

RECEIVED

FEB 15 2011

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

HOBBSUCD Santa Fe, NM 87505

WELL API NO. 30-025-29204
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Mobil State
8. Well Number 1
9. OGRID Number 14591
10. Pool name or Wildcat Lea Delaware NE
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐2. Name of Operator
Merit Energy Company3. Address of Operator
13727 Noel Rd. Suite 500 Dallas, Texas 75240

4. Well Location
Unit Letter J : 1980 feet from the S line and 1980 feet from the E line
Section 2 Township 20S Range 34E NMPM Lea County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: Add perfs ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Merit Energy Company is proposing to add perfs to the Delaware formation. The proposed additional perforations are 5960' - 5972'

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Lynne Moon

TITLE Regulatory Manager

DATE 02/11/2011

Type or print name Lynne Moon

E-mail address: lynne.moon@meritenergy.com PHONE: 972-628-1569

For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

FEB 16 2011

Conditions of Approval (if any):