Submit 3 Copies To Appropriate District State of New Mexico Form C-103 Office May 27, 2004 Energy, Minerals and Natural Resources District I WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II 30-015-20014 OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease District III 1220 South St. Francis Dr. STATE FEE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr., Santa Fe, NM LC-029435-A 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A J.L Keel A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number PROPOSALS.) 1. Type of Well: Oil Well Gas Well X Other 15 2. Name of Operator 9. OGRID Number AUG - 5 2008 Merit Energy Company 14591 3. Address of Operator 10. Pool name or Wildcat OCD-ARTES! 13727 Noel RD. Ste 500, Dallas, TX 75240 AGrayburg-Jackson 4. Well Location Unit Letter : 1980 feet from the N line and 660 feet from the W line Township 17-S Range 31-E County Eddy, NM 11. Elevation (Show whether DR, RKB, RT, GR, etc.) Pit or Below-grade Tank Application or Closure Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water Pit Liner Thickness: Below-Grade Tank: Volume bbls; Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK □ PLUG AND ABANDON ALTERING CASING □ П REMEDIAL WORK **TEMPORARILY ABANDON** M **CHANGE PLANS** COMMENCE DRILLING OPNS.□ P AND A **PULL OR ALTER CASING** MULTIPLE COMPL CASING/CEMENT JOB OTHER: OTHER: 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. Requesting TA status I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or belowgrade tank has been/will be constructed or closed according to NMOCD guidelines _____, a general permit _____ or an (attached) alternative OCD-approved plan _____. TITLE Regulatory Analyst_____DATE__8/01/08_ Type or print name Kristin Hodge E-mail address: Kristin.Hodge@meritenergy.com Telephone No. 972-628-1467 For State Use Only TITLE COMPLIANCE OFFICER DATE 8/8/08 NUE APPROVED BY:

Conditions of Approval (if any):

