

District I
1625 N French Dr, Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
June 16, 2008

Oil Conservation Division
1220 South St. Francis Dr. JUN 27 2008
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

OCD-ARTESIA

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Trek Operating, LLC 10159 E 11th St., Ste 401 Tulsa, OK 74128-3028		OGRID Number 255281
Property Code 37240	Property Name Bushby	API Number 30-015-36410
Proposed Pool 1 40350 Loving Brushy Canyon, East		Well No 1
Proposed Pool 2		

Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	34	23 S	28 E		330	South	1650	East	Eddy

Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 3022'
Multiple N	Proposed Depth 6600'	Formation Bene Spring	Contractor NA	Spud Date NA

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
20"	14	93	0-40	None	-
12.25"	8.625"	24	0-410'	200 sxs.	Surface
7.875"	5.5"	15.5	0-6600'	800 sxs.	2400'

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

1. With air, drill 20" hole @ 0-40'. Set 14" conductor pipe.
2. With fresh water mud, drill 12.25" hole @ 40-410'. Set 8.625" casing. Cement casing with 200 sxs. premium cement. WOC.
3. With brine water, drill 7.875" hole @ 410-6600'. Set 5.5" casing. Cement casing with total 800 sxs. cement. WOC.
4. Commence completion, selecting oil zones via bond log, and stimulating.

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief

OIL CONSERVATION DIVISION

Signature *Brad D. Burks*

Approved by *Jim W. Green*

Printed name *Brad D. Burks*

Title *District II Supervisor*

Title *General Manager*

Approval Date *7/3/08*

Expiration Date *7/3/10*

E-mail Address *office @ bkxcorp. com*

Date *06/25/2008*

Phone *918.582.3855*

NOTE: NEW PIT RULE
19-15-17 NMAC PART 17

A form C-144 must be approved
before starting drilling operations.

✓ Bxb

State of New Mexico
Energy, Minerals & Natural Resources Department
Revised October 12, 2005
Form C-102

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

☐ AMENDED REPORT

Fee Lease - 3 Copies
State Lease - 4 Copies
Submit to appropriate District Office

District I 1625 N. French Dr., Hobbs, NM 88240
District II 1301 W. Grand Avenue, Artesia, NM 88210
District III 1000 Rio Brazos Rd., Aztec, NM 87410
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

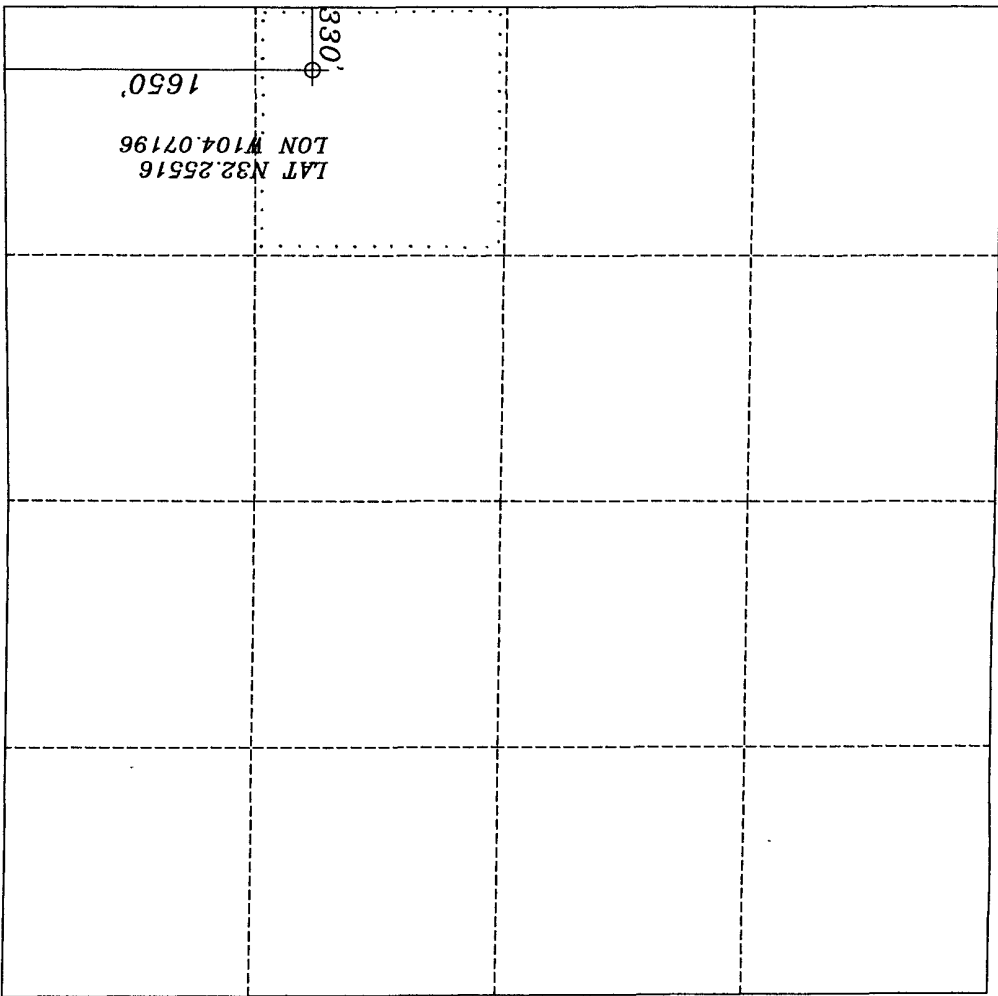
1 API Number 30-015-3640		2 Pool Code 40350		3 Pool Name LEVING BRUSHY CANYON, EAST	
4 Property Code 37240		5 Property Name BUSBY			
7 OGRID No. 255281		8 Operator Name TREK OPERATING, LLC			
9 Elevation 3022		6 Well Number 1			

