



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

## TELEFAXED MEMORANDUM

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

**TO:** Mr. Jerry A. Weant, CPL  
Trilogy Operating, Inc. – Midland, Texas  
Telefax No. (432) 686-2040

**FROM:** Michael E. Stogner, Engineer, New Mexico Oil Conservation Division, Santa Fe, New Mexico *MS*

**SUBJECT:** Administrative application (reference No. pMES0-601357606) filed with the Division on January 13, 2006 for Trilogy's proposed Nadine Federal Well No. 1 to be drilled at an unorthodox San Andres oil well location 2428 feet from the South line and 2230 feet from the West line (Unit K) of Section 7, Township 19 South, Range 39 East, NMPM, Undesignated Foster-San Andres Pool (24890), Lea County, New Mexico.

**DATE:** February 21, 2006

Mr. Weant:

You state in your application cover letter dated January 11, 2006, "Trilogy also owns the NW/4 of Section 7, T-19-S, R-39-E, under a separate federal lease [NM-99057]." Does this statement mean that Trilogy owns 100% of the working interest in the NW/4 of Section 7 and/or that mineral interest ownership (working and overriding royalty interests) underlying both the SW/4 of Section 7 [Federal Lease No. NM-99058] and the NW/4 of Section 7 is identical? Please confirm [see Division Rule 1210.A (2) (b)].

Also, please supplement this application by providing me with a somewhat detailed topographic surface land plat showing the location of the "current irrigation" that would be interfered by drilling this well within the required standard drilling window (330 feet from the outer boundary of the 40-acre tract).

You may mail this information, fax it to (505) 476-3462, or e-mail me at "michael.stogner@state.nm.us".

Thank you.

TRANSACTION REPORT

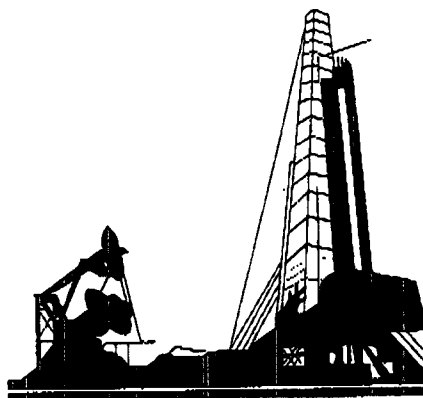
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TRANSMITTAL COVER SHEET

OIL CONSERVATION DIVISION  
1220 S. ST. FRANCIS DRIVE  
SANTA FE, NM 87505  
(505) 476-3440  
(505)476-3462 (Fax)

PLEASE DELIVER THIS FAX:

TO: Jerry A. West

FROM: Michael E. Stogner

 Attachments can contain viruses that may harm your computer. Attachments may not display correctly.

**Stogner, Michael, EMNRD****From:** C Smith [csmith@trilogyoperating.com]**Sent:** Wed 2/22/2006 2:24 PM**To:** Stogner, Michael, EMNRD**Cc:** Jerry**Subject:** Natalie Federal #1**Attachments:**  Natalie Federal #1 location.pdf(192KB)

