

Submit 3 Copies To Appropriate District Office  
District I  
1625 N French Dr., Hobbs, NM 88240  
District II  
1301 W Grand Ave., 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

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

AUG 17 2009

Form C-102  
June 19, 2008

|  |  |
|--|--|
| WELL API NO.<br>30-015-25993   |  |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input type="checkbox"/>   |  |
| 6. State Oil & Gas Lease No.<br>LC 029426-B  |  |
| 7. Lease Name or Unit Agreement Name<br>H E West B   |  |
| 8. Well Number 035   |  |
| 9. OGRID Number<br>14591   |  |
| 10. Pool name or Wildcat<br>Grayburg-Jackson   |  |
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <u>IND.</u>  |  |
| 2. Name of Operator<br>Merit Energy Company  |  |
| 3. Address of Operator<br>13727 Noel Rd. Suite 500 Dallas, Texas 75240   |  |
| 4. Well Location<br>Unit Letter <u>L</u> : <u>1980</u> feet from the <u>S</u> line and <u>860</u> feet from the <u>W</u> line<br>Section <u>9</u> Township <u>17S</u> Range <u>31E</u> NMPM <u>Eddy</u> County |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)   |  |

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: CONVERT TO IND. ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

POH w/pump & rods. TOOH w/tbg. PU tapered mill & tag @ 3458'. Milled to 3461'. Circulated clean. TOOH w/mill. RU WL. Perforated 4 spf 3216' - 3222'; 3251' - 3252'; 3255' - 3258'; 3341' - 3343'; 3430' - 3431'; 3437' - 3439'; 3509' - 3511'; 3663' - 3665' & 3687' - 3690'. Pump 7000 gals of acid w/14000# of salt. PU 10K hornet pkr. & tested tbg, in hole setting @ 3158'. Run MIT testing to 500 psi (chart attached). Well will begin injection when injection line has been run.

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 08/11/2009

Type or print name Lynne Moon E-mail address: lynne.moon@meritenergy.com PHONE: 972-628-1569

For State Use Only

APPROVED BY: Rebecca Inue TITLE Compliance Officer DATE 9/8/09

