

P.O. Box 11005
Midland, Texas 79702

TRILOGY OPERATING, INC.

915/699-1410
FAX 915/699-1113

February 29, 2000

Pat Sims
P.O. Box 45
Eunice, New Mexico 88321

Re: Application for Authorization
to Inject
Genesis State #3
1330' FSL & 660' FEL Sec. 18,
T-20-S, R-36-E, N.M.P.M.,
Lea County, New Mexico _____
Genesis Prospect

Gentlemen:

Trilogy Operating, Inc. has submitted an Application to Inject (copy attached) to the New Mexico Oil Conservation Commission for the Genesis State 18 No. 3 well, located 1830' FSL & 660' FEL of Section 18, T-20-S, R-36-E, N.M.P.M., Lea County, New Mexico. We propose to dispose of produced water from the Yates/Seven Rivers formations into the Queen formation, located at an approximate depth of 4484' to 4684'.

Any party desiring to file an objection or request a hearing must contact the New Mexico Oil Conservation Division in writing at 2040 Pacheco Street, Santa Fe, New Mexico within 15 days of this notice. For any additional information, you may contact Jerry A. Weant at 915/699-1410.

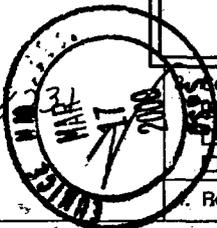
Yours very truly,

SENDER- COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Pat Sims
P.O. Box 45
Eunice, NM 88321



COMPLETE THIS SECTION ON DELIVERY

- A. Received by (Please Print Clearly) _____ B. Date of Delivery _____
- C. Signature *Pat Sims* Agent Addressee
- X
- D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below: _____

- Service Type
- Certified Mail Express Mail
- Registered Return Receipt for Merchandise
- Insured Mail C.O.D.
- E. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Copy from service label)

7099 3220 0005 7561 0051

ILLEGIBLE

P.O. Box 11005
Midland, Texas 79702

TRILOGY OPERATING, INC.

915/699-1410
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March 20, 2000

Oil Conservation Division
2040 Pacheco St.
Santa Fe, New Mexico 87505

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OIL CONSERVATION DIVISION

Attn: Mr. Mark Ashley

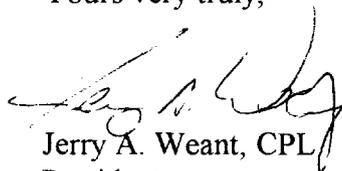
Re: Application for Authorization to Inject
Genesis State #3 Well
1830' FSL & 660' FEL Section 18,
T-20-S, R-36-E, NMPM,
Lea County, New Mexico
Genesis Prospect

Gentlemen:

In response to your inquiry regarding the captioned, please be advised that we intend to acidize the Queen formation with 2000 gallons of 15 % NeFe, and if necessary, frac the formation with approximately 16,000 pounds of 16/30 sand. Additionally, from our research, there is no fresh water zones in the immediate area.

I hope the above answers your questions. I have also enclose verification that Mr. Pat Sims, the surface owner, has received notice of this proposal. Thank you for your prompt response.

Yours very truly,



Jerry A. Weant, CPL
President

Cc: NMOCD - Hobbs

NMOCD: Inject Request 2