Form 3160-5** (September 2001)



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED OMB NO 1004-0135 Expires January 31, 2004

5 Lease Serial No

SUNDRY NOTICES AND REPORTS ON WELLS

NMLC-029395-A

| | proposals to drill or to re-enter an n 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 |
| I Type of Well Oil Well Gas Well X Other | AUG 19 2008 | WIW 8 Well Name and No TURNER "A" #014 |
| 2 Name of Operator MERIT ENERGY COMPANY | OCD-ARTESIA | |
| 3a. Address | 3b Phone No (include area code) | 9 API Well No. 30-015-05239 |
| 13727 NOEL RD., SUITE 500, DALLAS, 4 Location of Well (Footage, Sec., T., R., M., or Survey) | | 10. Field and Pool, or Exploratory Area GRAYBURG-JACKSON |
| 1650' FSL & 660' FWL SEC. 19, T-17S, R-31E | | 11 County or Parish, State |
| | | EDDY NM |
| 12. CHECK APPROPRIATE | BOX(ES) TO INDICATE NATURE OF NOTIC | E, REPORT, OR OTHER DATA |
| TYPE OF SUBMISSION | TYPE OF A | ACTION |
| X Notice of Intent | Acidize Deepen | Production (Start/Resume) Water Shut-Off |
| | Alter Casing Fracture Treat | Reclamation Well Integrity |
| Subsequent Report | Casing Repair New Construction | Recomplete Other |
| Final Abandonment Notice | Change Plans X Plug and Abandon | Temporanily Abandon |
| I mai / toandonnem (Tottee | Convert to Injection Plug Back | Water Disposal |
| q - $\frac{2}{3}$) MIX & PUMP A 25 SX. CMT. PLUG 3) ATTEMPT TO PERF. & SQZ. A 50 S | & PUMP A 25 SX. CMT. PLUG ON TOP OF CIE @ 2,400'; WOC & TAG TOP OF CMT. PLUG NO SX. CMT. PLUG @ 1,280'; WOC & TAG TOP OF | DIOWER THAN 2,280'. FOMT. PLUG NO LOWER THAN 1,160'. |
| | SX. OMT. PLUG @ 580'; WOC & TAG TOP OF (IRFACE IN 4-1/2", 7" & 8-5/8" CASINGS AN | |
| 6) DIG OUT & OUT OFF WELLHEAD 3' | B.G.L.; WEID STEEL PLATE ON CASINGS & 1 | INSTALL DRY HOLE MARKER. |
| 2a. Spot 25 Sx plug to | ion 2992-2862 (Jater | csq shoe) was lay |
| 3. Pert & attempt + | 050 @ 1230-1130. fe | csg shoe) was tag ct both 41/2" £7" was tag y both 41/2 £7" was tag. SFF ATTACHED FOR |
| 4. Pert & attempt to | SUBJECT TO LIKE APPROVAL BY STATE | OFF WILLIAM |
| 14 I hereby certify that the foregoing is true and correct | | CONDITIONS OF APPROVA |
| Name (Printed/Typed) | TOOM TEO TON REO | |
| DAWID A. EYLER | AGENT | APPROVED |
| Dan M. | Data 110,07/39/9918 | |
| | S SPACE FOR FEDERAL OR STATE OFFICE L | JSE AUG 1 6 2008 |
| Approved by | D-District II ART | Date Date |
| Conditions of approval, if any, are attached. Approval of certify that the applicant holds legal or equitable title to which would entitle the applicant to conduct operations to | those rights in the subject lease | JAMES A. AMOS SUPERVISOR-EPS |
| | | |

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within <u>ninety (90)</u> days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

- 6. <u>Dry Hole Marker</u>: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).
- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**
- 8. <u>Trash:</u> All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.