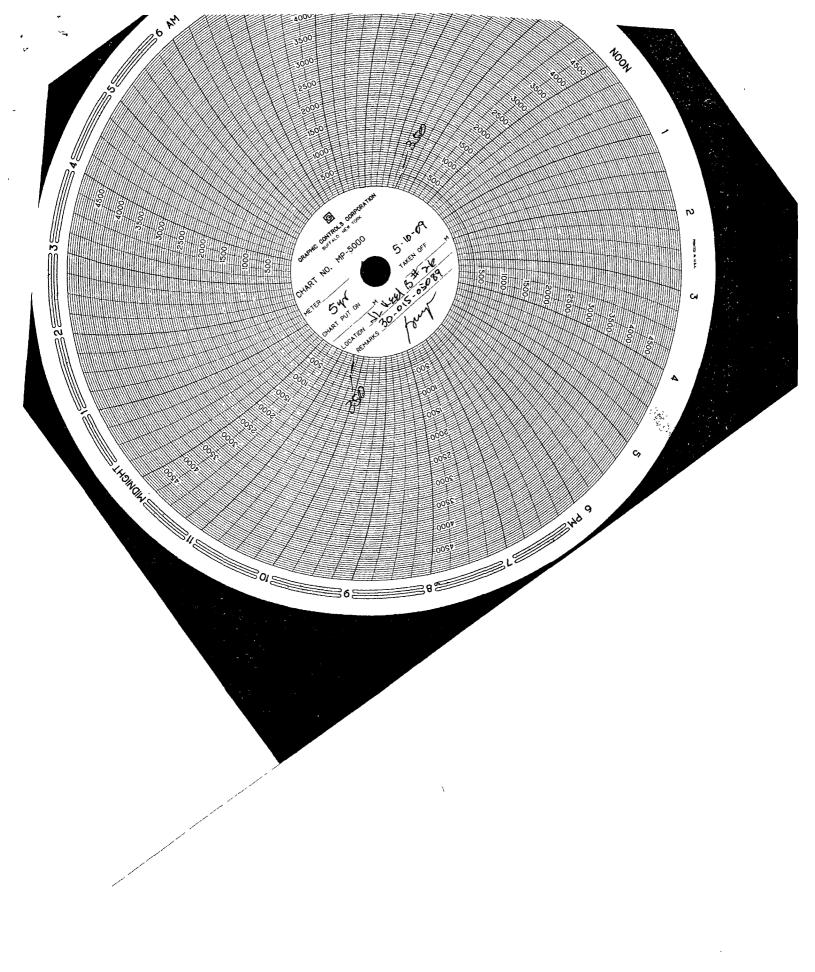
Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR OCD Artesia BUREAU OF LAND MANAGEMENT

FORM APPROVED - 9 2009 OM B No 1004 0131 - 9 2009 Expires March 31, 2007

5. Lease Senal No NMOCD ARTESIA LC-029435-B

SUNDRY NOTICES AND REPORTS ON WELLS	LC-029435-B
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals.	6 If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE- Other instructions on reverse side.	-7 -If Unit or CA/Agreement, Name and/or No
1 Type of Well Oil Well □ □ Gas Well □ □ ✓ Other	8 Well Name and No
2 Name of Operator Merit Energy Company	J. L. Keel B #26 9. API Well No
3a Address 3b. Phone No (include area code) 972-628-1569	30-015-05089 10. Field and Pool, or Exploratory Area
4 Location of Well (Footage, Sec., T., R., M., or Survey Description)	Grayburg-Jackson
660' FSL & 517' FWL; Sec. 6-T17S-R31E	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	Company of the Compan
Acidize Deepen Production (Sta	of the second of
Flacture freat Reclamation	Well Integrity
Subsequent Report Casing Repair New Construction Recomplete	Other Resume Injection
Change Plans Plug and Abandon Temporarily Ab	andon
Final Abandonment Notice Convert to Injection Plug Back Water Disposal	
	n a new interval, a Form 3160-4 shall be filed once ation, have been completed, and the operator has
14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Lynne Moon Title Regulatory Manager	
	0.000.000
Cigu Noon	ACCEPTED FOR RECORD
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved by Title	Date DEC 5 2009
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.	WESLEY W. INGRAM
Title 18 USC Section 1001 and Title 43 US.C. Section 1212, make it a crime for any person knowingly and willfully t States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	



J. L. Keel "B" #26 30-015-05089 Merit Energy Company December 5, 2009 Conditions

- 1. Notice of Intent received in Carlsbad Field Office on 10/23/2009, subsequent report received in Carlsbad Field Office on 10/29/2009. Work done prior to approval Incident of Non-Compliance will be issued.
- 2. Well has been idle since September 2007. Twice prior to this date, the well has been injecting at a pressure exceeding the maximum set by NMOCD.
- 3. If not already in place, operator is to install a pressure gauge on the casing annulus. Pressure to be monitored and documented at least once a week. Data to be available whenever NMOCD or BLM requires readings.
- 4. MIT required in 2010 per 5 year NMOCD requirement.
- 5. NMOCD and BLM to be notified if well is temporarily abandoned more than 30 days.

WWI 120509