

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM 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 ☐ Other2 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)  
**2230' FWL & 2428' FSL, SECTION 7, T19S,R39E**5 Lease Serial No  
**NMNM99058**6 If Indian, Allottee or Tribe Name  
**N/A**7 If Unit or CA/Agreement, Name and/or No  
**N/A**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 type="checkbox"/> Notice of Intent             | <input checked="" type="checkbox"/> Acidize   | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" 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 checked="" 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 recomplete 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 90 days following completion of the involved operations. If the operation results in a multiple completion or recompletion 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.)

8/18/07 - SITP = 250 PSI, SICP=400 PSI, BLEED DOWN PRESSURE, MIRU PULLING UNIT, POOH W/ RODS AND TBG, RUWL PERFORATE SEVEN RIVERS FORMATION AS FOLLOWS: 3134'-3140', 3150'-3156', 3166'-3170', 3204'-3210', 3218'-3224' TOTAL OF 50 HOLES, RDMO WL, RIH W/ PKR AND TBG, SET PKR @ 3000', SWAB TBG DRY W/ NO FLUID ENTRY, RU ACIDIZERS AND ACIDIZE W/ 2000 GALS 15% NEFE, TREAT @ 5 BPM & 3200 PSI, BALLOUT ON 55TH BALL SEALER ISIP = 2040 PSI, 5,10,15 SIP = 2000 PSI, FLOW BACK AND SWAB BACK LOAD, SWION

8/19/07 - SITP = 200 PSI, ACID GAS, SWAB DRY W/ NO SHOWS OF OIL OR GAS, PROCEED TO DEEPEN WELL, POOH W/ PKR AND TBG

8/20/07 - RIH W/ 4 3/4" BIT AND TBG, DRILL OUT CIBP @ 3400', WASH AND CLEAN OUT CASED HOLE DOWN TO PBTD OF 4800' - CIRCULATE HOLE CLEAN. POOH W/ TBG AND BIT

8/21/07 - RIH W/ CEMENT RETAINER AND SET @ 4330', TEST TBG TO 3000 PSI, PUMP THRU STINGER AND ESTABLISH RATE OF 4 BPM & 2200 PSI, RU CEMENTERS AND SQUEEZE SAN ANDRES W/ 200 SX CLASS "C" + ADDITIVES, GET GOOD WALKING SQUEEZE TO 2000 PSI, POOH W/ STINGER, CIRCULATE TBG CLEAN, POOH W/ TBG, RIH W/ SQUEEZE PKR AND SET @ 2610', SQUEEZE SEVEN RIVERS/YATES W/ 100 SX CLASS "C" - GET GOOD WALKING SQUEEZE, POOH LD TBG, RDMO PULLING UNIT, WAIT ON DRILLING RIG TO DEEPEN WELL

14 I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)**MICHAEL G MOONEY**Title **PRESIDENT**

Signature

Date

**08/23/2007**

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

Title 8 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)

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