

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

1. Operator Name and Address MERIT ENERGY COMPANY, LLC 13727 NOEL ROAD, SUITE 500 DALLAS , TX 75240		2. OGRID Number 14591
		3. API Number 30-025-39921
4. Property Code 306855	5. Property Name STATE OF NEW MEXICO 35	6. Well No. 005

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	35	16S	34E	A	660	N	660	E	LEA

**8. Pool Information**

VACUUM;LOWER WOLFCAMP, NORTH	62380
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**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 4053
14. Multiple N	15. Proposed Depth 11000	16. Formation Wolfcamp	17. Contractor	18. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mils thick      Clay <input type="checkbox"/> Pit Volume:      bbls      Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	1500	430	
Int1	12.25	8.625	32	4500	435	0
Prod	7.875	5.5	17	11000	760	

**Casing/Cement Program: Additional Comments**

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**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Hydril	3000	5000	Townsend

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	<b>OIL CONSERVATION DIVISION</b>	
	Approved By: Paul Kautz	
	Title: Geologist	
	Approved Date: 9/28/2010	Expiration Date: 9/28/2012
	Conditions of Approval Attached	

Printed Name: Electronically filed by Lynne Moon	
Title: Regulatory Administrator	
Email Address: lynne.moon@meritenergy.com	
Date: 9/21/2010	Phone: 972-628-1569

## DISTRICT I

1625 N. FRENCH DR., HOBBS, NM 88240

## DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

## State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 62380	Pool Name Vacuum; Lower Wolfcamp; North
Property Code 306855	Property Name SNM 35	Well Number 5
OGRID No. 14591	Operator Name MERIT ENERGY COMPANY	Elevation 4053'

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	35	16-S	34-E		660	NORTH	660	EAST	LEA

## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=686268.6 N X=748311.8 E</p> <p>LAT.=32.884017° N LONG.=103.524468° W</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Cindy Chavez</i> 9/8/10 Signature Date CINDY CHAVEZ Printed Name</p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p> Date Surveyed: 08/06/2010 Signature: &amp; Seal: 12641 Professional Surveyor</p>
	<p>Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239</p>

## Permit Comments

**Operator:** MERIT ENERGY COMPANY, LLC , 14591

**Well:** STATE OF NEW MEXICO 35 #005

**API:** 30-025-39921

Created By	Comment	Comment Date
cindyc	Form C-144 was mailed 9/21/2010 via Fedex. Tracking # 9817 2135 5662	9/21/2010
pkautz	land s/s	9/22/2010
DMULL	OCD Hobbs has received form C-144CLEZ. OCD Permit Number P1-02498.	9/28/2010

# Permit Conditions of Approval

**Operator:** MERIT ENERGY COMPANY, LLC , 14591

**Well:** STATE OF NEW MEXICO 35 #005

**API:** 30-025-39921

OCD Reviewer	Condition
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	In southern Lea County, surface casing must be set 25 feet below top Rustler Anhydrite