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LOGGED IN, 29, 11

TYPE THE

APP NO 1/2/05 46/5

ABOVE THIS LINE FOR DIVISION USE ONL

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST 30-025 - 28276

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

	_47 4	WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE
Applic	[DHC-Dow	ndard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] nhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] pol Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
	[EOR-Qua	lified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]
[1]	TYPE OF AP [A]	PPLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD
	Check [B]	COne Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PC OLS OLM
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD PII EOR PPR
	[D]	Other: Specify
[2]	NOTIFICAT [A]	ION REQUIRED TO: - Check Those Which Apply, or Does Not Apply Working, Royalty or Overriding Royalty Interest Owners
	[B]	Offset Operators, Leaseholders or Surface Owner
	[C]	Application is One Which Requires Published Legal Notice
	[D]	Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
	[E]	For all of the above, Proof of Notification or Publication is Attached, and/or,
•	[F]	Waivers are Attached
[3]		CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE ATION INDICATED ABOVE.
	al is accurate a	TION: I hereby certify that the information submitted with this application for administrative nd complete to the best of my knowledge. I also understand that no action will be taken on this quired information and notifications are submitted to the Division.
	Note:	Statement must be completed by an individual with managerial and/or supervisory capacity.
Met) Print or	Type Name	Signature Regulatory Analyst 7/26/11 Date Mat. oglenaritenery.com
		Mat. oglen M. Viterery. con

<u>District</u> I

1625 N. French Drive, Hobbs, NM 88240

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-107A Revised June 10, 2003

<u>District II</u>

1301 W Grand Avenue, Artesia, NM 88210

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410

District IV 1220 S St Francis Dr , Santa Fe, NM 87505

Oil Conservation Division

1220 South St. Francis Dr. Santa Fe, New Mexico 87505 APPLICATION TYPE

Establish Pre-Approved Pools EXISTING WELLBORE **Y**es

. APPLICATION FOR DOWNHOLE COMMINGLING

_Single Well

Merit Energy Company			137	27 Noel R	d Ste 500 Dallas	TX 75	5240			<u></u>	
Operator	Address										
State A A/C 2 Lease	67 Well No.		Lea County								
,		•									
OGRID No. 14591 Property Co	ode	API No	ريقين	23-20270	Lease Ty	pe:	redera		State	_ree	
DATA ELEMENT	UPPER	NE	LOWER ZONE								
Pool Name	Jalmat Tansil Y	ates 7-Riv	Eunice 7	Rivers	Queen S	outh					
Pool Code	79240	79240								25	
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3122'-3699'						3772'-38	34'			
Method of Production (Flowing or Artificial Lift)	Artificial Lift						Artificia	l Lift			
Bottomhole Pressure (Note Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	NA						NA	r			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	BTU 1.3174						33.6 AP	[/1.2088	BTU		
Producing, Shut-In or New Zone	Producing						New Zon	ne			
Date and Oil/Gas/Water Rates of Last Production. (Note. For new zones with no production history,	Date: 07/20/20	011		Date:			Date:				
applicant shall be required to attach production estimates and supporting data)	Rates:20mcf/0) bopd	Ì	Rates:			Rates: 10mcf/2 bopd				
Fixed Allocation Percentage (Note If allocation is based upon something other	Oil	Gas		Oil	Gas		Oil	•	Gas		
than current or past production, supporting data or explanation will be required)	0 %	75	%	÷	%	%	100	%	25	%	
		<u>ADDI</u>	TIOI	NAL DAT	<u>A</u>	,				ŧ	
Are all working, royalty and overriding If not, have all working, royalty and over							•	Yes Yes	X No_ No.		
Are all produced fluids from all comm	ingled zones comp	atible with	each o	ther?				Yes	X No_		
Will commingling decrease the value of	of production?							Yes	No_	X	
If this well is on, or communitized with or the United States Bureau of Land M						nds		Yes	<u>X</u> No_		
NMOCD Reference Case No. applicab	le to this well:	·····			***	•				1	
Attachments: C-102 for each zone to be comming Production curve for each zone for For zones with no production history Data to support allocation method	r at least one year. ory, estimated prod	(If not avail	lable, a	attach expla	nation.)	•					
Notification list of working, royalt Any additional statements, data or	y and overriding ro				n interest cases.					. :	
		PRE-AF	PRO	VED POC	DLS					:	
If application is	s to establish Pre-A	approved Po	ools, tl	ne following	additional inform	ation w	ill be requ	ired:		*	
List of other orders approving downho List of all operators within the propose Proof that all operators within the prop Bottomhole pressure data.	ed Pre-Approved Po	ools	•	• •		1.					
I hereby certify that the information	a above is true an	ıd complet	e to tl	ne best of r	ny knowledge ar	ıd belie		,			
SIGNATURE / M. O.	l-	TITI	E_R	egulatory .	Analyst		_DATE_	07/22/2	2011		
TYPE OR PRINT NAME Matt Og				Т	ELEPHONE NO	D. (<u>) (</u>	72)628	-1603	_	
E-MAIL ADDRESS matt.ogder	n@meritenergy.	.com								ı	