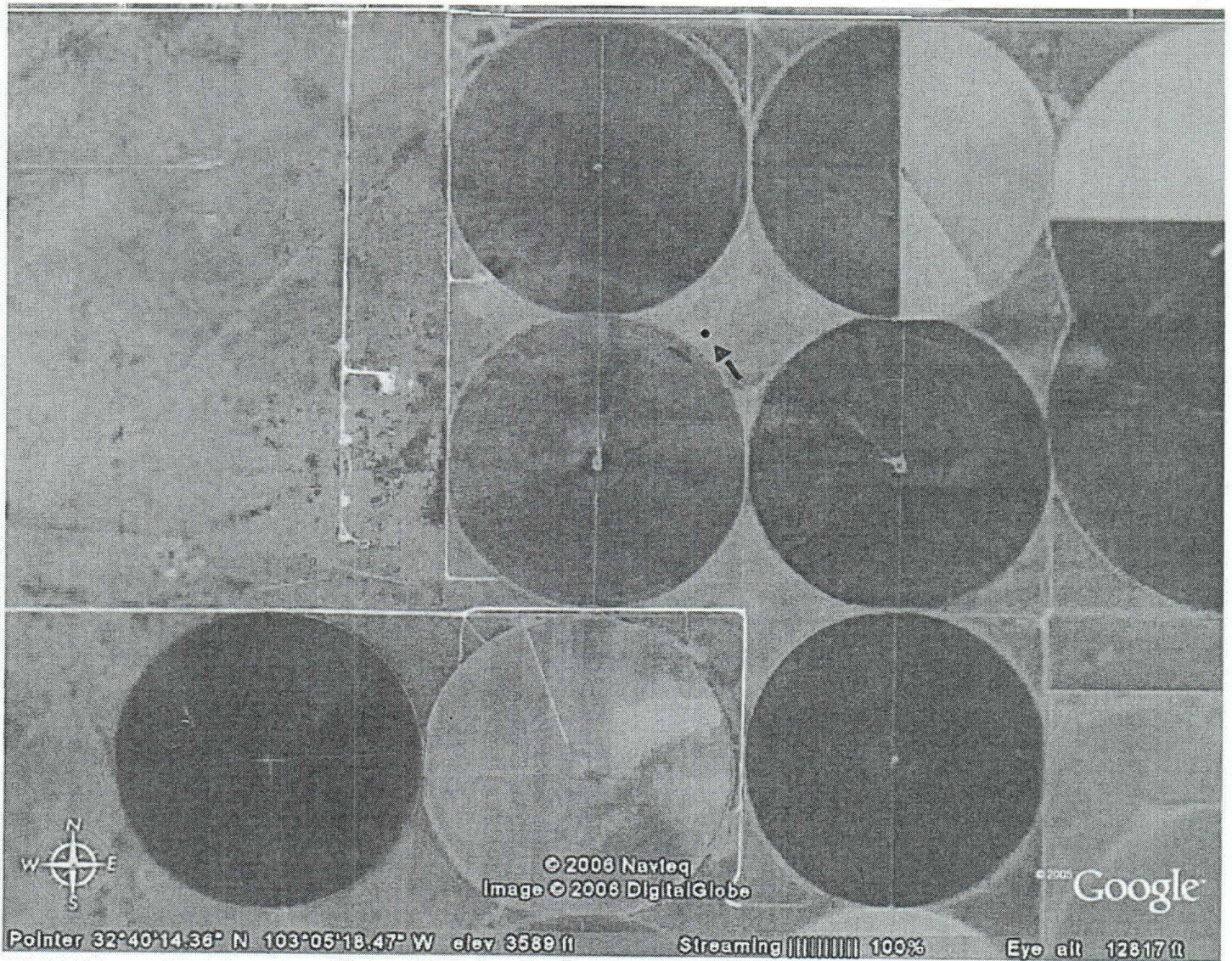
Mr. Stogner,

Trilogy is the operator and owns 100% WI in the NW 1/4 of sec.7 T-19-S R-39-E. Both the SW 1/4 and the NW 1/4 are BLM acreage. As such the mineral ownership will be the same in both quarter sections. I am attaching a map showing the existing irrigation circle with an approximate location of the Natalie Federal #1 spotted. This is the approximate well location excluding any surface location for drilling purposes.

Sincerely,

Chris Smith  
Trilogy Operating, Inc.  
P.O. Box 7606  
Midland, Tx. 79708  
Office (432)686-2027 ext.4  
Cell (432)425-6210  
csmith@trilogyoperating.com





Natalie Federal #1  
2428' FSL to 2230' FWL Section 7,  
T-19-S, R-39-E, Lea County, NM.