UL or lot no.	0	Section	34	Township	23-S	Range	28-E	Lot Idn	330	Feet from the North/South line	SOUTH	Feet from the East/West line	1650	County	EDDY
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10 Surface Location

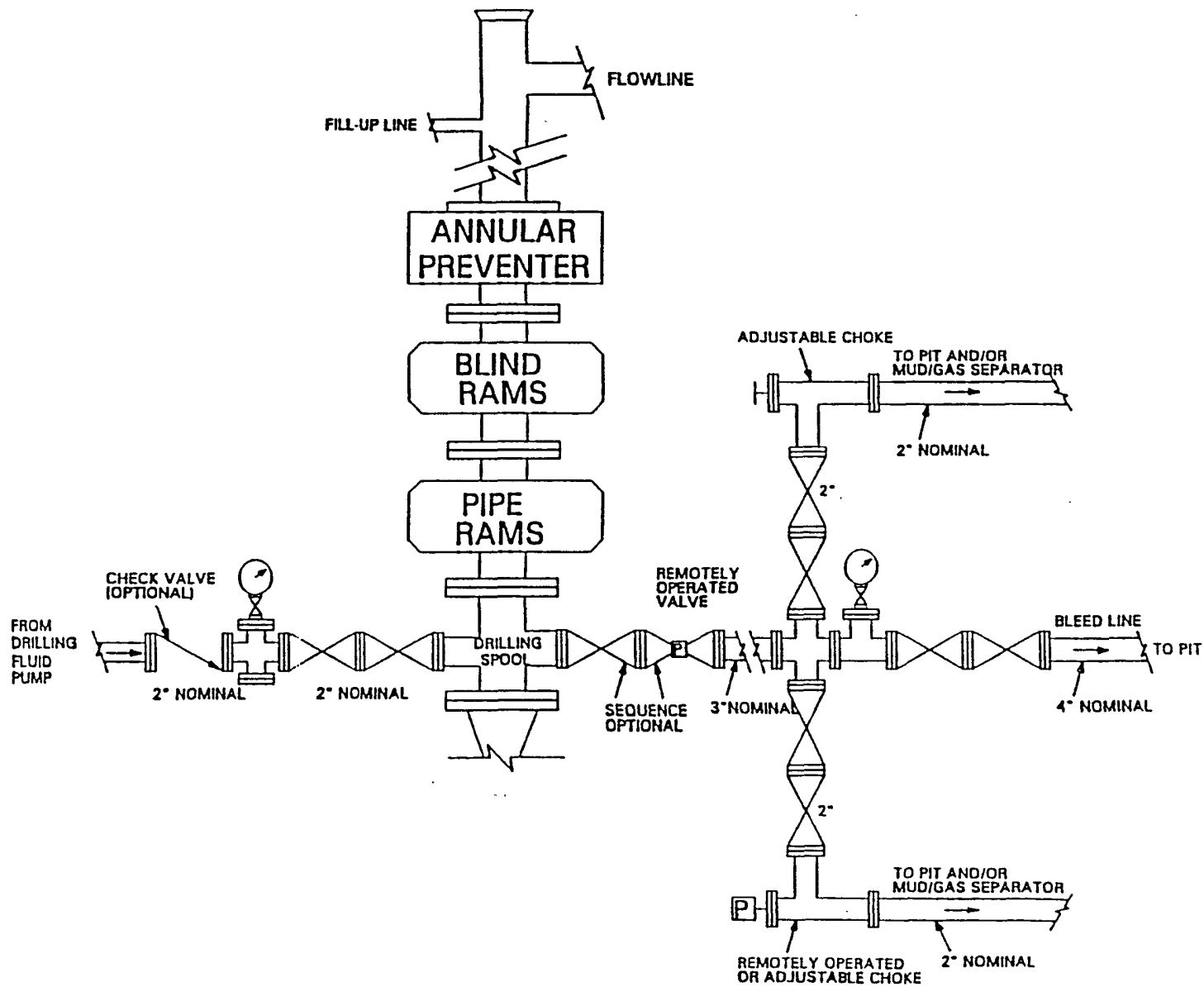
11 Bottom Hole Location If Different From Surface															
UL or lot no.		Section		Township		Range		Lot Idn		Feet from the North/South line		Feet from the East/West line		County	
12 Dedicated Acres															
13 Joint or Injunctive															
14 Consolidation Code															
15 Order No.															

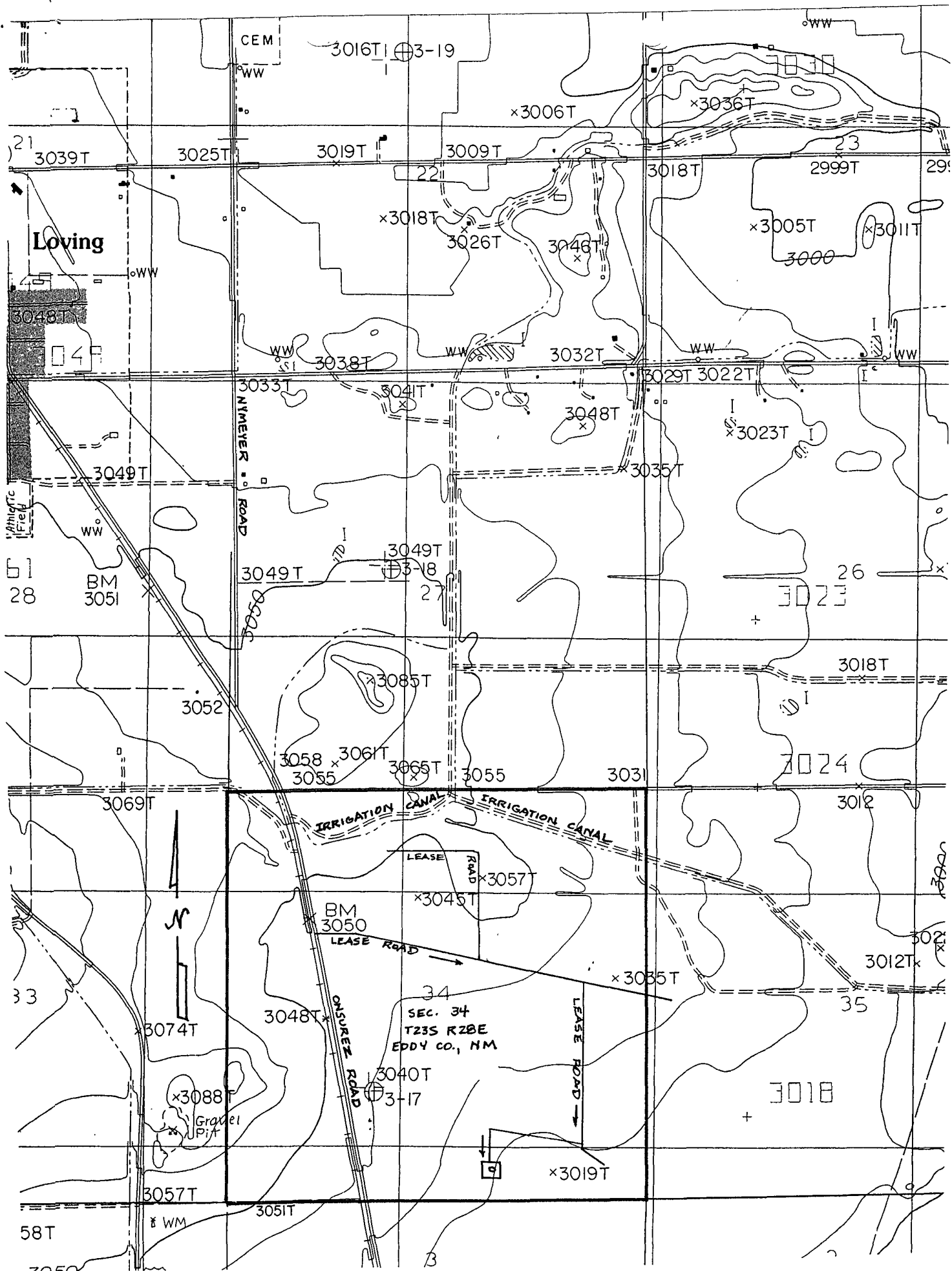
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



