

OCD-HOBBS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator **Trilogy Operating, Inc.**

3a. Address
P. O. Box 7606, Midland, TX 79708

3b. Phone No. (include area code)
432-686-2027

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2428' FSL & 2230' FWL Sec. 7, T-19S, R-39E

5. Lease Serial No.
NMNM 99058

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Natalie Federal #1

9. API Well No.
30-025-37736

10. Field and Pool, or Exploratory Area
Foster San Andres

11. County or Parish, State
Lea County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input checked="" type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletable horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This well as permitted and drilled to 4800'. Trilogy requests to deepen well to 6900'.

Formations drilled thru are the Glorietta and into the Blinberry.

Casing program: 4", 10.46#, 1.80 flush jt w/ULT threads. 4 1/2' Liner will have a set depth of 4700' (inside 5 1/5" csg). 4 3/4' hole will be drilled to TD.

Mud program: 10 ppg brine w/very little gel

Cement program: 300 sxs class H cmt w/ 2% CaCl2 w/fluid loss additives.

BOP: BOP requirements were stated in original drilling plan and will be followed as stated.

Drilling will commence on or before July 15, 2007.

WITHDRAWN

(ORIG. SGD.) **FREDERICK WRIGHT**
MAY 15 2007

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Angela Lightner

Title **Consultant**

Signature

Angela Lightner

Date

05/04/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

DRILLING PROGRAM
 TRILOGY OPERATING, INC.
 NATALIE FEDERAL NO. 1
 2428' FSL. & 2230' FWL
 SEC. 7, T19S, R39E
 LEA COUNTY, NM

1. GEOLOGIC NAME OF SURFACE FORMATION:
 Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Salt	400'
Anhydrite	1500'
Seven Rivers	3050'
San Andres	4200'

3. ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS:

Upper Permian Sands 55'	Fresh Water
San Andres 4200'	Oil

4. CASING PROGRAM:

<u>Hole Size</u>	<u>Interval</u>	<u>OD Casing</u>	<u>Weight Grade Jt. Cond. Type</u>
12 1/4"	0-1600'	8 5/8"	24# J-55 LT&C
7 7/8	0-4800'	5 1/2"	15.5# J-55 LT&C

Cementing Program:

8 5/8" Surface Casing: Cement w/ 550 sx class C + 2% CaC12 + 5# per sack salt + 1/4# per sack Flocele. Tail w/ 200sx CL C + 2% CaC12. Circulate cement to surface

5 1/2" Production Casing: Cement with 600 sx CL C + 2% CaC12 + 0.5 % Halad + 0.1% HR5. Circulate cement to surface.

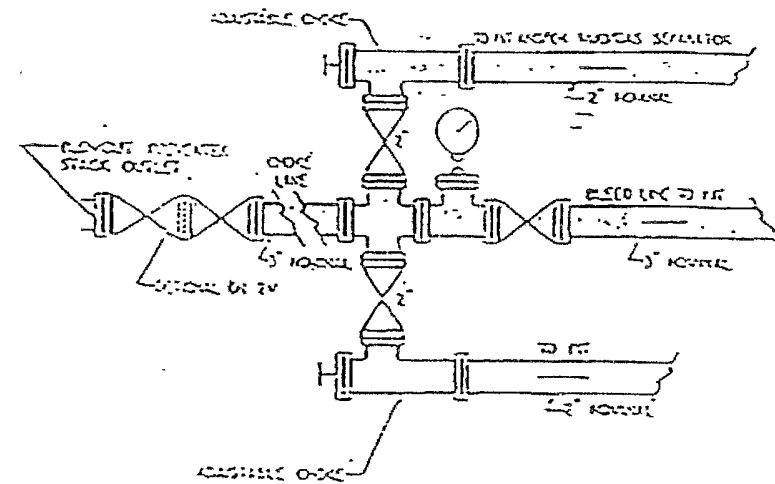
5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

(See Exhibit #1)

The blowout preventer equipment (BOP) shown in Exhibit #1 will consist of a double ram-type (2000 psi WP) preventer and an annular preventer (2000 psi WP). Units will be hydraulically operated and the ram-type will be equipped with blind rams on top and drill pipe rams on bottom. All BOP's and accessory equipment will be tested to 600 psi before drilling out of surface casing.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets.

BOP DIAGRAM: 2000#



PROPOSED BOP' CONFIGUREMENT