State of New Mexico Energy, Minerals and Natural Resources Department

DISTRICT I P.O. Box 1980, Hobbs, NM 88240 OIL CONSERVATION DIVISION

WELL API NO. 2040 Pacheco St. 30-025-35568 Santa Fe, NM 87505 sIndicate Type of Lease

DISTRICT II P.O. Drawer DD, Artesia, NM 88210 FEE X STATE DISTRICT III 6State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 N/A SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 7Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" Sapphire (FORM C-101) FOR SUCH PROPOSALS.) 1Type of Well: OIL X OTHER «Well No. 2Name of Operator Trilogy Operating, Inc Pool name or Wildcat 3Address of Operator Nadine: Drinkard - Abo P.O. Box 7606, Midland, Texas 79708 4Well Location 1620 East North 2310 Feet From The Feet From The Line Unit Letter 38E Lea County 198 NMPM 24 Section Township Range DELevation (Show whether DF, RKB, RT, GR, etc.) 3583 GR

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11 SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: PLUG AND ABANDON ALTERING CASING REMEDIAL WORK PERFORM REMEDIAL WORK PLUG AND ANBANDONMENT COMMENCE DRILLING OPNS. CHANGE PLANS **TEMPORARILY ABANDON** CASING TEST AND CEMENT JOB **PULL OR ALTER CASING** OTHER: OTHER:

12Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

6/14/01 - Spud 12 1/4" hole w/ fresh water mud @ 5:15 CST

6/16/01 - TD 12 1/4" surface hole @ 1717' - RIH w/ 41 jts of 8 5/8" - 24# - K55 csg to a setting depth of 1712' Cement w/ 550 sx class "c" + 2% Cacl2 + 1/4 #/sx celloflake + tail w/ 200 sx class "c" + 2 % Cacl2 Circulate 125 sx of cement to pit - plug down @ 6:30 PM

6/17/01 - WOC 20 hrs before drilling 7 7/8" hole w/ brine water mud

7/02/01 - TD 7 7/8" hole @ 8000' - Run electric logs and decide to run casing

7/03/01 - RIH w/ 210 jts (8002') of 5 1/2" - 17# - K55 & N80 csg to a setting depth of 8000' Cement w/ lead - 1000 sx (H+Poz) 35:65 + 6% gel + 5% salt + 0.4% FL-62 + 1/4#/sx celloflake tail - 800 sx class "H" + 0.3% BA-10 + 0.3% CD-32 + 0.8% FL-62 + 0.2% SMS Circulated 67 sx cement to pit

7/05/01 - Move off Patterson Rig # 54 - Wait on completion unit

I hereby certify that the information above is true and complete to the besides a supplemental of the supp		DATE 07-05-01
TYPE OR PRINT NAME Michael G. Mooney		TELEPHONE NO. 915/ 686-2027
(This space for State Use)	Asset (na - 200
APPROVED BY	TITLE	DATE

CONDITIONS OF APPROVAL, IF ANY: