



EOG Resources, Inc.
5509 Champions Drive
Midland, Texas 79706
(432) 686-3800

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

May 26, 2015

Working Interest Owner
See Attached List

RE: Amendment to Well Proposal
Osprey 10 #702H
Sec. 10, T25S, R34E
Lea County, NM

Gentlemen:

Attached for your review and further handling please find EOG's replacement AFEs and amended C-102 for the captioned well originally proposed by letter dated February 19, 2015.

The original proposal is hereby amended to adjust the bottom hole location. The well will be drilled from the originally proposed SHL to a new BHL 230' FSL & 1720' FWL. Section 10, T25S, R34E, Lea County, NM. Estimated total vertical depth and measured depth will remain the same at 12,550' and 17,375' respectively.

As an owner of unleased minerals or leasehold estate in Section 10, EOG reasserts its proposal to form a working interest unit covering all of Section 10, T25S, R34E, Lea County, NM under an operating agreement naming EOG as Operator and providing, among other provisions, for 100%/300%/300% non-consent penalties. A draft operating agreement will be forwarded to you for review after a positive response to this proposal is received.

Please remember that the enclosed AFEs will constitute a single operation requiring a single election on your part. In the event that you elect to participate in the captioned well, please mark the appropriate space below and return one copy of this letter along with a signed copy of the cost estimates to my attention at the letterhead address along with your geological requirements.


energy opportunity growth

**BEFORE THE OIL CONVERSION
DIVISION**
Santa Fe, New Mexico
Exhibit No. 7
Submitted by: **EOG RESOURCES, INC.**
Hearing Date: July 23, 2015

Thank you in advance for your early consideration of this proposal. If you have any questions, please call the undersigned at 432-686-3649 or by sending email to matthew_phillips@eogresources.com.

Sincerely,

EOG Resources, Inc.



Matthew C. Phillips
Landman II

Please indicate your election in the space provided below:

_____ The undersigned elects TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Osprey 10 #702H well.

_____ The undersigned elects NOT TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Osprey 10 #702H well.

Company: _____

By: _____

Title: _____

Date: _____



MIDLAND		Printed: 05/20/2015	
Property No.	072478-000		
EOG W.I.(BCP)	68.409946(ACP)68.409946%	Original	Original
EOG AFE No.	106302	106505	
EOG AFE Amt:	Drig	\$2,504,351	\$0
	Land	\$3,420	\$0
	Completions	\$2,155,529	\$0
	Facility	\$364,625	\$746,349
	Flowback	\$0	\$0
	Total Cost	\$5,027,926	\$746,349
	Total AFEs		\$5,774,275

AFE Type : DEVELOPMENT DRILLING	AFE Name : OSPREY 10 #702H D&C	AFE Date : 12/17/2014	Budget Year : 2015
Reg. Lease No. :	Prospect Name : RED HILLS	TVD / MD : 12550 / 17200	Begin Date :
Location : Section 10-T25S-R34E, 220 FNL & 1715 FWL	BHLocation : BH(LATERAL #1): Section 10-T25S-R34E, 230 FSL & 1720 FWL		
Formation :	DD&A Field : WOLFCAMP SH DB		
Operator : EOG RESOURCES INC	County & State : LEA / NEW MEXICO	Field : UNASSIGNED	Water Depth :
AFE Description : OSPREY 10 #702H D&C TO 12,550' TVD, 17,200' MD TO BE COMPLETED IN THE U1 WOLFCAMP. THE WELL IS LOCATED IN SEC. 10, 25S, R34E, LEA CO., NM.		Product : OIL	Days : 0 / 0

AFE Name: OSPREY 10 #702H D&C		AFE No. 106302					
DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
COMP-FAC-LOCATION AND ROADS	401	0	0	0	53,000	0	53,000
DUAL PAD	401	81,500	0	12,000	0	0	93,500
1 DAYS SKID + \$40K MOVE	402	66,500	0	0	0	0	66,500
COMP-RIG MOVE	402	0	0	2,000	0	0	2,000
27 DAYS	404	715,500	0	0	0	0	715,500
RITS & BHA	405	145,000	0	0	0	0	145,000
COMP-BITS & PHA	405	0	0	30,000	0	0	30,000
COMP-FUEL	406	0	0	180,000	0	0	180,000
FUEL	406	121,000	0	0	0	0	121,000
WATER	3 EACH @ \$ 150,000	407	16,000	450,000	0	0	466,000
MUD & CHEMICALS	408	330,000	0	0	0	0	330,000
CEMENTING & SERVICE	409	270,000	0	0	0	0	270,000
COMP- PERFORATING	413	0	0	225,000	0	0	225,000
COMP- STIMULATION	53.636 EACH @ \$ 25	414	0	1,340,900	0	0	1,340,900
COMP- TRANSPORTATION	415	0	0	20,000	0	0	20,000
TRANSPORTATION	415	23,000	0	0	0	0	23,000
COMP-Completion Overhead	416	0	0	10,000	0	0	10,000
DRILLING OVERHEAD	416	4,500	0	0	0	0	4,500
COMP-EQUIPMENT RENTAL	417	0	0	150,000	0	0	150,000
FAC-EQUIP RNTL/FAC CONSTR	417	222,000	0	0	5,000	0	227,000
COMP-COMPLETION RIG	418	0	0	25,000	0	0	25,000
OTHER DRILLING EXPENSE	419	23,000	0	0	0	0	23,000
COMP-ENVIRON & SAFETY CHARGES	421	0	0	40,000	0	0	40,000
ENVIRONMENTAL & SAFETY CHARGES	421	35,000	0	0	0	0	35,000
DIRECTIONAL DRILLING	422	340,000	0	0	0	0	340,000
COMP-FAC-SUPERVISION FAC INSTL	424	0	0	100,000	2,000	0	102,000
SUPERVISION	424	142,500	0	0	0	0	142,500
COMP- COMMUNICATIONS	431	0	0	6,000	0	0	6,000
TUBULAR INSPECTION/HANDLING	436	30,000	0	0	0	0	30,000
COMP-CASED HOLE LOGGING/TEST	438	0	0	10,000	0	0	10,000
SPECIALTY SERVICES	441	70,000	0	0	0	0	70,000
COMP-COIL TUBING/NITROGEN	445	0	0	100,000	0	0	100,000
DISPOSAL COSTS	100,000 @ \$ 2	447	250,000	250,000	0	0	500,000
COMP-COMPLETION FLUIDS	448	0	0	10,000	0	0	10,000
COMP-FLOWBACK	465	0	0	35,000	0	0	35,000
COMP-LAND DRILLSITE TITLE OPINION	480	0	5,000	0	0	0	5,000
TOTAL INTANGIBLES		\$2,885,500	\$5,000	\$2,995,900	\$60,000	\$0	\$5,946,400