State AAC-2 #67 **CURRENT WELLBORE DIAGRAM RAPTOR RESOURCES INC** 9K-22S-36E API#: 30-025-28276-0000 SU-T-R POOL: JALMAT; TAN-YATES-7 RVRS (PRO GAS) 8 5/8" @ 598' LEA, NEW MEXICO | LAND TYPE: STATE CO, ST: w 375 sx Cmt circ STATUS: ACTIVE **ACREAGE** 40.12 LATEST RIG WORKOVER: 1/13/2004 BY SJP DIAGRAM REVISED: LOG ELEVATION: 3,592 KB **GROUND ELEVATION: 3,580'** LINER TUBING CASING 12 1/4" | 7 7/8" Pipe 8 5/8" 5 1/2' 2 3/8 Weight 24# 14# 4.7# K-55 Grade J-55 J-55 Thread STC STC Depth 598' 3,900 3,285' TAN-YATES-7 RVRS ZONE HISTORY 3/89 Recompleted from Queen Perforated 12 holes @ 3598, 3625-99, 3717-38' in 7 Rvrs/Qn Acidized w/600 gal 15% & 24 BS. Frac w/22,000 gal & 44,000# 12/20 sand. Clean out sand & POP. Cmt Circ IP No results 10/90 Set CIBP @ 3,570' Perforated Yates 3122-3297 Acidized w/1400 gals 15% & 28 BS. Frac w/63,500 gal & 165,000# 12/20 sand. Screened out. Cleaned out sand & POP. IP 0 BOPD 17 BWPD 227 MCFD 4/92 Last pulling job to chg out pump **OPPORTUNITY** YATES 3,177 **SELECT PERFS: 14 Holes** None seen. Poss refrac of Yates - ck out frac job & 3122, 40, 41, 66, 73, 3218, 21, 24, results of the recomp. SJP 1/13/04 32, 42, 47, 81, 89, 3297 Upr 7-Rvrs not perfed **QUEEN ZONE HISTORY** 7 RVRS 3,303 9/14/83 Spud. 10/19/83 Initial Completion Pool EUNICE;SEVEN RIVERS-QUEEN, SOUTH CIBP @ 3,570' on10/90 Perforated: 3,772-92', 3795-3823', 3826-34' w/1 SPF. SELECT PERFS: 12 Holes Acidized w/3000 gal 15% NEFE w/90 BS. Flow back. 3598, 3625, 30, 58, 63, 80, 86, IPF 99 BO, 0 BW, 22 MCF, on 24/64" ch w/120# TPF. 92, 99' 10/83 POP 8/85 Dump acid job down csg - tbg annulus - 1000 gal. Retr @ 3,760' on 3/89 Before W/O - 10 BO, 280 BW QUEEN | 3,659' After W/O - 2 BO, 462 BW 12/86 Notice of intent to CIJ filed & approved but no 3772-92, 3795-3823, 3826-34' record of the work being done. Found pulling jobs done in 1987 to repair pump. 3/89 Set ret @ 3,760' & sqz w/100 sx. 5 1/2" @ 3,900' w/950 sx Cmt PBTD 3,890' TD 3,900'

