

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0135
Expires January 31, 2004

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Lease Serial No
NMLC029426B

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 ☒ Other

2. Name of Operator
Merit Energy Company

3a. Address
13727 Noel Rd. Ste. 500, Dallas, TX 75240

3b. Phone No (include area code)
972-628-1467

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FSL & 735' FEL; Sec 19, T-17-S, R-31-E

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6 If Indian, Allottee or Tribe Name

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

8. Well Name and No.
H.E. West B 72

9. API Well No
30-015-28131

10 Field and Pool, or Exploratory Area
Grayburg - Jackson

11 County or Parish, State
Eddy, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input checked="" 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 shall 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 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.)

Please see attached information

we are going to reactivate this well.

Approved to Fracture and Acidize well as requested. Work must be done within 30 days and well placed back on prod. Submit subsequent report with 5 days after well is back on line.

APPROVED

JUL 10 2008
/s/ JD Whitlock JF

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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

Kristin Hodge

Title Regulatory Analyst

Signature

Date

7/2/08

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)

Accepted for record - NMOCD

Date: July 2nd, 2008
Well: West B #72
API: 30-015-28131
Field: Grayburg-Jackson
Location: 660'FSL & 735'FEL, SEC 9-T17S-R31E
Eddy County, NM
Formation: Grayburg-Jackson
Elevation: GL = 3,873'
KB = 3,884'
PBTD = 4,112'
TD = 4,160'
Engineer: Justin Findley

Subject: RE-PERF & ACID STIMULATE

CURRENT WELLBORE:

Tubing: None
Casing: 5-1/2" 157# J-55 LT&C 0 – 4,159' cemented w/2000 sx. TOC @ surface
8-5/8" 24# J-55 ST&C 0 - 520'
CIBP: 3,140'
Perforations: Current gross interval (3,247' – 4,008')
See well-bore schematic for details.
WELLBORE FILLED WITH PACKER FLUID

Procedure

1. MIRU pulling unit. NU BOP with 2-7/8" pipe rams on top. Test csg to 500 psi.
2. PU 2-7/8" workstring and a 4-3/4" bit. TIH and tag CIBP @ 3,140'.
3. RU reverse rig plus power swivel and drill out CIBP (3,140') and continue to clean out wellbore to PBTD of 4,112'. Flow well back, lay down work string and test csg to 500 psi.
4. MIRU wireline unit. RIH w/CCL, correlate with **C.E.L log dated 1/26/1995** and find short joint.
5. TIH w/3.125" slick gun (38.87" penetration, 0.40" entry hole, 90 degree phasing) and perforate the following zones at the specified shot density:

4 SPF 3,009' – 3,013'

4 SPF 3,021' – 3,023'

4 SPF 3,045' – 3,048'

4 SPF 3,080' – 3,082'
 4 SPF 3,247' – 3,249'
 4 SPF 3,300' – 3,305'
 4 SPF 3,407' – 3,409'
 4 SPF 3,435' – 3,437'
 4 SPF 3,451' – 3,455'
 4 SPF 3,463' – 3,465'
 4 SPF 3,614' – 3,623'
 4 SPF 3,762' – 3,768'
 4 SPF 3,800' – 3,802'
 4 SPF 3,869' – 3,874'
 4 SPF 3,958' – 3,962'
 4 SPF 3,974' – 3,980'
 4 SPF 4,003' – 4,004'
 4 SPF 4,079' – 4,082'
 4 SPF 4,105' – 4,107'

(1,098' Gross, 66' Net, 340 shots)

perfs picked off Compensated Neutron Gamma Ray dated 1/9/1995 and correlates perfectly with C.E.L. log

6. POOH, record any fluid level change and guns for misfires. RDMO wireline unit.
7. Pick up 5-1/2" treating packer on 2-7/8" work-string, TIH while hydro-testing. Set packer at 2,950' (59' above top perf.). Load and pressure test annulus to 500 psig. Pick up swabbing tools, swab for entry and monitor fluid levels while swabbing back. RD swabbing tools.
8. MIRU acid company and rig up. Pressure test and hold 500# on annulus with pump truck. Pressure test lines to 3000 psig with maximum treating pressure established 2,500 psig.
9. Establish injection rate and pressure into perforated interval from 3,009' to 4,107' with 2% KCl followed by 4,000 gallons of solvent that is 90% by volume 15% HCL and 10% by volume toluene along with 9,000# of rock salt to divert.

15% HCL	3600 gal
Toluene	400 gal
Clay Stabilizer	
ACI-166	3.75 gal
NE-116	7.5 gal
NE-122	7.5 gal
FE Reducer	14.75 gal
Rock Salt	9,000 lbs

10. RDMO treating company. Pick up swabbing tools and monitor fluid levels while swabbing back all load water. RD swabbing tools.

11. Release packer and POOH with same.

Contacts

Operations Manager:	David Hertel	(806) 229-6300 - Office
Foreman:	Jackey Williams	(806) 789-5718 - Cell
Region Manager:	Cruz Abila	(972) 628-1552 - Office
Ops. Engineer:	Justin Findley	(972) 628-1493 / (214) 577-9784