

Date: 12/20/02 AFE No.:

Category: Drill Type: Oil

Well: Selman # 1
Operator: Trilogy Operating, Inc
Location: Sec 11, T19S, R38E
Prospect: Selman # 1Depth: 9000
Fm.: Silurian
County: Lea
State: New Mexico

Description	DH	Producer	Total
Permit, Surveying	600		600
Surf. Damage, ROW	15,000		15,000
Roads, Location, Pits	35,000		35,000
Drilling: Footage 17,00/ft x 7900'	134,300		134,300
Daywork \$6500/day	65,000		65,000
Turnkey			0
Rig Mobilization			0
Fuel, Boiler			0
Completion Rig \$2200/day		33,000	33,000
Mud & Chemicals	8,000		8,000
Water, Water Hauling	12,000		12,000
Transportation, Hauling	3,600		3,600
Bits, Reamers, Stab.	3,600		3,600
Coring			0
Drill Stem Testing	10,000		10,000
Equipment Rental	6,000		6,000
Special Services			0
Directional Drlg.			0
Contract Labor	6,000		6,000
Mud Logging, Geological	14,000		14,000
Cementing	8,000	21,000	29,000
Logging	25,000	2,500	27,500
Perforating		5,200	5,200
Stimulation 1 - zone @ 60,000		120,000	120,000
Wellsite Supervision	6,000	4,000	10,000
Abandonment Expense	3,900		3,900
Legal Exp., Insurance	3,000		3,000
COPAS Overhead	3,500	0	3,500
			0
Contingency 10%	36,250	18,570	54,820
Total Intangible	398,750	204,270	603,020

TUBULARS

Conductor	ft.			0
Surface	1600 ft.	9.625	21,600	21,600
Intermediate	7900 ft.	7"	90,850	90,850
Liner	2000 ft.	5"		12,000
Production	ft.			0
Tubing	9000 ft.	2 3/8		27,000

PRODUCTION FACILITIES

Tanks		14,000	14,000
Separator		3,500	3,500
Heater/Treater		4,800	4,800
Dehydrator			0
Buildings			0
Flowline/Pipeline		2,500	2,500
Valves/Fittings		2,500	2,500

ARTIFICIAL LIFT EQUIP

Pumping Unit		35,000	35,000
Fndn./Base			0
Prime Mover			0
Sucker Rods		16,000	16,000
Bottom Hole Pump		2,800	2,800
Wellhead Equip.	1,400	1,200	2,600
Packer/Anchor		900	900
Other Equip.			0
Non-Controllable Equip.	2,000	1,000	3,000
Contingency 10%	11,585	12,320	23,905
Total Tangibles	127,435	135,520	262,955
TOTAL WELL COST	526,185	339,790	865,975

Agreed and Accepted this ____ day of _____,

By: _____

Print Name: _____

Company: _____

Title: _____

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

¹ Operator Name and Address Trilogy Operating, Inc P.O. Box 7606 Midland, Texas 79708		² OGRID Number 021602
		³ API Number 30-025-36128
⁴ Property Code 31894	⁵ Property Name Selman	⁶ Well No. 1

⁷Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
J	11	19S	38E		2310	South	2170	East	Lea

⁸Proposed 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
⁹ Proposed Pool 1 Nadine ; Drinkard-Abo						¹⁰ Proposed Pool 2 Wildcat : Devonian			

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3603
¹⁶ Multiple No	¹⁷ Proposed Depth 9000	¹⁸ Formation Devonian	¹⁹ Contractor Star Drilling # 5	²⁰ Spud Date 01-30-03

²¹Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4	9 5/8	32	1700	650	circulate
8 1/2	7	24	8000	900	circulate
6 1/4	4 1/2	10.5	9000	400	8000'

²²Describe 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) Drill 12 1/4" hole w/ fresh water mud to an approximate depth of 1700'
- 2) Set 9 5/8" - 32# J-55 casing and cement w/ aproximately 650 sx class "c" w/ additives , or amount of cement needed to circulate to surface
- 3) WOC 24 hrs , Drill 8 1/2" hole w/ brine water mud to aproximately 8000' or depth to suffeciently test the Abo Formation
- 4) Run open hole logs and determine productivity potential of wellbore
- 5) Run 7" - 24# N80 csg to a setting depth to cover Abo Formation - Drill 6 1/4" hole to 9000' w/ fresh water
- 6) Run logs across Silurian/Devonian Formation - if productive set 4 1/2" - 10.5# liner inside 7" csg
- 7) RDMO drilling rig and attempt completion

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

Signature:

Printed name: Michael G. Mooney

Title: Engineer

Date: 01-19-03

Phone: 915-686-2027

OIL CONSERVATION DIVISION

Approved By:

ORIGINAL SIGNED BY

Title:

PAUL F. KAUTZ

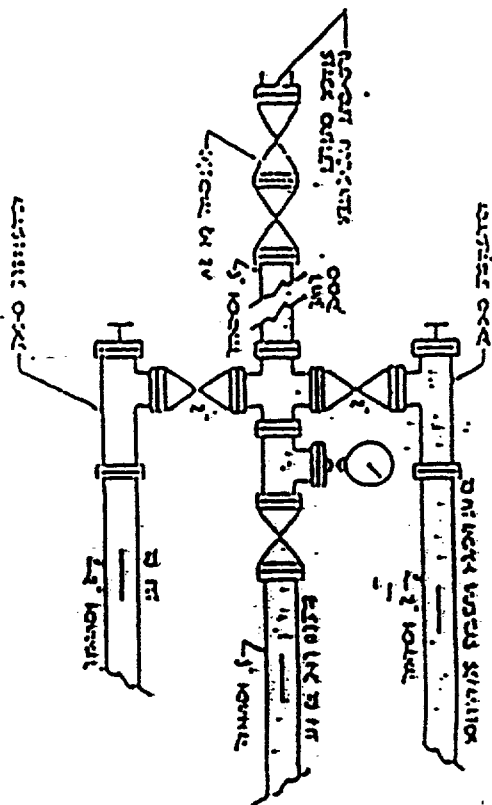
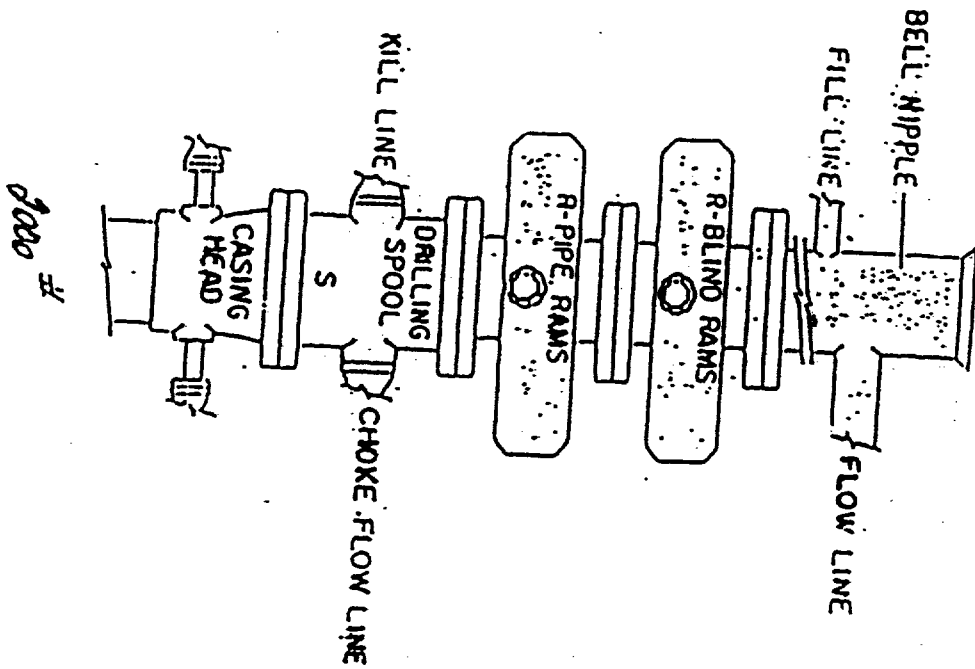
Approval Date:

JAN 28 2003

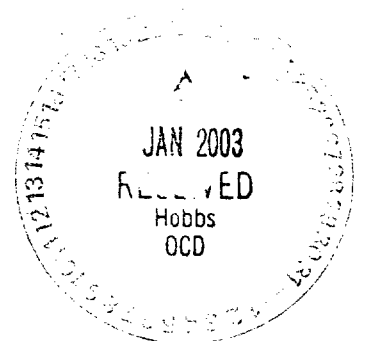
Expiration Date:

Conditions of Approval:
Attached: ☐

Permit Expires 1 Year from Approval Date Unless Drilling Underway



PROPOSED BOP CONFIGUREMENT



DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Box 2200, Artesia, NM 88211-0719

DISTRICT III
900 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <u>30-025-34128</u>	Pool Code 47510	Pool Name Nadine : Drinkard-Abo
Property Code <u>31894</u>	Property Name SELMAN	Well Number 1
OGRID No. 021602	Operator Name TRILOGY OPERATING, INC.	Elevation 3603'