DESCRIPTION	UOM	QTY	SIZE	SIZE	GRADE	RATE	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
9 5/8" 40# J55 LTC	FEET	1,400	9 5/8"	54 5# J55	26.91	102	37,700	0	0	0	0	37,700
7" 26# HCP110	FEET	11,320	7"	HCP110	26.60	103	301,200	0	0	0	0	301,200
4 1/2" 15,10# HCP110 PREM	FEET	17,333	4 1/2"	HCP110	22.00	104	381,400	0	0	0	0	381,400
COMP-FAC-TUBING						106	0	0	0	50,000	0	50,000
COMP-TUBING			2.875	6 5# J55		106	0	0	60,000	0	0	60,000
WELLHEAD EQUIPMENT						107	55,000	0	40,000	45,000	0	140,000
COMP-FAC-FLOW LINES						109	0	0	0	65,000	0	65,000
COMP-VALVES & FITTINGS						110	0	0	10,000	65,000	0	75,000
COMP-PUMP EQUIP/SUBSURFACE						113	0	0	35,000	50,000	0	85,000
COMP-FAC-HEATERS,TREATRS,SEPRS						115	0	0	0	40,000	0	40,000
COMP-FAC-METERING EQUIPMENT						118	0	0	0	25,000	0	25,000
COMP-FAC-CONSTRUCTION COST						122	0	0	10,000	100,000	0	110,000
COMP-FAC-AUTOMATION EQUIPMENT						123	0	0	0	10,000	0	10,000
COMP-FAC-LABR/LEC MEAS/AUTOMA						124	0	0	0	10,000	0	10,000
COMP-FAC-TRANSPORTATION						415	0	0	0	3,000	0	3,000
COMP-FAC-POWER INSTALLATION						459	0	0	0	10,000	0	10,000
TOTAL TANGIBLES							\$775,300	\$0	\$155,000	\$473,000	\$0	\$1,403,300
TOTAL COST							\$3,660,800	\$5,000	\$3,150,900	\$533,000	\$0	\$7,349,700

AFE Name: OSPREY 10 #702H FAC		AFE No. 106505						
DESCRIPTION		SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
COMP-FAC-EQUIP RNTL/FAC CONSTR		417	0	0	0	3,000	0	3,000
COMP-FAC-SUPERVISION FAC INSTL		424	0	0	0	21,000	0	21,000
TOTAL INTANGIBLES			\$0	\$0	\$0	\$24,000	\$0	\$24,000
UOM	QTY	SIZE	SIZE	GRADE	RATE			



MIDLAND

Printed: 05/20/2015

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	Flowback	\$0	\$0
	Total Cost	\$5,027,926	\$746,349
	Total AFEs		\$5,774,275

COMP-FAC-TANKS					108	0	0	0	120,172	0	120,172
COMP-FAC-VALVES & FITTINGS					110	0	0	0	250,000	0	250,000
COMP-FAC-PUMP EQUIP/SURFACE					112	0	0	0	14,300	0	14,300
COMP-FAC-HEATERS,TREATING,SEPARATORS					115	0	0	0	124,100	0	124,100
COMP-FAC-METERING EQUIPMENT					118	0	0	0	113,000	0	113,000
COMP-FAC-CONSTRUCTION COST					122	0	0	0	250,000	0	250,000
COMP-FAC-AUTOMATION EQUIPMENT					123	0	0	0	25,000	0	25,000
COMP-FAC-TELEMEAS/AUTOMATION					124	0	0	0	25,000	0	25,000
COMP-FAC-EMISSIONS EQUIPMENT					127	0	0	0	137,000	0	137,000
COMP-FAC-INSTRUMENT/ELECTRIC EQUIP					128	0	0	0	10,000	0	10,000
COMP-FAC-TRANSPORTATION					415	0	0	0	5,000	0	5,000
TOTAL TANGIBLES						\$0	\$0	\$0	\$1,073,572	\$0	\$1,073,572
TOTAL COST						\$0	\$0	\$0	\$1,097,572	\$0	\$1,097,572

TOTAL GROSS COST

\$3,660,800	\$5,000	\$3,150,900	\$1,630,572	\$0	\$8,447,272
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By	<i>[Signature]</i>	Date	5/20/2015	By		Date	
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JOINT OPERATOR APPROVAL

Firm:	By	Title	Date
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