

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-025-35949
Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
State Oil & Gas Lease No.
Lease Name or Unit Agreement Name Sapphire
Well No. 2
Pool name or Wildcat Nadine : Drinkard-Abo

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	
Name of Operator Trilogy Operating, Inc	
Address of Operator P.O. Box 7606, Midland, Texas 79708	
Well Location Unit Letter <u>B</u> : <u>990</u> Feet From The <u>North</u> Line and <u>1900</u> Feet From The <u>East</u> Line Section <u>24</u> Township <u>19S</u> Range <u>38E</u> NMPM <u>Lea</u> County	
Elevation (Show whether DF, RKB, RT, GR, etc.) 3591	

11

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ANBANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Drinkard Completion ☒

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

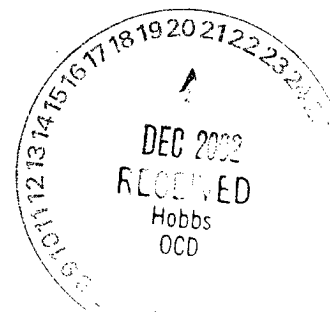
11/21/02 - Perforate Drinkard Formation w/ 2 spf from 6838'-6844' , 6992'-7004' , 7059'-7064' , 7067'-7072' , total 60 holes

11/22/02 - Acidize w/ 2500 gals 15% NEFE, swab back load w/ good oil shows

11/25/02 - Frac down 5 1/2" csg @ 20 bpm, 102,000# 16/30 Ottawa Sand + 71,000 gals Borate Gel

12/03/02 - Unable to get well to flow, run rods & pump - recover frac load and then test for potential

12/12/02 - Frac load recovered , well producing 60 BOPD + 80 BWPD + 100 MCFD



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

SIGNATURE Michael G. Mooney TITLE Engineer DATE 12-17-02
TYPE OR PRINT NAME Michael G. Mooney TELEPHONE NO. 915/ 686-2027

(This space for State Use)

APPROVED BY _____ TITLE ORIGINAL SIGNED BY PAUL F. KAUTZ PETROLEUM ENGINEER DATE JAN 03 2003
CONDITIONS OF APPROVAL, IF ANY: