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		NEW MEXICO OIL CONSERVATION DIVISION
		- Engineering Bureau - 🛛 🖉 🥂 🖉 estatistic statistics
		1220 South St. Francis Drive, Santa Fe, NM 87505
		ADMINISTRATIVE APPLICATION CHECKLIST
	THIS CHECKLIST IS M	IANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE
Appli	[DHC-Dow [PC-Po	ndard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] nhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] ool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[1]	TYPE OF AF [A]	Infied Enhanced Oil Recovery Certification]   [PPR-Positive Production Response]     PPLICATION - Check Those Which Apply for [A]   A     Location - Spacing Unit - Simultaneous Dedication   STate A     NSL   NSP     SD   30     -025   10     Televice   30
	Check [B]	Come Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
	[D]	Other: Specify
[2]	NOTIFICAT [A]	ION REQUIRED TO: - Check Those Which Apply, or Does Not Apply Working, Royalty or Overriding Royalty Interest Owners
	[B]	Offset Operators, Leaseholders or Surface Owner
	[C]	Application is One Which Requires Published Legal Notice
	[D]	Notification and/or Concurrent Approval by BLM or SLO U.S Bureau of Land Management - Commissioner of Public Lands, State Land Office
	[E]	For all of the above, Proof of Notification or Publication is Attached, and/or,
	[ <b>F</b> ]	Waivers are Attached
[3]		CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE ATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

X Regulatory An Print or Type Name Signature

Sont meritenengy an e-mail Address

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		-

1625 N French Drive, Hobbs, NM 88240

District III

District IV

District II 1301 W Grand Avenue, Artesia, NM

1220 S St Francis Dr , Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

:

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hand .

Form C-107A Revised June 10, 2003

APPLICATION TYPE

No

X Yes

# **Oil Conservation Division**

1220 South St. Francis Dr. Santa Fe, New Mexico 87505

Aztec, NM 87410

<u>X</u> Single Well <u>X</u> Establish Pre-Approved Pools EXISTING WELLBORE

## APPLICATION FOR DOWNHOLE COMMINGLING

13727 Noel Rd Ste 500 Dallas Merit Energy Company Address Operator A-15-22S-36E State A A/C 1 90 Lea Well No. Unit Letter-Section-Township-Range Lease County API No. 30-025-10722 \_ Property Code\_ OGRID No. 14591 \_ Lease Type: \_ \_\_\_Federal \_\_\_XState \_\_\_ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Jalmat Tansil Yates 7-Rivers	· · · · · · · · · · · · · · · · · · ·	Eunice 7 Rivers Queen So
Pool Code	79240	· · · · · · · · · · · · · · · · · · ·	24130
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2971'-3170'		3476'-3590'
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	NA		NA
Oil Gravity or Gas BTU (Degree API or Gas BTU)	BTU 1.3174		33.6 API/1.2088 BTU
Producing, Shut-In or New Zone	Producing		New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note For new zones with no production history, applicant shall be required to attach production estimates and supporting data )	Date: 06/25/2011 Rates:0 BO; 30 MCF	Date: Rates:	Date: Rates: 2 BO;15 MCF
Fixed Allocation Percentage (Note If allocation is based upon something other	Oil Gas	Oil Gas	Oil Gas
than current or past production, supporting data or explanation will be required )	0 % 67 %	% %	100 % 33 %

#### **ADDITIONAL DATA**

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes Yes		No No	
Are all produced fluids from all commingled zones compatible with each other?	Yes	<u> </u>	No	
Will commingling decrease the value of production?	Yes	1	No	<u>X</u>
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes	<u> </u>	No	
NMOCD Reference Case No. applicable to this well:				
Attachments:				

C-102 for each zone to be commingled showing its spacing unit and acreage dedication. Production curve for each zone for at least one year. (If not available, attach explanation.) For zones with no production history, estimated production rates and supporting data. Data to support allocation method or formula. Notification list of working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

#### PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools List of all operators within the proposed Pre-Approved Pools Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application. Bottomhole pressure data.

I hereby certify that the information above is true and co	mplete to	the best of my knowledge and belie	ef.	
SIGNATURE MAL	_TITLE_	Regulatory Analyst	DATE 06/28/2011	
TYPE OR PRINT NAME Matt Ogden		TELEPHONE NO. (	) (972)628-1603	

E-MAIL ADDRESS mätt.ogden@meritenergy.com

STATE A A/C-1 #90.       STATE A A/C-1 #90.       Guine Character Method Dates Datas And Mission Resources Inc.       STATE A A/C-1 #90.       SUTATE A A/C-1 #90.       SUTATE STATUS: A COVER POOL: JALMATTAN-YATES-TRVINS (PRO GAS)       JALMATTAN-YATES-TRVINS (PRO GAS)       WIDO: JALMATTAN-YATES-TRVINS (PRO GAS)       JALMATTAN-YATES-TRVINS (PRO GAS)       STATUS: A CTIVE STATUS: A CTIVE A MAIN TRY-STATE: STATUS: A CTIVE A MAIN TRY-STATE STATUS: A CTIVE A CAREAGE 40.12 JALMATTES TRVINS (PRO BAS)       STATUS: A CTIVE A CAREAGE 40.12 JALMATTES TRVINS (PRO BAS)       STATUS: A CTIVE A CAREAGE 40.12 JALMATTES TRVINS (PRO BAS)       STATUS: A CTIVE A CAREAGE 40.12 JALMATTES TRVINS (PRO BAS)       STATUS: A CTIVE A CAREAGE 40.12 JALMATTES TRVINS (PRO BAS)       STATUS: A CTIVE A CAREAGE 40.12 JALMATTES TRVINS (PRO BAS)       STATUS: A CTIVE A CAREAGE 40.12 JALMATTES TRVINS (PRO BAS)       STATUS: A CTIVE A CAREAGE 40.12 JALMATTES TRVINS (PRO BAS)       COOR ELECT PERPS (CENTR)       STATUS: A CONE METORY       COOR ELECT PERPS (CENTR)       COOR JALMATTES TRVINS (PRO BAS)       STATUS: A CONE METORY	FORM	TOP		<b></b>			25 9 ž	1	1			<del></del>				
Mission RESOURCES NOC       Set (b) 11-1       9 Set (b) 11-1       Set (c) 11-2       Mission RESOURCES NOC       POOL: JAUMATIAN-VATES: RENO CAS;       COURT STATE        COURT STATE <td></td> <td></td> <td></td> <td></td> <td></td> <td>•</td> <td></td> <td> </td> <td>· .</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						•			· .							
Sure 15A-253-36E     IAP #: 30-025-10722       9 56* 6: 314     widdo as Cmr       widdo as Cmr     CO. 37*       LATEST RIG WORK/OVER:     LARBAGE # RVISED       DJGRAM REVISED     CARBAGE # 0.12       Towers/* cig lasts     Concert well       300:00:     Successitive y and wight       Bowers/* cig lasts     Core 4 well       300:00:     Core 4 well       3,800-3,635     The Called Chart Not 3,400 CP       Core 4 well     Core 4 well       3,800-3,635     The Called Chart Not 3,400 CP       Core 4 well     Core 4 well       3,800-3,635     The Called Chart Not 3,400 CP       Core 4 well     Core 4 well       3,800-3,635     The Called Chart 12209       Wide Call All 3,516     2,807       Core 4 well     Core 4 well       3,800-3,835     The Called Chart 12209       Tool Cig 1,865 by Temp Surv.     Tool Cig 1,865 by Temp Surv.       Tool Cig 1,865 by Temp Surv.     Core 4 well 10,1000 be 10 hory topic 10 hory top										CU	IRRENT	WELL	BORE	DIAGRA	M	
TANSLIL 2818     2817     POCL: JALMAT,TAN-YATES/ RVRS DOAS;       Source 1     CO.ST: LEAN TYPE: STATE       STATUS: ACTIVE     JACREAGE     40.12       JATEST RIG WORKOURER:     DIAGRAM REVISED: 6/11/2004 BY RSL     CORELAGE       Source 1     Cored well     CORE AGE     300       300-300: Successfully soud wicmt several limes     Cored well     Cored well     Cored well       3,500-3035     Cored well     Cored well     Cored well     Cored well       3,500-3035     Cored well     Cored well     Cored well     Cored well       3,500-3035     Cored well     Cored well     Cored well     Cored well       State 2     Cored well     Cored well     Cored well     Cored well       State 2     Cored well     Cored well     Cored well     Cored well       State 2     Cored well     Cored well     Cored well     Cored well       State 2     Cored well     Cored well     Cored well     Cored well       State 2     Cored well well well well well well well we				1 · 1		Ì	ġ)				MISSIO	N RES	OURCE	S INC		
TANSLIL 2818     2817     POCL: JALMAT,TAN-YATES/ RVRS DOAS;       Source 1     CO.ST: LEAN TYPE: STATE       STATUS: ACTIVE     JACREAGE     40.12       JATEST RIG WORKOURER:     DIAGRAM REVISED: 6/11/2004 BY RSL     CORELAGE       Source 1     Cored well     CORE AGE     300       300-300: Successfully soud wicmt several limes     Cored well     Cored well     Cored well       3,500-3035     Cored well     Cored well     Cored well     Cored well       3,500-3035     Cored well     Cored well     Cored well     Cored well       3,500-3035     Cored well     Cored well     Cored well     Cored well       State 2     Cored well     Cored well     Cored well     Cored well       State 2     Cored well     Cored well     Cored well     Cored well       State 2     Cored well     Cored well     Cored well     Cored well       State 2     Cored well     Cored well     Cored well     Cored well       State 2     Cored well well well well well well well we									SU-T-R	15A-23	3S-36E		API #:	30-025	-10722	
Wood base Cmit     Co., ST:     LEA, NEW MEXICO:     LANE TYPE:     STATUS:     LANE TYPE:				[			K	9 5/8" @ 314'				YATES				
STATUS: ACTIVE     ACREAGE     40.12       JATEST REWORKOUTER: DIAGRAM REVISED:     6/11/2004 BY RSL       309-000: Successfully speed wicmt serveral limes     COE EVATOR: 3400 PE STATUS: 3400 AU       Cored well 3,560-3,035     Cored well 3,560-3,035     COE SUCCESSTUP: 3200 COE SUCCESSTUP: 3400 PE Status at 200 Performing formation Performing formation Calegor Charl Gamme Rev.Cell 1000 S       TOC @ 1,985 by Temp Surv.     TOC @ 1,985 by Temp Surv.     TOC @ 1,985 by Temp Surv.       TOC @ 1,985 by Temp Surv.     TOC @ 1,985 by Temp Surv.     COPORTUNITY       SELECT PERFS: (56 holes) 271, 78, 55, 67, 55, 3004, 69, 50, 23, 23, 23, 35, 52, 54, 77, 78, 91, 99, 69, 70 (101708)     COPORTUNITY       Gene & 3,75, 77, 78, 91, 77 (78, 85, 67, 55, 3004, 69, 50, 23, 23, 78, 90 (1000 pe State 3,476, 3000 (10000 pe State 3,476, 30	1						ġ,	-	§							-
Image: Several lines     Ground well:     3.500-3.035       Cored well:     3.500-3.035     Image: Several lines       Image: Several lines     Several lines     Ima							10 11									
Image: Several lines     Ground well:     3.500-3.035       Cored well:     3.500-3.035     Image: Several lines       Image: Several lines     Several lines     Ima							1					2:	1			
Image: Several lines     Ground well:     3.500-3.035       Cored well:     3.500-3.035     Image: Several lines       Image: Several lines     Several lines     Ima				1 1									004 BY	RSL		
Image: Several lines     Ground well:     3.500-3.035       Cored well:     3.500-3.035     Image: Several lines       Image: Several lines     Several lines     Ima								"Several" csg leaks	C							
Image: Several times     Cored well       3.500-3.337     Cored well       Cored well     Cored well       3.500-3.337     Cored well       Cored well     Cored well					ŀ		1	350-900'. Successfully	sqzd w/cmt				LOG EL	EVATION	: 3,410'	DF
3.580-3.635*     Hole   2     Bob   3.580-3.635*     Hole   2     Weight 22   3.60     Weight 22   3.60 <t< td=""><td>ľ</td><td></td><td>ľ</td><td></td><td>·</td><td>•</td><td></td><td>several times</td><td></td><td></td><td></td><td></td><td>GROUN</td><td>ID ELEVA</td><td>TION: 3,</td><td>400'</td></t<>	ľ		ľ		·	•		several times					GROUN	ID ELEVA	TION: 3,	400'
3.580-3.635*     Hole   2     Bob   3.580-3.635*     Hole   2     Weight 22   3.60     Weight 22   3.60 <t< td=""><td></td><td></td><td></td><td>   </td><td></td><td></td><td></td><td></td><td><b>.</b></td><td></td><td></td><td>r</td><td></td><td></td><td></td><td></td></t<>									<b>.</b>			r				
TANSILL   2,818     (Weight 32:3200   4.78     Gradu   3,610     17.02 (@ 1,995' by Temp Surv.     TOC (@ 1,995' by Temp Surv.     Def (D 1,905' by Temp Surv.     Def (D 1,905' by Temp Surv.     Def (D 1,905' by Temp	1.		ŀ.	[		•										TUBING
TANSILL   2,818 (Bie pick)     YATES   2,970 (Bie pick)     YATES   2,970 (Bie pick)     TANSILL   2,818 (Bie pick)     YATES   2,970 (Bie pick)     YATES   2,970 (Bie pick)     YATES   2,970 (Bie pick)     YATES   2,970 (CEP @ 3,460 on 128/9)     YATES   3,174     QUEEN   3,556     YATES   3,174			'			•			3,500-3,635							2 3/8"
TANSILL   2,518 (Bie pick)     YATES   2,577     YATES   3,174     QUEEN   3,556     QUEEN   3,556     YATES   3,567     YATES   3,174						:								-		
TANSILL     2,818"       (Beptin)     344"     3616"     2,987"       Multi wit     Beptin     3660"     Performing Formation     Beptin			i I				·	[								
TANSILL   2,818' (file pick)     YATES   2,977     YATES   2,977     YATES   2,977     YATES   2,970     YATES   2,970 <t< td=""><td></td><td></td><td>Í I</td><td></td><td>;</td><td>;</td><td>,</td><td>t</td><td></td><td></td><td></td><td></td><td>244</td><td>0.040</td><td></td><td>0.007</td></t<>			Í I		;	;	,	t					244	0.040		0.007
TANSILL     2,816"       YATES     2,970"       YATES     2,970"       SELECT PERFS: (56 holes)     2371,3,174       OUEEN     3,555"       YOURS     3,174       OUEEN     3,555"       YOURS     3,174       YOURS     3,174       YOURS     3,174       YATES     2,970"       YATES     3,174	ŀ.		,	:									314	3,616		2,907
TANSILL     2,818' (file pick)       YATES     2,970'       YATES     2,970'       SELECT PERFS:     (56 holes)       23,74'     SELECT PERFS:       VATES     2,970'       YATES     3,174'       YATES <td></td> <td>i</td> <td></td> <td>   </td> <td>:</td> <td>1 1</td> <td>1</td> <td></td> <td></td> <td></td> <td></td> <td><u></u></td> <td><u></u></td> <td>1</td> <td><u> </u></td> <td>·····</td>		i			:	1 1	1					<u></u>	<u></u>	1	<u> </u>	·····
