OCD-ARTESIA **UNITED STATES** Form 3160-5 FORM APPROVED OMB NO. 1004-0135 (September 2001) DEPARTMENT OF THE INTERIOR Expires January 31, 2004 **BUREAU OF LAND MANAGEMENT** 5. Lease Serial No. ा ÖRY NOTICES AND REPORTS ON WELLS LC-029435-B 2.37 6. If Indian, Allottee or Tribe Name se this form for proposals to drill or to re-enter an d well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side 1. Type of Well 8. Well Name and No. X Oil Well Gas Well Other J. L. KEEL "B" #53 2. Name of Operator MERIT ENERGY COMPANY 9. API Well No. 3a. Address 3b. Phone No. (include area code) 30-015-28099 13727 NOEL RD., SUITE 500, DALLAS, TEXAS 75240 (972) 628-1610 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) GRAYBURG-JACKSON Q-G-SA 1220' FSL & 1500' FEL 11. County or Parish, State SEC. 06, T-17S, R-31E EDDY COUNTY CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off Well Integrity Alter Casing Fracture Treat Reclamation Subsequent Report Casing Repair New Construction Recomplete Other Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. 13 If the proposal is to deepen directionally or recomplete 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 recompletion 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 final site is ready for final inspection.) 05/13/07: SET 5-1/2" CIBP @ 2850'; MIX & PUMP A 25 SX. CMT. PLUG ON TOP OF CIBP @ 2850'. 05/14/07: TAG TOP OF CMT. PLUG @ 2615'; CIRC. WELL W/ PXA MUD; MIX & FUMP A 30 SX. CMT. PLUG @ 1382'; WOC & TAG TOP OF OMT. PLUG @ 1189'; ISOLATE HOLES IN 5-1/2" CSG.; LOCATE HOLES @ 693'-724'; ATTEMPT TO EST. INJ. RATE INTO CSG. HOLES BUT COULD NOT EST. ENOUGH OF A RATE TO SOZ. CMT.: MIX & PUMP A 68 SX. OMT. PLUG @ 750' PER WESLEY W/ HIM; WOC & TAG TOP OF OMT. PLUG. @ 315'. 05/15/07: MIX & PUMP A 35 SX. OMT. SURF. PLUG @ 315'-3'; DIG OUT & OUT OFF WELLHEAD 3' B.G.L.; WELD STEEL PLATE ON CASINGS & INSTALL DRY HOLE MARKER. WELL PLUGGED AND ABANDONED ON 05/15/07. ACCEPTED FOR RECORD Accepted for record _1 0 2007 I hereby certify that the foregoing is true and correct Name (Printed/Typed) BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE DAVID A. EYLER (432) 687-3033 ACENI

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

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.

05/21/07