

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM 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.**

5. Lease Serial No.
LC 028990A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. 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)

J-24-18S-30E 2440 FSL & 1550 FEL

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

8. Well Name and No.
Shugart West 24G Federal #2

9. API Well No.
30-015-31742

10. Field and Pool or Exploratory Area
Shugart; Bone Springs

11. 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 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 recompleat 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 recompleat 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.)

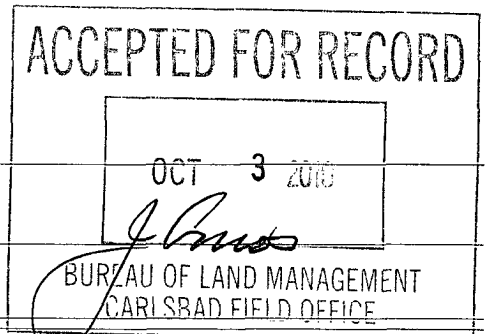
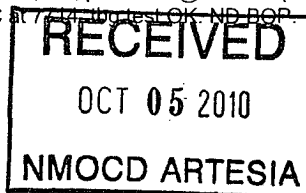
07/12/2010 - MIRU. POOH w/ rod & pump. NU-BOP. Release TAC. Tag & TOH w/ tbg. Tag @ 8357' GL. SDFN.

07/13/2010 - TIH w/ 4-3/4" bit, csg scraper, SN 2-7/8 tbg. Tag 8338' GL POOH w/ tbg & LD scraper. RU GR/CCL/ CBL. RIH w/ 3-3/8 csg guns. Tag 8315'. Pump 50 bbls 2% KCL dn csg. Perf 8278-8292' w/ 3 spf. SDFN.

07/14/2010 - RU. TIH @ 7K below: 248 jts 2-7/8" tbg, SN, pkr. Set Pkr @ 8125'. Pump 130 bw dn csg. Acidize w/ 8000 gal. 15% HCL, 385 gal acid booster. 5K rock salt diverter. Flush 75 bbls 2 % KCL. ISIP vacuum. Release pkr. POOH w/180 kts 2-7/8" tag. SDFN.

07/15/2010 - POOH w/ tbg, pkr. RU tester. TIH @ 8K below: 253 2-7/8", SN, pkr. Pkr. @ 8294'. Spot 250 gal 15% HCL across perms @ 8278-8292' PU & set pkr @ 8257'. Test lines 5K. Load tbg w/ 46 bbls 2 % KCL. Set TAC @ 7742' by test OK. ND BOP.

07/21/2010 - RIH w/ rod/ RDMO. Final Report.



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)

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CSK