TANSILL     2,818' (file pick)       YATES     2,970'       YATES     2,970'       SELECT PERFS:     (56 holes)       23,74'     SELECT PERFS:       VATES     2,970'       YATES     3,174'       YATES <td></td> <td>,</td> <td>Ŀ</td> <td>t I</td> <td>· , !</td> <td></td> <td>ŀ</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>		,	Ŀ	t I	· , !		ŀ									
TANSILL   2,818 (file pick)     YATES   2,970 23,555     VATES   2,970 23,555     QUEEN   3,555     QUEEN   3,555     TO @ 3,690 with 200 million     TO @ 3,690 with 200 million     TANSILL   2,818 (file pick)     SELLECT PERFS: (56 holes) 2071, 79, 85, 87, 93, 3004, 00, 20, 23, 28, 33, 36, 52, 54, 73, 78, 91, 97, 101, 66, 10, 117, 89, 149, 74, 91, 177, 7304.     PO BD, 0 BW, 50 MCF     SetLect Performation 2, 10, 100, 10, 10, 10, 10, 10, 10, 10, 1	ľ		ľ	i i	·		t							LOGS		
TANSILL     2,816"       YATES     2,970"       YATES     2,970"       SELECT PERFS:     (56 holes)       2271, 78, 85, 87, 93, 3004, 99, 20, 22, 33, 33, 55, 24, 75, 89, 97, 3101, 06, 10, 18, 25, 46, 52, 97, 3101, 06, 10, 18, 25, 46, 52, 97, 3101, 06, 10, 18, 25, 46, 52, 97, 3101, 06, 10, 18, 25, 46, 52, 97, 56, 90, 556"       YATES     2,970"       YATES     2,970" <	l I				, .		ŀ								[	6/60
TANSILL     2,818' (file pick)       YATES     2,970'       YATES     2,970'       ZANSILL     2,818' (file pick)       ZOTO     23,28,33,36,52,54,73,78,91, 97,510,08,10,18,25,46,52, 97,510,08,10,18,25,46,52, 97,5101,08,10,18,25,46,52, 97,68,90       CIBP @ 3,460' on 128/3/ Protes     1469 260 to 3,334'. Sting shot OH. Actizzed w10,000 gal at 0,000# sand. Protes       QUEEN     3,556'       TO 3,616' w250 sx Cmt       TO 3,616' w250 sx Cmt       TO 3,635'	ŀ		r i												ition	<b>├</b>
TANSILL     2,816' (file pick)     TOC @ 1,995' by Temp Surv.       TANSILL     2,816' (file pick)     TOC @ 1,995' by Temp Surv.       TOC @ 1,995' by Temp Surv.     TOC @ 1,995' by Temp Surv.       TOC @ 1,995' by Temp Surv.     Found Twilliple' cgi leaks from 350-900'. Made several cmt squezes & successful.       YATES     2,970'       22,28,33,36,52,54,73,78,91, 3271,79,55,57,53,3004,09,20, 23,28,33,36,52,54,73,78,91, 97,3101,06,10,18,25,46,52, 59,86,70' (12/17/89)       VATES     2,970'       2,970'     AMGUE MATTX (LWR 7K/RS-QUEEN) HISTORY       22,28,33,36,52,54,73,78,91, 77, VRS     Alf 24       S1,74'     Perts: 3,476-3,590' 3476,86, 5300', 18,24,40, 57, 62,78,90       CUEEN     3,556'       TO 3,616' W/250 sx Cmt     Perts: 3,478-3,590' 3476, 85, 3500, 18, 24, 40, 57, 62, 78, 90       TO 3,616' W/250 sx Cmt     To 3,616' W/250 sx Cmt		•					l l	¢							1 ar	12/99
TANSILL   2,818' (file pick)     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 00, 20, 23, 28, 33, 36, 52, 54, 73, 78, 91, 97, 3101, 06, 10, 14, 25, 44, 52, 59, 68, 70' (12/17/89)   OPPORTUNITY     Image: Construction of the second of the seco			ļ,						-						Η——	
TANSILL   2,818' (file pick)     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 00, 20, 23, 28, 33, 36, 52, 54, 73, 78, 91, 97, 3101, 06, 10, 14, 25, 44, 52, 59, 68, 70' (12/17/89)   OPPORTUNITY     Image: Construction of the second of the seco	ľ.						ľ									
TANSILL   2,818' (file pick)     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 00, 20, 23, 28, 33, 36, 52, 54, 73, 78, 91, 97, 3101, 06, 10, 14, 25, 44, 52, 59, 68, 70' (12/17/89)   OPPORTUNITY     Image: Construction of the second of the seco							ŀ.									
TANSILL   2,818' (file pick)     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 00, 20, 23, 28, 33, 36, 52, 54, 73, 78, 91, 97, 3101, 06, 10, 14, 25, 44, 52, 59, 68, 70' (12/17/89)   OPPORTUNITY     Image: Construction of the second of the seco	Į.	•	ľ			Ι.				•			L.,			<u></u>
TANSILL   2,818' (file pick)     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 00, 20, 23, 28, 33, 36, 52, 54, 73, 78, 91, 97, 3101, 06, 10, 14, 25, 44, 52, 59, 68, 70' (12/17/89)   OPPORTUNITY     Image: Construction of the second of the seco				1 1												
TANSILL   2,818'     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     YERGER   3,174'     QUEEN   3,556'     QUEEN   3,556'     TO 3,618' W/250 sx Cmt   YERGER     YERGER   3,616' W/250 sx Cmt     TO 3,635'   YERGER     T											[	TAN-YA	TES-7 R	RS ZON	E HISTOR	<del>τγ  </del>
TANSILL   2,818'     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     YERGER   3,174'     QUEEN   3,556'     QUEEN   3,556'     TO 3,618' W/250 sx Cmt   YERGER     YERGER   3,616' W/250 sx Cmt     TO 3,635'   YERGER     T					:		ļ.	, ,			12/8/99 F	Recomple	te from 7	Rvrs & Q	ueen	
TANSILL   2,818''     (file pick)   TOC @ 1,995' by Temp Surv.     YATES   2,970'     YATES   2,970'     SELECT PERFS: (56 holes)   2971, 79, 85, 87, 93, 3004, 09, 20, 23, 28, 33, 36, 52, 54, 73, 78, 91, 97, 910, 104, 23, 24, 23, 33, 36, 52, 54, 73, 78, 91, 97, 3101, 66, 10, 18, 22, 48, 52, 59, 66, 70' (12/17/69)     YRVRS   3,174'     QUEEN   3,556'     QUEEN   3,556'     TD 3,635'   TO 3,616' w/250 sx Cmt	:						f	°.								
TANSILL   2,818' (file pick)   TOC @ 1,995' by Temp Surv.   Perforated 2,971,3,170' Acidized w/2000 gal Pirce w25,700 gal get binary foam @ 70 quality w/108 tons CO <sub>2</sub> & 647 MCF N <sub>2</sub> w/179,720#.     YATES   2,970'   SELECT PERFS: (56 holes) 2971, 79, 55, 87, 93, 3004, 06, 20, 23, 28, 33, 56, 52, 54, 73, 78, 91, 97, 3101, 06, 10, 18, 25, 48, 52, 59, 66, 70' (12/17/89)   Image: Comparison of the second secon				:	,	•	1									ide
TANSILL   2,818' (file pick)   TOC @ 1,995' by Temp Surv.   Acidized w/2000 gal   Bohary foam @ 70 quality w/108 lons CO2 & 647 MCF Nz w/178,720#.     YATES   2,970'   SELECT PERFS: (56 holes) 2971, 79, 85, 87, 93, 3004, 08, 20, 23, 28, 33, 36, 52, 54, 73, 78, 91, 97, 3101, 06, 10, 18, 25, 48, 52, 58, 66, 70' (12/17/89)   IANGLIE MATTIX (LWR 7RVRS-QUEEN) HISTORY     VRNS   3,174'   IANGLIE MATTIX (LWR 7RVRS-QUEEN) HISTORY     QUEEN   3,556'   IANGLIE MATTIX (LWR 7RVRS-QUEEN) HISTORY     QUEEN   3,556'   IANGLIE MATTIX (LWR 7RVRS-QUEEN) HISTORY     Yobro-frac 3,618-24' w/10,000 gal oil & 10,000# sand. 19 / 232 BO, 60 BW, 950 MCF   IANGLIE MATTIX (LWR 7RVRS-QUEEN) HISTORY     QUEEN   3,556'   IP 0 BO, 0 BW, 50 MCF   IANGLIE MATTIX (LWR 7RVRS-QUEEN) HISTORY     Yobro-frac 3,618-24' w/10,000 gal oil & 10,000# sand. Perfs: 3,476-3,590'   IP 232 BO, 60 BW, 950 MCF     QUEEN   3,556'   IP 0 3,615' w/250 sx Cmt   IP 232 BO, 60 BW, 950 MCF     Yob 3,635'   Yobro-frac 3,476-3,590' w/1500 gal 15%.   Frac w/20,000 gal gel & 3,0000/# sand. Pull RBP. POP     Before - 6 BO, 50 MCF & 1 BW   IP 0 3,635'   POP							1							Nas succe	SSIUL	
TANSILL   2,818' (file pick)     YATES   2,970'     SELECT PERFS:   (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20, 23, 28, 33, 36, 52, 54, 73, 78, 91, 97, 3101, 06, 10, 18, 25, 48, 52, 59, 66, 70' (12/17/89)   OPPORTUNITY     Image: Construction of the completion of the co						,	i.									
TANSILL   2,818' (file pick)   IP 0 BO, 0 BW, 50 MCF     YATES   2,970'     YATES   2,970'     7 RVRS   3,174'     QUEEN   3,556'     QUEEN   3,556'     TD 3,635'   TD 3,635'				, ,				TOC @ 1,995' by Temp S	Surv.							y w/108
TANSILL   2,818' (file pick)   OPPORTUNITY     YATES   2,970'   SELECT PERFS: (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20, 23, 28, 33, 36, 52, 54, 73, 78, 91, 97, 87, 85, 87, 93, 3004, 09, 20, 23, 28, 33, 36, 52, 54, 73, 78, 91, 97, 85, 86, 70' (12/17/89)   Image: Completion of the											14		-	w/179,720	₩.	
YATSLL   2,816   OPPORTUNITY     YATES   2,970'   SELECT PERFS: (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     97, 3101, 06, 10, 18, 25, 48, 52,   59, 66, 70' (12/17/89)     VIbro-frac 3,618-35'   Vibro-frac 3,618-35'     Vibro-frac 3,618-35'   Vibro-frac 3,618-35'     Vibro-frac 3,618-35'   Vibro-frac 3,618-35'     QUEEN   3,556'     QUEEN   3,556'     TD 3,635'   TD 3,635'				·		,					IP 0 BO,	0 BW, 50	MCF			
YATSLL   2,816   OPPORTUNITY     YATES   2,970'   SELECT PERFS: (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     97, 3101, 06, 10, 18, 25, 48, 52,   59, 66, 70' (12/17/89)     VIbro-frac 3,618-35'   Vibro-frac 3,618-35'     Vibro-frac 3,618-35'   Vibro-frac 3,618-35'     Vibro-frac 3,618-35'   Vibro-frac 3,618-35'     QUEEN   3,556'     QUEEN   3,556'     TD 3,635'   TD 3,635'																
YATSLL   2,816   OPPORTUNITY     YATES   2,970'   SELECT PERFS: (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     97, 3101, 06, 10, 18, 25, 48, 52,   59, 66, 70' (12/17/89)     VIbro-frac 3,618-35'   Vibro-frac 3,618-35'     Vibro-frac 3,618-35'   Vibro-frac 3,618-35'     Vibro-frac 3,618-35'   Vibro-frac 3,618-35'     QUEEN   3,556'     QUEEN   3,556'     TD 3,635'   TD 3,635'				'	.	, ·		u la			<b>.</b>					
YATSLL   2,816   OPPORTUNITY     YATES   2,970'   SELECT PERFS: (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     97, 3101, 06, 10, 18, 25, 48, 52,   59, 66, 70' (12/17/89)     VIbro-frac 3,618-35'   Vibro-frac 3,618-35'     Vibro-frac 3,618-35'   Vibro-frac 3,618-35'     Vibro-frac 3,618-35'   Vibro-frac 3,618-35'     QUEEN   3,556'     QUEEN   3,556'     TD 3,635'   TD 3,635'						1	-11.7									
YATES   2,970'   SELECT PERFS: (56 holes)     2971, 79, 85, 87, 93, 3004, 09, 20,   23, 28, 33, 36, 52, 54, 73, 78, 91,     97, 3101, 06, 10, 18, 25, 48, 52,   59, 66, 70' (12/17/89)     97, 3101, 06, 10, 18, 25, 48, 52,   59, 66, 70' (12/17/89)     GUEEN   3,556'     1000000000000000000000000000000000000	IANSILL			,			3				<b> </b>		OPPC	RTUNITY		
QUEEN   3,556'   Perfs: 3,476-3,590'     3,556'   Ym @ 3,616' w/250 sx Cmt   Acidized w/1000 gal.     Before - 13 BOPD   After - 12 BOPD     10/71 Perforated 3,476-3,590'. Set RBP @ 3,600'     Acidized 3,476-3,590'. W/1500 gal 15%     7" @ 3,616' w/250 sx Cmt     TD 3,635'		(перск)		l. 1			ili ili		1	•	4					. I
QUEEN   3,556'   Perfs: 3,476-3,590'     3,556'   Ym @ 3,616' w/250 sx Cmt   Acidized w/1000 gal.     Before - 13 BOPD   After - 12 BOPD     10/71 Perforated 3,476-3,590'. Set RBP @ 3,600'     Acidized 3,476-3,590'. W/1500 gal 15%     7" @ 3,616' w/250 sx Cmt     TD 3,635'						•	2									
QUEEN   3,556'   Perfs: 3,476-3,590'     3,556'   Ym @ 3,616' w/250 sx Cmt   Acidized w/1000 gal.     Before - 13 BOPD   After - 12 BOPD     10/71 Perforated 3,476-3,590'. Set RBP @ 3,600'     Acidized 3,476-3,590'. W/1500 gal 15%     7" @ 3,616' w/250 sx Cmt     TD 3,635'	YATES	2,970					i ati	SELECT PERFS: (56 ho	oies)		L				<u></u>	
QUEEN   3,556'   Perfs: 3,476-3,590'     3,556'   Ym @ 3,616' w/250 sx Cmt   Acidized w/1000 gal.     Before - 13 BOPD   After - 12 BOPD     10/71 Perforated 3,476-3,590'. Set RBP @ 3,600'     Acidized 3,476-3,590'. W/1500 gal 15%     7" @ 3,616' w/250 sx Cmt     TD 3,635'	1			ļ. 1			3									)
QUEEN   3,556'   Perfs: 3,476-3,590'     3,556'   Ym @ 3,616' w/250 sx Cmt   Acidized w/1000 gal.     Before - 13 BOPD   After - 12 BOPD     10/71 Perforated 3,476-3,590'. Set RBP @ 3,600'     Acidized 3,476-3,590'. W/1500 gal 15%     7" @ 3,616' w/250 sx Cmt     TD 3,635'			the second s	ŀ L	▃┸▃╛		1.2								UEEN) HIS	STORY
QUEEN   3,556'   Perfs: 3,476-3,590'     3,556'   Ym @ 3,616' w/250 sx Cmt   Acidized w/1000 gal.     Before - 13 BOPD   After - 12 BOPD     10/71 Perforated 3,476-3,590'. Set RBP @ 3,600'     Acidized 3,476-3,590'. W/1500 gal 15%     7" @ 3,616' w/250 sx Cmt     TD 3,635'	7 8\/85	3 174				ł			48, 52,							
QUEEN   3,556'   Perfs: 3,476-3,590'     3,556'   Ym @ 3,616' w/250 sx Cmt   Acidized w/1000 gal.     Before - 13 BOPD   After - 12 BOPD     10/71 Perforated 3,476-3,590'. Set RBP @ 3,600'     Acidized 3,476-3,590'. W/1500 gal 15%     7" @ 3,616' w/250 sx Cmt     TD 3,635'	1.1.1.1	J, 1 (**		1	l		4		A A A.						& 10.000	)# sand.
QUEEN   3,556'   Perfs: 3,476-3,590'     3,556'   Ym @ 3,616' w/250 sx Cmt   Acidized w/1000 gal.     Before - 13 BOPD   After - 12 BOPD     10/71 Perforated 3,476-3,590'. Set RBP @ 3,600'     Acidized 3,476-3,590'. W/1500 gal 15%     7" @ 3,616' w/250 sx Cmt     TD 3,635'	<b>.</b>	,					3	.	A 1989							
QUEEN   3,556'   Perfs: 3,476-3,590'   Before - 13 BOPD     3,556'   3476, 86, 3500, 18, 24, 40, 57, 62, 78, 90   After - 12 BOPD     10/71 Perforated 3,476-3,590' w/1500 gal 15%   Frac w/20,000 gal gel & 30,000# sand. Pull RBP. POP     Before - 6 BO, 50 MCF & 3 BW   After - 3 BO, 235 MCF & 11 BW								CIBP @ 3,460' on 12/8/9	<b>9</b>		4/66 CO	to 3,634'	String			
TD 3,635'     7" @ 3,616' w/250 sx Cmt     Frac w/20,000 gal gel & 30,000# sand. Pull RBP.       POP     Before - 6 BO, 50 MCF & 3 BW     After - 3 BO, 235 MCF & 11 BW							K.						-			
TD 3,635'     7" @ 3,616' w/250 sx Cmt     Frac w/20,000 gal gel & 30,000# sand. Pull RBP.       POP     Before - 6 BO, 50 MCF & 3 BW     After - 3 BO, 235 MCF & 11 BW				,			5		0. 57.		8		,	•		
TD 3,635'     7" @ 3,616' w/250 sx Cmt     Frac w/20,000 gal gel & 30,000# sand. Pull RBP.       POP     Before - 6 BO, 50 MCF & 3 BW     After - 3 BO, 235 MCF & 11 BW						۰.	10		-1 -1 -1				3,476-3.5	i90'. Set F	RBP @ 3.	600'
TD 3,635'     7" @ 3,616' w/250 sx Cmt     Frac w/20,000 gal gel & 30,000# sand. Pull RBP.       POP     Before - 6 BO, 50 MCF & 3 BW     After - 3 BO, 235 MCF & 11 BW	QUEEN	3,556'		ŧ			전				Acidized	1 3,476-3	3,590' w/ <sup>-</sup>	1500 gal 1	5%	
Before - 6 BO, 50 MCF & 3 BW       After - 3 BO, 235 MCF & 11 BW	<b>.</b>		Ľ	i _	•	· .	N	7" @.3,616' w/250 sx Cm	t			0,000 ga	l gel & 30	),000# san	nd. Pull R	RBP.
After - 3 BO, 235 MCF & 11 BW				$\diamond \diamond$	$\sim$	$\diamond$						6 BO 60	MCEP	3 8\//		
TD 3,635				$  \diamond$	$\bigcirc$	$\sum_{i=1}^{n}$	ŀ	·	, 							
				T	3,63	5'										
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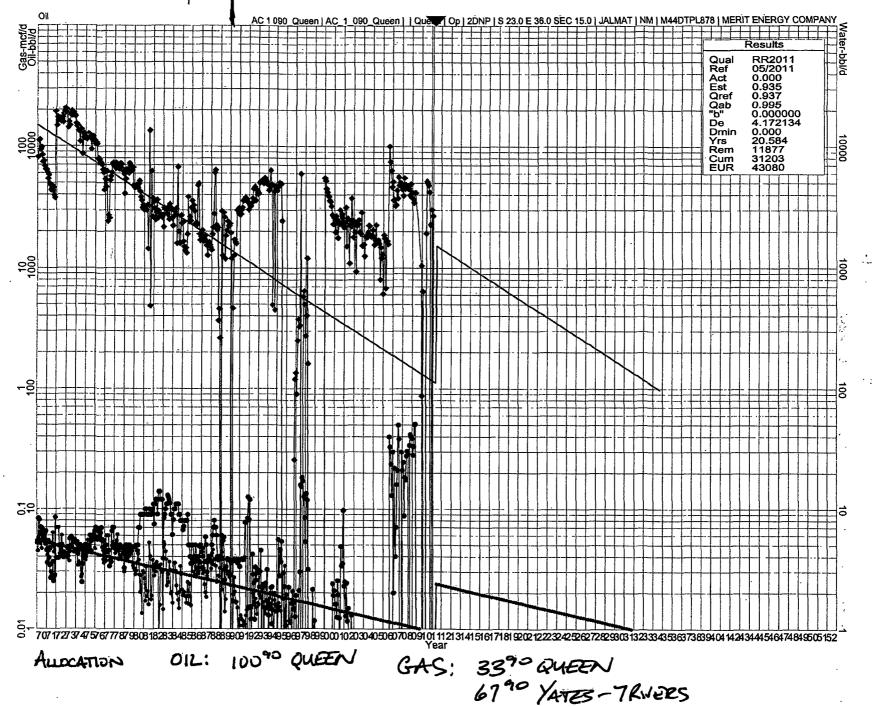
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Current

QUEEN + YATES-7 RIVERS

Current Production QUEEN EST FA 30 MCFD 0 BORD 15MCFD 280PD

QUERV EST PROO



District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

# State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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Form C-102 Revised July 16, 2010 Submit one copy to appropriate District Office

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### WELL LOCATION AND ACREAGE DEDICATION PLAT

'A	Pl Numbe	r		<sup>2</sup> Pool Code	e	<sup>3</sup> Pool Name						
30-025-1072224130Eunice 7 Rivers Queen South												
<sup>4</sup> Property C	ode		<sup>6</sup> Well Number									
	State A A/C 1											
<sup>7</sup> OGRID N	lo.				<sup>8</sup> Operator	Name				<sup>9</sup> Elevation		
14591		Merit Ene	rgy Com	bany								
					<sup>10</sup> Surface	Location						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East	/West line		County	
A	15	225	36E		660	North	990	East		Lea		
			<sup>11</sup> Bo	ttom Hol	e Location If	Different Fro	m Surface					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East	/West line		County	
		III a										
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint o	rInfill  "C	onsolidation	Code  " Or	der No.							
40							····					

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

. . . . . . . .

16				<sup>17</sup> OPERATOR CERTIFICATION
		-	- 3 - 3	I hereby certify that the information contained herein is true and complete to the
			490	best of my knowledge and belief, and that this organization either owns a
,				working interest or unleased mineral interest in the land including the proposed
			L , t	bottom hole location or has a right to drill this well at this location pursuant to
	*	•		a contract with an owner of such a mineral or working interest, or to a
			-	voluntary pooling agreement gracompulsory pooling order heretofore entered
	,	•	▶ <del>-</del> <del>- • • • • • • • • • • • • • •</del> •	by the division
				06/28/2011
				Sgnature Date
•				Matt Ogden
	· .		4	Printed Name
				matt.ogden@meritenergy.com
				E-mail Address
4				<sup>18</sup> SURVEYOR CERTIFICATION
	,		· · · · · · · · · · · · · · · · · · ·	I hereby certify that the well location shown on this plat was
	1		1	plotted from field notes of actual surveys made by me or under
	,		3	my supervision, and that the same is true and correct to the
			-	
· · · · · · · · · · · · · · · · · · ·				Date of Survey
				Signature and Seal of Professional Surveyor;
· ·	•	,		
			, , ,	
				Certificate Number
		· · ·		my supervision, and that the same is true and correct to the best of my belief Date of Survey

iest de la	TIP!	NEW HE TTO	,	1 1 M 1			FORM C-128 Revised S 1 57
		STRUCT OUS FOR	COMPLETING	THIS FORM (	ON THE REV	ERSE SIDE	CHE CUC
			SECTI	DN A			
Operator	Dectic Con	1 & Oil Co	Lease	tate 'A'	Loji Acct J		J g-11 59 90
Unit Letter	Section	Township	Ran		County	/ <b></b>	
A	15	235		36E		Lea	
Actual Footage Lo							<u> </u>
660	feet from the		ne and 99	70 te	et from the	East	line
Ground Level Elev			Pool	nolie Hat	***	Di	dicated Acreage:
· · · · · · · · · · · · · · · · · · ·							
wise? YES	NO I	'no,'' have the int f answer is ''yes,' 'no,'' list all the o	' Type of Cosso	lidation	erests below		stion sgreement of other-
		SECTION				7 4	
							REFECTION
				660	-	in SECTION	tify that the information A above is true and com- best of my knowledge and
<b>[</b>				6	990'	belief.	ocat of my knowledge and
	4			1			A
<b>.</b>		· ·		ļ		Name	Down Int
<b> </b>						Position 7	
	-					Heneger o	f Production
	4	· · · · · · · · · · · · · · · · · · ·	-	l		Complay	
		1		1	1	Date Pac	ifis Coal & Oil Co
1	l I			1		May 9, 19	60
	İ			i	•		
						shown on the	ify that the well location plat in SFCTION B was
		TATE STATE	OR SUR			surveys made supervision, and correct t	field notes of actual by me or under my and that the same is true o the best of my knowledge
		Tran ME		1 1 1		and belief. Date Surveye	d
1		JOHN W.	NEST	1		Registered F	5/7/60 Professional Engineer

District I 1625 N. French Dr., Hobbs. NM 88240 District II PO Drawer DD, Artesia, NM 88211-0719 District III 1000 Rio Brazos Rd. Aztec, NM 87410 District IV PO Box 2088, Santa Fe. NM 87504-2088

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

Revised February 21, 1994 .. instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

		WE	ELL LO	CATION	N AND A	CR	EAGE DEDI	CATION PL	.AT			
A	PI Numbe	er	T	2 Pool (	Code	3 Pool Nar	ne					
	30-025-	10722		79240		at: Tan-Yates-	it: Tan-Yates-7 rvrs (Pro Gas)					
4 Property	Code				5 Pro	pert	y Name				ll Number	
24669					State "					9		
7 OGRID No.					-		tor Name			9 EI	evation	
16279	1				Raptor							
							Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from th	he	North/South line	Feet from the	East/We	st line	County	
<u>A</u>	15	235	36E		660		North	940	Ea	<u>st</u>	Lea	
• •			11 Bo	ttom Hol	le Locatio	on It	f Different Fro	om Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from th	Ð	North/South kne	Feet from the	East/We	st line .	County	
	L	ʻ[		·								
12 Dedicated Acres	5   13 Join	it or infil 14	Consolidatio	on Code 15	Order No.							
480												
NO ALLOV	VABLE						N UNTIL ALL I EN APPROVED			EN CON	SOLIDATED	
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<b>E</b>	-5	\$0	1450	78%	5	E						
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S.	ectio	n 15		Secto	on 14			Signature				
		•						Printed Name		. Keathl	y	
					1 1				Regula	tory Age	ent	
	J.			-		· .		Tille	8-00			
								Date	<u></u>			
				- <b> </b>		1	·	1				
				á.		1 4		18 SURV	EYOR	CERT	IFICATION	
	ļ					ľ					shown on this plat? wrveys made by me	
, ,,	4			]		ì		or under my s	upervision.	and that the	same is true and	
	- í							correct to the	best of my b	ehef		
4	-			1				Date of Surve				
·}				1					-	essional Su	irvevor:	
				the.								
				,								
[	· ,[											
							· · · · · · · · · · · · · · · · · · ·	Certificate Nu	mber			

Form C-102



Merit Energy Company 13727 Noel Road, Suite 500 Dallas, TX 75240

Date:June 30, 2011To:New Mexico Oil Conservation DivisionAttention:William V Jones P.E.

RE. Jalmat Field: 6 Commingling Applications Lea County, New Mexico

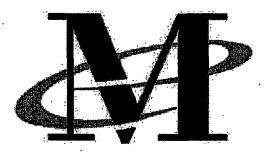
<u>Merit Energy Company</u> has requested approval to commingle the Queen formation (Langlie Mattix Pool) with the Tansill-Yates-Seven Rivers formation (Jalmat Pool).

Commingling the Jalmat Pool with the Langlie Mattix Pool in A 15, D 23, O 3, and C 23 T22S R36E in Lea County is in the interest of both royalty owners and the conservation. Commingling will extend the life of each well and optimize recovery from Both Pools. The 6 well's commercial value will be extended 30 years based on estimated reserves from the Queen formation, and will ultimately allow uncommercial Jalmat Pool reserves to be recovered via production from the Queen. The Queen Completions are uneconomic if it is required by the NMOCD to seal off the Jalmat Pool from the Langlie Mattix Pool. Operationally, fluid samples will be collected before and after commingling. Scale inhibitors will be continuously pumped during operations. The fluid level will be maintained below the Jalmat pool both to optimize production and reduce any scaling tendencies.

Please let me know if you have any questions

Sincerely,

Brett Keener Operations Engineer <u>brett.keener@meritenergy.com</u> Phone: 972-628-1592 Fax: 972-682-1892



Merit Energy Company 13727 Noel Road, Suite 500 Dallas, TX 75240

Date:June 27, 2011To:New Mexico Oil Conservation DivisionAttention:William V Jones P.E.RE.Jalmat Field: AAC-1 #43, 61,64,65,73,90 -Queen Commingling<br/>Lea County, New Mexico

<u>Merit Energy Company</u> has requested approval to commingle the Yates formation (Jalmat Pool) with the Queen formation (Langlie-Mattix).

This well that we are asking to commingle does have "identically owned" (working/royalty/orri) interest from the surface to the base of the queen formation.

Please let me know if you have any questions

Sincerely,

Matt Van Eaton Associate Landman <u>matt.vaneaton@meritenergy.com</u> Phone: 972-628-1557 Fax: 972-682-1857