Surface Location

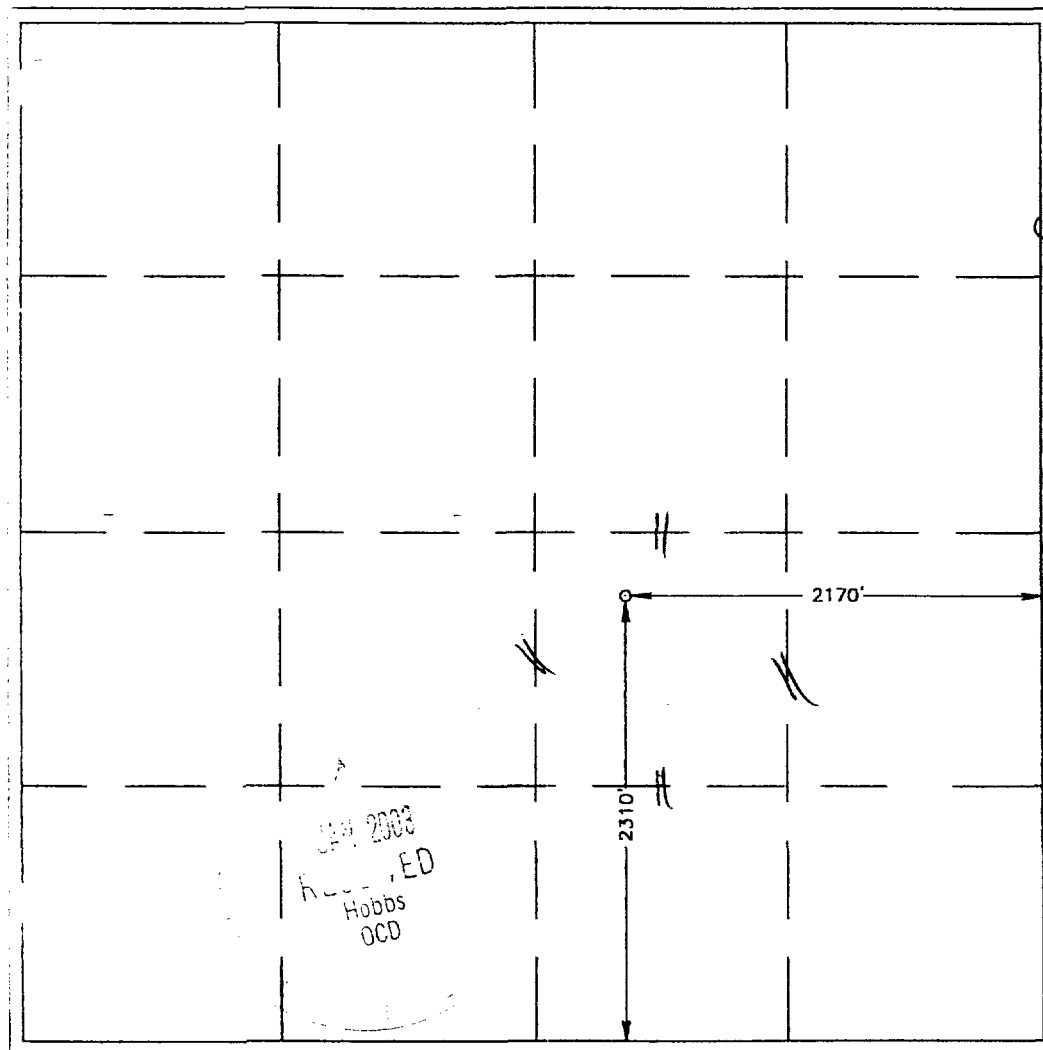
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	11	19-S	38-E		2310	SOUTH	2170	EAST	LEA

Bottom Hole Location If Different From Surface

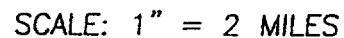
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill I	Consolidation Code	Order No.
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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



