
- 23. Kevin Flynn 216 Lone Mountain New Braunfels, TX 78132
- 24. Derinda Waren Foster 1211 Lakeshore Dr. Hope, AR 71801
- 25. Diana Marie Moreland Lord 653 Declaration Rd. Virginia Beach, VA, 23462
- 26. Billie Jo McCall Ziegler 1409 E County Rd. 145 Midland, TX 79706
- 27. Hazel Waren Ferguain731 S. 101st East Ave., Apt. 157Tulsa, OK 74128
- 28. Jessie Pearl Settles PO BOX 51, Route 4 Midland, TX 79701
- 29. Carolyn Page Price 1205 Country Club Dr Midland, TX 79701-4114

- 30. Kathleen Page Settle 4008 Centenary Dallas, TX 75225
- Patricia Page Gardner
 1231 S. Madison St.
 San Angelo, TX 76901
- 32. Paul Page, Jr.P.O. Box 8790Horseshoe Bay, TX 78657
- 33. Annie B. Weaver12032 SE Bush Street, Apt. APortland, OR 97266
- Roy G. Barton, Jr. 1919 N. Turner Hobbs, NM 88240
- 35. Oklahoma Exploration Company 8150 N Central Expressway, Ste. 1400 Dallas, TX 75206
- 36. Donna Cassity 14925 W. Main Ave. Casa Grande, AZ, 85193
- 37. E.B. Larue, Jr.10455 N. Central Expressway Dallas, Texas 75231
- Chief Capital (O&G) II LLC 8111 Westchester Dr., Ste. 900 Dallas, TX 75225
- 39. GW Athey Investments LP P.O. Box 1272 Enid, OK 73702

Sincerely,

EOG Resources, Inc.

Laci Stretcher Land Specialist

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Osprey 10 #523H Notice List

Impacted Parties: E2SW4 of Section 3 and E2W2 of Section 10, T25S, R34E

EOG Resources, Inc.	Tracking Number		Tracking Number
5509 Champions Dr. Midland, TX 79706			
Chevron U.S.A., Inc. 1400 Smith Road Houston, Texas 77002	9589 0710 5270 2997 8026 02	Sid Johnson Living Trust 8034 FM 513 Lone Oak, Texas 75453	9589 0710 5270 2997 8027 25
Seegers Drilling Company 14140 Midway Rd., Ste. 202 Farmers Branch, TX 75244	9589 0710 5270 2997 8026 19	Anne C. Ray 5223 Beckington Ln. Dallas, TX 75287	9589 0710 5270 2997 8027 32
MBOE, Inc. 1020 E. Levee Street Suite 130 Dallas, Texas 75207	9589 0710 5270 2997 8026 26	Robert B Ray 5523 Beckington Lane Dallas, TX 75287-5419	9589 0710 5270 2997 8027 49
Apollo Permian LLC PO Box 14779 Oklahoma City, OK 73113-0000	9589 0710 5270 2997 8026 33	Ashland Asset Holding Company, LLC P.O. Box 470249 Fort Worth, TX 76147	9589 0710 5270 2997 8027 56
Paloma Permian AssetCo, LLC 1100 Louisiana St., Ste. 5100 Houston, Texas 77002	9589 0710 5270 2997 8026 40	Catherine Ray 2906 Terrain Ln Austin, TX 78731	9589 0710 5270 2997 8027 63
Wagner Family Trust 6500 West Freeway, Ste. 222 Fort Worth, TX 76116	9589 0710 5270 2997 8026 57	Lucy Anne Ray 5223 Beckington Lane Dallas, TX 75287	9589 0710 5270 2997 8027 70
HHL09 Trust C/O H. Hays Lindsley 5539 Farquhar Lane Dallas, Texas 75209	9589 0710 5270 2997 8026 64	William Harlan Ray 3832 Villanova St Dallas, TX 75225	9589 0710 5270 2997 8027 87
Salt Fork Limited PO Box 911 Breckenridge, TX 76424-0911	9589 0710 5270 2997 8026 71	Kathy Whitworth PO Box 577 Royse City, TX 75189	9589 0710 5270 2997 8027 94
MRC Permian Company One Lincoln Centre 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240	9589 0710 5270 2997 8026 88	Kevin Flynn 216 Lone Mountain New Braunfels, TX 78132	9589 0710 5270 2997 8028 00
Lonzo Estell Settles Jr 1306 S. 41st St. Temple, TX 76504	9589 0710 5270 2997 8026 95	Derinda Waren Foster 1211 Lakeshore Dr. Hope, AR 71801	9589 0710 5270 2997 8028 17
Nancy and Briana Settles 225 Sandi Ln. Liverpool, TX 77577-9758	9589 0710 5270 2997 8027 01	Diana Marie Moreland Lord 653 Declaration Rd. Virginia Beach, VA, 23462	9589 0710 5270 2997 8028 24
Delores Svidlow Revocable Inherited Property Trust 36 Misty Pond Dr. Frisco, Texas 75034	9589 0710 5270 2997 8027 18	Billie Jo McCall Ziegler 1409 E County Rd. 145 Midland, TX 79706	9589 0710 5270 2997 8028 31
Hazel Waren Ferguain 731 S. 101st East Ave., Apt. 157 Tulsa, OK 74128	9589 0710 5270 2997 8028 48	Kathleen Page Settle 4008 Centenary Dallas, TX 75225	9589 0710 5270 2997 8029 79
Jessie Pearl Settles PO BOX 51, Route 4 Midland, TX 79701	9589 0710 5270 2997 8028 55	Patricia Page Gardner 1231 S. Madison St. San Angelo, TX 76901	9589 0710 5270 2997 8028 86
Carolyn Page Price 1205 Country Club Dr Midland, TX 79701-4114	9589 0710 5270 2997 8028 62		