OIL 10090 QUEEN 280PD GAS 7590 YATES ZO HOPD 2500 QUEEN 10 MEFO QUEEN YATES AC 2 067 | AC 2 067 | TAN-YTS-7 RVRS | O 1PDP | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 | JALMAT | NM | NSAI10500589 | MERIT ENERGY COMPANY | S 22.0 E 36.0 SEC 9.0 Oil-bbl/d Gas-mcf/d 09/2011 0.000 19.247 19.339 Act Est Qref Qab "b" 0.329 1.001000 Ďе 10.259743 Dmin 4.000 Yrs 90.416 122415 Rem Cum EUR 411656 534070 1000 **5**5 6--2. 2010 Year 2035 1985 1990 1995 2000 2005 2015 2020 2025 2030

<u>District</u> I 1625 N. French Dr., Hobbs, NM 88240 •<u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

District III

State of New Mexico Energy, Minerals & Natural Resources Department Revised July 16, 2010 OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

_______________Form C-102 Submit one copy to appropriate

District Office

District IV					Santa Fe, I	NM 87505		1	SAME	NDED R	EPORT
1220 S. St. Francis	s Dr., Santa	Fe, NM 8750	5		28 C 3	. 3 17	•				
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1,	API Numbe	7		² Pool Code	•		³ Pool Na	me			
30-025-2827	6		24130)	Eu	ınice 7 Rivers Que	en South				
⁴ Property (Code				⁵ Propert	y Name			5 V	Vell Number	•
		State A A	/C 2						67		
OGRID I	No.				^a Operato	or Name			-	⁹ Elevation	
14591	1	Merit En	ergy Comp	any				,			1
<u> </u>					¹⁰ Surface	e Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from ti		Feet from the	East	t/West line		County
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			¹¹ Bot	tom Hol	e Location	If Different Fro	m Surface				
UL or lot no.	Section	Township	Range	Lot Idn				East	t/West line		County
					•						ŀ
12 Dedicated Acres	3 Joint o	r Infill 14 C	onsolidation (Code 15 Or	der No.			·			
40											
No allowable	will be as	signed to th	nis complet	ion until a	II interests ha	ve been consolidated	d or a non-stand	ard unit h	as been a	approved I	by the
division.											
16					•		17 0	PERATO	OR CERT	FIFICAT	ION

Lest of my involvation and bell of that this organization either ourse a working interest or unlessed micral interest and the land including the proposed bodien hole location or has a right to drill this well at the same and the acts a mineral or warring interest, or to a solutivitary pooling agreement or accomplisary pooling order treatdore estered by the dyland. 17/22/2011 Signature Date Matt Ogden Printed Name matt.ogden@meritenergy.com E-mal Address 18SURVEYOR CERTIFICATION 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 Date of Survey Signature and Seal of Professional Surveyor:
bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a woluntary pooling agregator arcomputsory pooling order heridiscine artered by the division. 07/22/2011 Signature Date Matt Ogden Printed Name matt. ogden@meritenergy.com E-mail Address 18SURVEYOR CERTIFICATION I heraby cartify 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 Date of Survey
a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a scompulsory pooling order heretofore extend by the division.
wolurtary pooling argement or aromalisary pooling order heritofore entered by the division. 07/22/2011 Signature Date Matt Ogden Printed Name matt. ogden@meritenergy.com E-mail Address 18SURVEY OR CERTIFICATION I hereby cartify 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 Date of Survey
by the division O7/22/2011
G7 1395 # G7 1395 # G7 18SURVEYOR CERTIFICATION I hereby cartify 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 Date of Survey
Matt Ogden Printed Name matt.ogden@meritenergy.com E-mail Address 18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of adual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief Date of Survey
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E-mail Address 18 SURVEYOR CERTIFICATION 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 Date of Survey
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Signature and Seal of Professional Surveyor:
'
Certificate Number

District I PO Box 1980, Hobbs. NM 88241-1980

District II PO Drawer DD, Artesia, NM 88211-0719 District III

1000 Rio Brazos Rd. Aztec, NM 87410 District IV

PO Box 2088, Santa Fe. NM 87504-2088

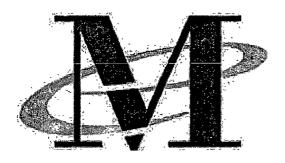
State of New Mexico Energy, Minerals & Natural Resources. Départment

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

Form C-1 instructions on ba Submit to Appropriate District Office State Lease - 4 Cop

MENDED REPOR

ŕ		W	ELL LO	CATIO	ON AND A	CREAGE I	DEDI	CATION PI	L LAT	_ AME	ENDED REPOR			
API Number 2 Pool Code								3 Pool Name						
	30-025- スタスァム 79240 Jalmat								, Tnsl, Yts, 7-Rivers (Pro Gas)					
4 Property	Code				5 Pro		6 Well Number							
24671		·		State 'A' A/C 2										
7 OGRID No.			_		9 Elevation									
16279	<u> </u>	Rap	tor Reso	Resources, Inc,										
				10 Surface Location Lot (dn Feet from the North/South line Feet from the East/West line Co.										
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Merit Energy Company 13727 Noel Road, Suite 500 Dallas, TX 75240

Date:

July 26, 2011

To:

New Mexico Oil Conservation Division

Attention:

William V Jones P.E.

RE.

Jalmat Field: 4 Commingling Applications

Lea County, New Mexico

Merit Energy Company has requested approval to commingle the Queen formation (Langlie Mattix Pool) with the Tansill-Yates-Seven Rivers formation (Jalmat Pool).

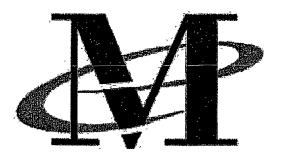
Commingling the Jalmat Pool with the Langlie Mattix Pool in B8, P5, K9 and L11 of T22S R36E in Lea County is in the interest of both royalty owners and the conservation. Commingling will extend the life of each well and optimize recovery from Both Pools. The 4 well's commercial value will be extended 30 years based on estimated reserves from the Queen formation, and will ultimately allow uncommercial Jalmat Pool reserves to be recovered via production from the Queen. The Queen Completions are uneconomic if it is required by the NMOCD to seal off the Jalmat Pool from the Langlie Mattix Pool. Operationally, fluid samples will be collected before and after commingling. Scale inhibitors will be continuously pumped during operations. The fluid level will be maintained below the Jalmat pool both to optimize production and reduce any scaling tendencies.

Please let me know if you have any questions

Sincerely,

Brett Keener
Operations Engineer
brett.keener@meritenergy.com
Phone: 972.628 1592

Phone: 972-628-1592 Fax: 972-682-1892



Merit Energy Company 13727 Noel Road, Suite 500 Dallas, TX 75240

Date:

July 25, 2011

To:

New Mexico Oil Conservation Division

Attention:

William V Jones P.E.

RE.

Jalmat Field: AAC-2 #26, 27,67,75 -Queen Commingling

Lea County, New Mexico

Merit Energy Company has requested approval to commingle the Yates formation (Jalmat Pool) with the Queen formation (Langlie-Mattix).

This well that we are asking to commingle does have "identically owned" (working/royalty/orri) interest from the surface to the base of the queen formation.

Please let me know if you have any questions

Sincerely,

Matt Van Eaton Associate Landman

matt.vaneaton@meritenergy.com

Phone: 972-628-1557 Fax: 972-682-1857