

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NMOCD ARTESIA

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DEC -2 2009

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

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 ☒ Other2 Name of Operator
Merit Energy Company3a Address
13727 Noel Rd. Sute 500 Dallas, Texas 752403b Phone No (include area code)
972-628-15694 Location of Well (Footage, Sec, T, R, M, or Survey Description)
660' FNL & 1980' FWL; Sec. 8-T17S-R31E

5. Lease Serial No

LC-029435-B

6 If Indian, Allottee or Tribe Name

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

8. Well Name and No.

J. L. Keel "B" #7

9 API Well No.

30-015-05108

10 Field and Pool, or Exploratory Area

Grayburg-Jackson

11. County or Parish, State

Eddy Co., New Mexico

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 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 type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input checked="" 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.)

The following procedure is designed to repair a csg. leak:

Prepare location. Test all anchors. MIRU PU, NDWH. NU BOP. Test BOPE. Unseat injection pkr. POOH w/injection string standing back. LD injection pkr. PU 7" RBP on 2-3/8" workstring. RIH w/RBP. Set above perforatoin @ +/- 2795'. PU Baker fullbore pkr. on 2-3/8" workstring. Located hole in csg. Set fullbore pkr. +/- 50' above hole in csg. Establish pumping rate. If rate cannot be established MIRU WLU. Perforate squeeze hole over HIC. RDMO WLU. MIRU cementing company. Squeeze HIC as per recommendation. RDMO cementing company. WOC. RU Reverse Unit. PU bit on DC's on 2-3/8" workstring. Tag and drill out cmt. RD Reverse Unit. Unseat fullbore pkr. POOH w/pkr. on 2-3/8" workstring standing back. LD fullbore pkr. RIH w/2-3/8" workstring & retrieve RBP. PU & RIH w/Baker Hornet injection pkr. & on-off tool on 2-3/8" tbg. string. Set pkr. @ +/- 2795'. Circulate pkr. fluid on backside and run state witnessed MIT. ND BOPE. NU WH. Connect well to injection line & commence wtr. injection. RDMO PU.

SEE ATTACHED FOR
CONDITIONS OF APPROVALSUBJECT TO LIKE
APPROVAL BY STATE

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

Lynne Moon

Title Regulatory Manager

Signature

Date

11/17/2009

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Title

Office

Date

NOV 24 2009

WESLEY W. INGRAM

Title 18 USC Section 1001 and Title 43 USC 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)

**J. L. Keel "B" #7
30-015-05108
Merit Energy Company
November 24, 2009
Conditions of Approval**

- 1. Surface disturbance beyond the existing pad must have prior approval.**
- 2. Operator to have H2S monitoring equipment on location due to H2S in the area.**
- 3. Minimum 2M BOP required.**
- 4. Prior to setting packer for injection, the squeeze on the casing is to be tested to maximum injection pressure permitted by NMOCD.**

WWI 112409