

Office

District I

1625 N French Dr., Albuquerque, NM 87106

District II

1301 W Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

87505

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

June 19, 2008

RECEIVED

OCT 09 2008

HARRIS OIL

WELL API NO.

30-025-39052

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

V-6890-2

7. Lease Name or Unit Agreement Name

Silver Oak

8. Well Number

1

9. OGRID Number

21602

10. Pool name or Wildcat

Mesa Queen (Assoc.)

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.)

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

2. Name of Operator

Trilogy Operating, Inc

3. Address of Operator

P.O. 7606, Midland, Texas 79708

4. Well Location

Unit Letter N : 330 feet from the South line and 2185 feet from the West lineSection 8 Township 16S Range 32E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

4360' GR

12. 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 ☐ MULTIPLE COMPL. ☐DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐OTHER: Completion ☒

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

9/24/08 – MIRU WL, run CBL and find TOC @ 1150', perforate Queen Formation from 3662'-3676' & 3680'-3683' (17 holes)

9/26/08 – RIH w/ tbg and pkr, acidize w/ 2000 gals 15% NEFE, swab tbg dry, wait on frac

10/1/08 – MIRU BJ Services and frac down casing w/ 90,000 gals Xlink gel + 99,780# 16/30 Ottawa Sand

10/3/08 – Finish building tank battery, install pumping unit – put well on pump

10/5/08 – Well pumped 69 BO + 62 BW – prepare to potential well

Spud Date:

Rig Release Date:

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

SIGNATURE

TITLE Engineer DATE 10/6/08

Type or print name Michael G. Mooney E-mail address: Mike@trilogyoperating.com PHONE: 432/686-2027

For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

OCT 14 2008

Conditions of Approval (if any):