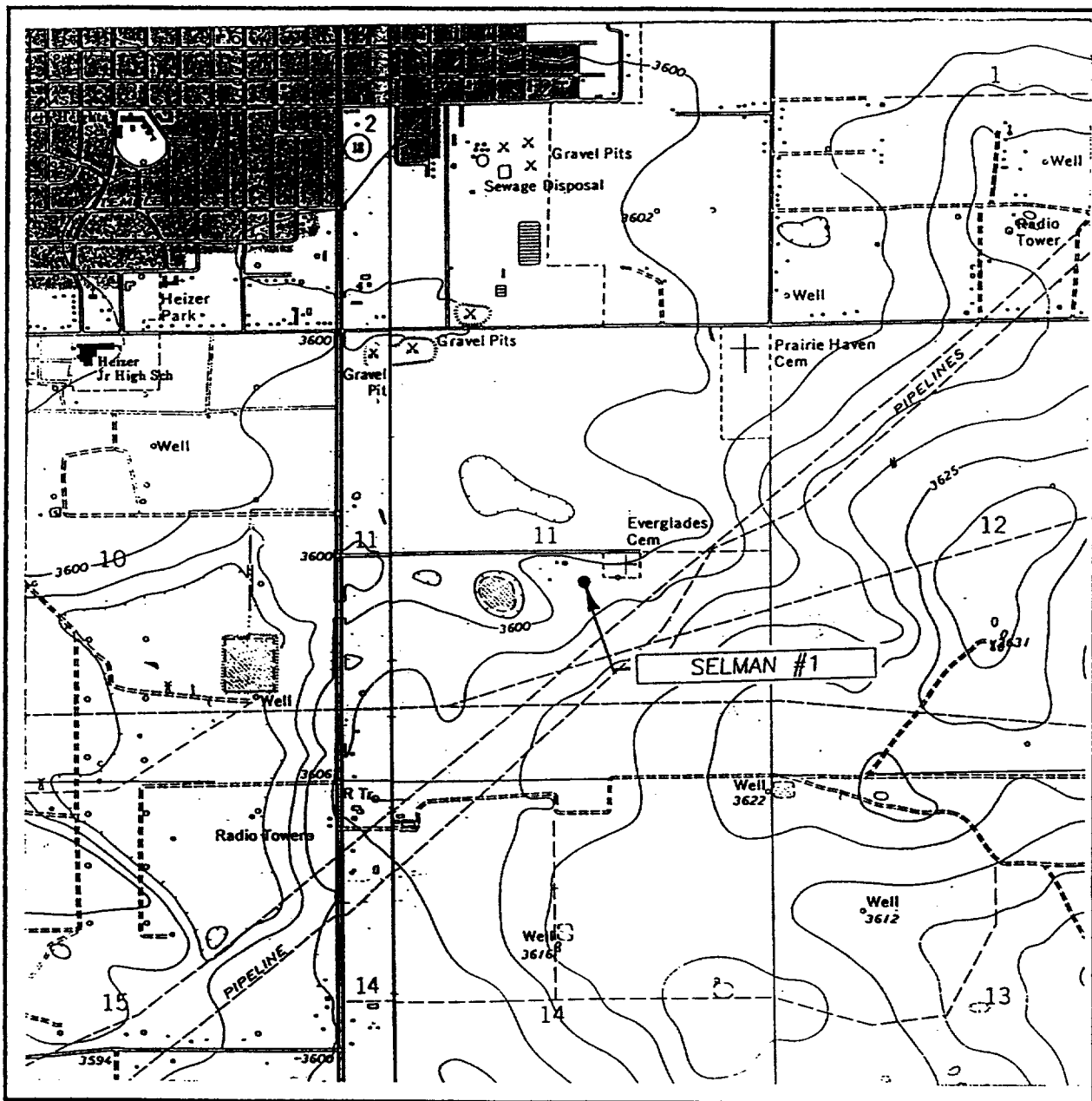
OPERATOR CERTIFICATION	
I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.	
<u>Michael G. Mooney</u> Signature	
<u>Michael G. Mooney</u> Printed Name	
<u>Engineer</u> Title	
<u>1/17/03</u> Date	
SURVEYOR CERTIFICATION	
I hereby certify that the well location shown on this plat 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.	
<u>JANUARY 10, 2003</u> Date Surveyed	
<u>Signature & Seal of Professional Surveyor</u> <u>Ronald J. Hudson</u> <u>03.11.0013</u>	
Certificate No. <u>RONALD J. HUDSON</u> 3239 <u>GARY HUDSON</u> 12641	



SEC. 11 TWP. 19-S RGE. 38-E
SURVEY _____ N.M.P.M. _____
COUNTY _____ LEA _____
DESCRIPTION 2310' FSL & 2170' FEL
ELEVATION _____ 3603' _____
OPERATOR TRILOGY OPERATING, INC.
LEASE _____ SELMAN _____

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 5'
HOBBS EAST, N.M.

SEC. 11 TWP. 19-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 2310' FSL & 2170' FEL

ELEVATION 3603'

OPERATOR TRILOGY OPERATING, INC.

LEASE SELMAN

U.S.G.S. TOPOGRAPHIC MAP
HOBBS EAST, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117