

Date: 10/06/00 AFE No.:

Category: Drill Type: Oil

Well: Howser # 2  
Operator: Trilogy Operating, Inc  
Location: SW/4 SE/4 Sec. 1, T-20-S, R-38-E  
Prospect: Zinke HouseDepth: 7800  
Fm.: Abo  
County: Lea  
State: New Mexico

Description	DH	Producer	Total
Permit, Surveying	600		600
Surf. Damage, ROW	15,000		15,000
Roads, Location, Pits	25,000		25,000
Drilling: Footage \$ 22.50 / foot	175,500		175,500
Daywork \$ 6500 / day	13,000		13,000
Turnkey			0
Rig Mobilization			0
Fuel, Boiler			0
Completion Rig \$ 1800 / day		18,000	18,000
Mud & Chemicals	7,500		7,500
Water, Water Hauling	9,000		9,000
Transportation, Hauling	2,500		2,500
Bits, Reamers, Stab.			0
Coring			0
Drill Stem Testing			0
Equipment Rental	2,000		2,000
Special Services			0
Directional Drig.			0
Contract Labor	3,000		3,000
Mud Logging, Geological	8,000		8,000
Cementing	8,000	15,000	23,000
Logging	11,800	1,500	13,300
Perforating		3,900	3,900
Stimulation 1 - zone @ 60,000		60,000	60,000
Wellsite Supervision	5,000	3,500	8,500
Abandonment Expense	3,500		3,500
Legal Exp., Insurance	3,000		3,000
COPAS Overhead	3,500	0	3,500
			0
Contingency 10%	29,590	10,190	39,780
<b>Total Intangible</b>	<b>325,490</b>	<b>112,090</b>	<b>437,580</b>
<b>TUBULARS</b>			
Conductor ft.			0
Surface 1600 ft. 8 5/8"	12,800		12,800
Intermediate ft.			0
Liner ft.			0
Production 7800 ft. 5 1/2"		39,000	39,000
Tubing 7800 ft. 2 7/8"		20,300	20,300
<b>PRODUCTION FACILITIES</b>			
Tanks			0
Separator			0
Heater/Treater			0
Dehydrator			0
Buildings			0
Flowline/Pipeline		3,000	3,000
Valves/Fittings		1,500	1,500
<b>ARTIFICIAL LIFT EQUIP</b>			
Pumping Unit		20,000	20,000
Fndn./Base		1,000	1,000
Prime Mover			0
Sucker Rods		9,300	9,300
Bottom Hole Pump		1,800	1,800
Wellhead Equip.	650	650	1,300
Packer/Anchor		750	750
Other Equip.			0
Non-Controllable Equip.	2,000	1,000	3,000
Contingency 10%	1,545	9,830	11,375
<b>Total Tangibles</b>	<b>16,995</b>	<b>108,130</b>	<b>125,125</b>
<b>TOTAL WELL COST</b>	<b>342,485</b>	<b>220,220</b>	<b>562,705</b>

APPROVED THIS \_\_\_ DAY OF \_\_\_\_\_, 2000 Print Name: \_\_\_\_\_

BY: \_\_\_\_\_ Company: \_\_\_\_\_

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

District II  
811 South First, Artesia, NM 68210

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

Operator Name and Address Trilogy Operating, Inc P. O. Box 11005 Midland, Texas 79702		OGRID Number 021602
		API Number 30-025-35195
Property Code 25435	Property Name Howser	Well No. 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
O	1	20S	38E		660	South	2310	East	Lea

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
O	1	20S	38E		660	South	2310	East	Lea

Proposed Pool 1 House Drinkard	Proposed Pool 2 Blinebry Oil & Gas
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Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 3567
Multiple No	Proposed Depth 7900	Formation Drinkard	Contractor Patterson Drilling	Spud Date 10-25-00

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4	8 5/8	24	1500	450	circulate
7 7/8	5 1/2	17	7900	1600	circulate

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) Drill 12 1/4" hole w/ fresh water mud to a casing setting depth of approximately 1500'
- 2) Set 8 5/8" - 24# -J55 casing @ TD and cement w/ 450 sx "c" to circulate to surface
- 3) WOC 18 hrs - Drill 7 7/8" hole w/ brine water mud to Total Depth of 7900'
- 4) Run Open Hole Logs and if prospective set 5 1/2" - 17# -N80 csg @ TD - cement w/ 1600 sx "H" & circulate to surface
- 5) If logs are non-prospective then plug & abandon as per NMOCD instructions

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway

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

Signature: *Michael G. Mooney*  
Printed name: Michael G. Mooney

Title: Consulting Engineer

Date: 10-05-00

Phone: 915/686-2027

OIL CONSERVATION DIVISION

Approved By: *[Signature]*  
DISTRICT SUPERVISOR

Title: *[Signature]*  
DISTRICT SUPERVISOR

Approval Date: *[Signature]* Expiration Date: *[Signature]*

Conditions of Approval:  
Attached: ☐

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

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

State of New Mexico  
Energy, Minerals and Natural Resources Department

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

DISTRICT III  
1000 Rio Brazos Rd., Artesia, NM 87410

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name HOWSER	Well Number 2
OGRID No.	Operator Name TRILOGY OPERATING, INC.	Elevation 3567

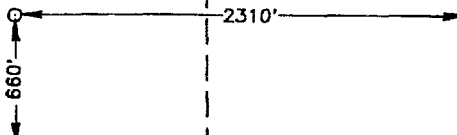
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	1	20 S	38 E		660	SOUTH	2310	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	Joint or Infill	Consolidation Code	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

OT 4 39.86 AC.	LOT 3 39.90AC.	LOT 2 39.94 AC.	LOT 1 39.98 AC.
			

OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

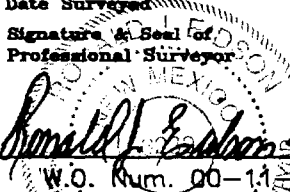
Date \_\_\_\_\_

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.

SEPTEMBER 29, 2000

Date Surveyed \_\_\_\_\_ JLP

Signature & Seal of Professional Surveyor  
  
W.O. Num. 00-118227

Certificate No. RONALD J. EDSON, 3239  
GARY N. EDSON, 12841