

OCD-ARTESIA

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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 page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
Merit Energy Company

3a. Address

13727 Noel Rd. Suite 500 Dallas, Texas 75240

3b. Phone No. (include area code)

972-628-1603

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FSL & 660' FWL Sec. 19-T18S-R31E

5. Lease Serial No.
NM 93772

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Shugart West 19 Federal #49. API Well No.
30-015-3064710. Field and Pool or Exploratory Area
Shugart; Bone Springs North11. Country or Parish, State
Eddy Co., New Mexico

12. CHECK THE 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 type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" 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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>added perms</u>
	<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 must be filed within 30 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

07/06/2010 - MIRU. POOH w/ rods & pump. NU-BOP. Release TAC. Tag & TOH w/ tbg. Tag @ 8428'. SDFN.

07/07/2010 - TIH w/ 4-3/4" bit, csg scraper, SN, 2-7/8" tbg. Tag @ 8427' GL. POOH & LD scraper. RU Gray WL. Correlate to GR/CCL/CBL. Perf 8215'-8291' w/3 spf. RD Gray. SDFN.

07/08/2010 - Set RBP @ 8318'. PU & set pkr @ 8075'. Test Lines 6K. Pump 100 bbls 2% KCL dn csg. Pump 8000 gal. 15% HCL w/385 gal. Performance Chemical Acid booster, 5k rock salt diverter. Run 6 acid stages, 5 diverter stages. Have good diversion action. Max IP 3510#. AIP 1670#. AIR 5 bpm. ISIP vacuum. Flush w/ 75 bbls 2%. release pkr. RIH & tag @ 8298', 20' salt on RBP. Spot 60 bbls 2%. PU above perms @ 7634'. RD & release. SDFN.

07/09/2010 - RIH w/ tbg & tag @ 8298', PU swivel & wash salt to 8318' & latch on RBP. Pump total 130 bbls 2% KCL. POOH w/ tbg & LD pkr-plug. RIH w/ tbg. EOT @ 8397'.

07/10/2010 - RIH w/ rods. RDMO. Final Report.

07/12/2010 - 230 mcf, 6 bo, 147 bw.256 BWTR.

RECEIVED

OCT 05 2010

NMOCD ARTESIA

ACCEPTED FOR RECORD

OCT 3 2010

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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

Cindy Chavez

Title Regulatory Analyst

Signature

Date 08/20/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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)