17 OPERATORS CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land underlying the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such interest or working interest or to voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	
Signature	BRAD D. BURKS
Date	06/25/06
Printed Name	
18 SURVEYOR CERTIFICATION	
I hereby certify that the well location shown on this plot was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Signature and Seal of Professional Surveyor:	
APRIL 28, 2006	
Date of Survey	
DAN R. REDDY	
REGISTERED PROFESSIONAL ENGINEER	
NEW MEXICO	
5412	
Certificate Number	
DAN R. REDDY NM PE&PS #5412	

PROPOSED 5-M BOPE AND CHOKE ARRANGEMENT





New Mexico Office of the State Engineer
POD Reports and Downloads

Township: 23S Range: 28E Sections:

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) ☐ Non-Domestic ☐ Domestic
☒ All

POD / Surface Data Report

Avg Depth to Water Report

Water Column Report

Clear Form

iWATERS Menu

Help

AVERAGE DEPTH OF WATER REPORT 12/13/2006

Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	(Depth Water in Feet)		
								Min	Max	Avg
C	23S	28E	05				1	33	33	33
C	23S	28E	06				11	20	85	45
C	23S	28E	07				2	40	50	45
C	23S	28E	08				3	16	50	35
C	23S	28E	09				1	30	30	30
C	23S	28E	10				2	19	25	22
C	23S	28E	11				2	15	16	16
C	23S	28E	12				1	20	20	20
C	23S	28E	13				4	15	50	33
C	23S	28E	14				2	29	30	30
C	23S	28E	15				5	12	54	37
C	23S	28E	16				3	33	55	40
C	23S	28E	17				2	50	75	63
C	23S	28E	18				3	42	217	113
C	23S	28E	19				2	10	45	28
C	23S	28E	20				3	34	70	55
C	23S	28E	21				7	6	69	23
C	23S	28E	22				10	30	160	54
C	23S	28E	23				7	12	75	46
C	23S	28E	24				1	36	36	36
C	23S	28E	25				7	27	60	44
C	23S	28E	27				2	18	40	29
C	23S	28E	28				2	3	10	7
C	23S	28E	29				1	15	15	15
C	23S	28E	30				1	8	8	8
C	23S	28E	33				1	190	190	190
C	23S	28E	34				1	25	25	25
C	23S	28E	35				1	30	30	30

TREK OPERATING, LLC

10159 E. 11TH St., #401

Tulsa, OK 74128-3028

Phone: 918.582.3855 Fax: 918.582.3865

June 25, 2008

New Mexico Oil Conservation Division
1301 W. Grand Ave.
Artesia, NM 88210

Re: H₂S Contingency Plan, Proposed Well
Trek Operating LLC, Operator (OGRID 255281)
Bushby Well #1
UL O Section 34 T-23-S R-28-E Eddy County, New Mexico

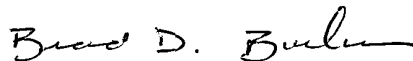
NMOCD,

This letter is being furnished to you as an attachment to OCD Form C-101, in lieu of a hydrogen sulfide contingency plan.

It is our belief that a formal contingency plan is not required for the proposed well operations. The well will be located in the Loving Field, where the target zone in the Brushy Canyon (Delaware Group). Production from this oil and gas zone is high gravity, sweet crude, containing no hydrogen sulfide. In addition, we have not knowingly encountered any sign of hydrogen sulfide, at any depth drilled in this field.

Nevertheless, the drilling and completion rigs will be equipped with monitors in case hydrogen sulfide is encountered during well operations. Should you require additional information in this regard, please contact me at the letterhead phone number.

Yours very truly,



Brad D. Burks, General Manager
Trek Operating, LLC

BDB