Impacted Parties: E2SW4 of Section 3 and E2W2 of Section 10, T25S, R34E

	Tracking Number
Paul Page, Jr. P.O. Box 8790 Horseshoe Bay, TX 78657	9589 0710 5270 2997 7997 59
Annie B. Weaver 12032 SE Bush Street, Apt. A Portland, OR 97266	9589 0710 5270 2997 8028 93
Roy G. Barton, Jr. 1919 N. Turner Hobbs, NM 88240	9589 0710 5270 2997 8029 09
Oklahoma Exploration Company 8150 N Central Expressway, Ste. 1400 Dallas, TX 75206	9589 0710 5270 2997 8029 16
Donna Cassity 14925 W. Main Ave. Casa Grande, AZ, 85193	9589 0710 5270 2997 8029 23
E.B. Larue, Jr. 10455 N. Central Expressway Dallas, Texas 75231	9589 0710 5270 2997 8029 30
Chief Capital (O&G) II LLC 8111 Westchester Dr., Ste. 900 Dallas, TX 75225	9589 0710 5270 2997 8029 47
GW Athey Investments LP P.O. Box 1272 Enid, OK 73702	9589 0710 5270 2997 8029 54



Kayla McConnell Phone: (432) 265-6804 Email: kayla mcconnell@eogresources.com

April 28, 2025

VIA CERTIFIED MAIL

TO: AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Osprey 10 #523H well dedicated to the W2SE4 of Section 3 and W2E2 of Section 10, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Laci Stretcher EOG Resources, Inc. (432) 247-6362 Laci_Stretcher@eogresources.com

Thank you,

Kayla McConnell

Kayla McConnell Regulatory Specialist



April 30, 2025

Re: EOG Resources NSL Application Osprey 10 #523H

A non-standard location is necessary to develop the Bone Spring formation in this section efficiently and in an economic manner. A non-standard location optimizes pressures related to the completion and production drawdown of the wells and is expected to yield a higher ultimate recovery than a standard location, thereby preventing waste and protecting correlative rights.

Sincerely,

Harrison Perrin

EOG Resources Harrison Perrin Reservoir Engineer

energy opportunity growth

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Operator:	OGRID:
EOG RESOURCES INC	7377
5509 Champions Drive	Action Number:
Midland, TX 79706	459487
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)
CONDITIONS	

Created By	Condition	Condition Date
llowe	None	5/9/2025

CONDITIONS

Action 459487