## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

5 Lease Serial No

LC-029435-B

SUNDRY NOTICES AND REPORTS ON WELLS	LC-029435-B
o not use this form for proposals to drill or to re-enter an	6 If Indian, Allottee or Tribe Name
pandoned well. Use Form 3160 - 3 (APD) for such proposals.	N=

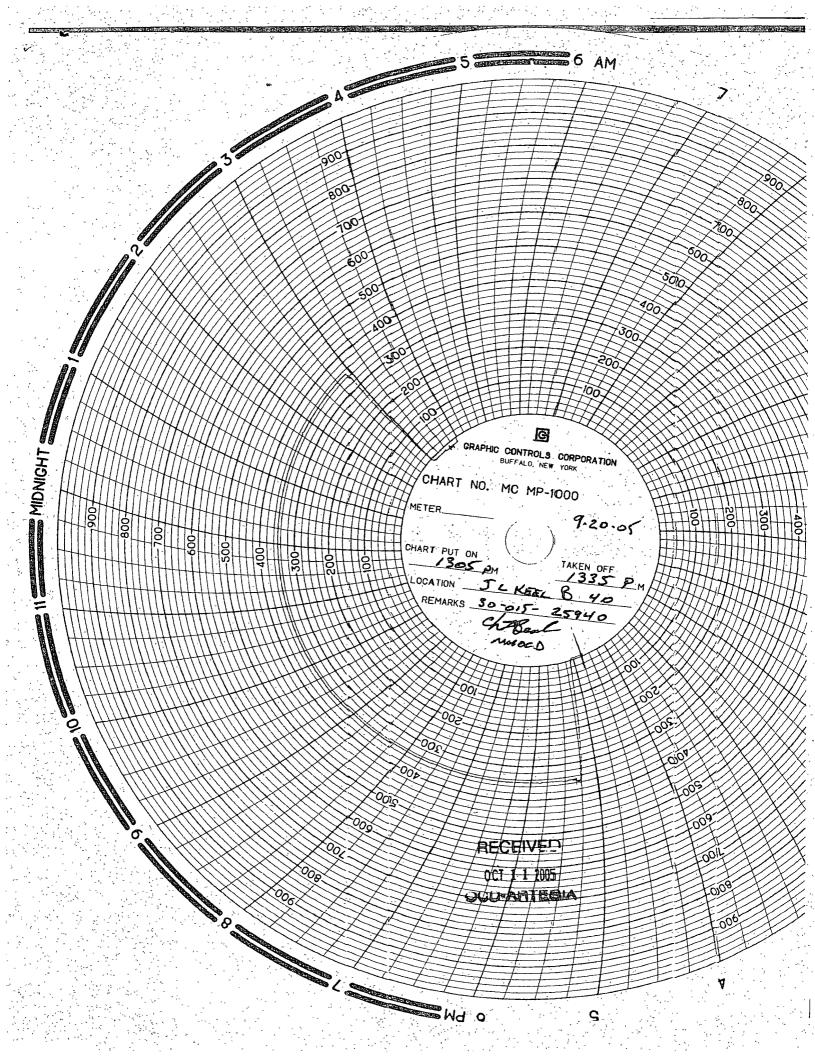
abandoned well. Use Form 3160	U-3 (APD) for such proposals.	RECEIVE			
SUBMIT IN TRIPLICATE- Other	r instructions on reverse side.	7 If Unit or CA/Agreement, Name and/or No			
Type of Well Oil Well Gas Well C	Other	8 Well Name and No NA CO			
Name of Operator Merit Energy Company		8 Well Name and No J. L. Keel B #40  9 API Well No.			
a Address 13727 Noel Rd. Suite 500 Dallas, Texas 75240	3b Phone No. (include area code) 972-628-1569	30-015-25940  10. Field and Pool, or Exploratory Area			
Location of Well (Footage, Sec., T., R., M., or Survey Descr	iption)	Grayburg-Jackson			
1980' FNL & 660' FWL; Sec. 6-T17S-R31E		11 County or Parish, State  Eddy Co., New Mexico			
12. CHECK APPROPRIATE BOX(E	ES) TO INDICATE NATURE OF NOTICE, R	EPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION				
Notice of Intent	Deepen Production (State Production (State Production (State Production Plug and Abandon Plug Back Water Disposal	Well Integrity  ✓ Other Resume Injection			
13 Describe Proposed or Completed Operation (clearly state If the proposal is to deepen directionally or recomplete hor Attach the Bond under which the work will be performed following completion of the involved operations If the op- testing has been completed Final Abandonment Notices determined that the site is ready for final inspection)	rizontally, give subsurface locations and measured and tri- or provide the Bond No. on file with BLM/BIA. Require peration results in a multiple completion or recompletion is shall be filed only after all requirements, including reclam	ne vertical depths of all pertinent markers and zones and subsequent reports shall be filed within 30 days on a new interval, a Form 3160-4 shall be filed once			

MIT attached.

SUBJECT TO LIKE APPROVAL BY STATE See attached conditions

PI-NMOED

	11/17/01	:	<u> </u>		`	·			
14 I hereby certify that the foregoing is Name (Printed/Typed)  Lynne Moon	strue and correct	Title	Regulatory Manager						
Signature Septe N	1000	Date .	10/22/	PRCCE	PTED FOR R	RECORD			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE									
Approved by			Title	Date	OCT 3 0 200	)95 篇			
Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conduct	table title to those rights in the		Office	WI	ESLEY WANGI	RAM			
Title 18 11 S.C. Section 1001 and: Title 43 11 S.	C Section 1212 make it a cri	me for any person k	mowingly and willfully to make						



## J. L. Keel B #40 30-015-25940 Merit Energy Company October 30, 2009 Conditions

- 1. Notice of Intent received in Carlsbad Field Office on 10/23/2009, subsequent report received in Carlsbad Field Office on 10/29/2009. Work done prior to approval Incident of Non-Compliance will be issued.
- 2. Per NMOCD review in 2007 and document dated April 16, 2007, the well was injecting over its pressure limit. This is a repeat of failure in 2004.
- 3. Operator to provide method as to how injection pressure is controlled to prevent future injection over NMOCD established pressure limit.
- 4. If not already in place, operator is to install a pressure gauge on the casing annulus. Pressure to be monitored and documented at least once a week. Data to be available whenever NMOCD or BLM requires readings.
- 5. MIT required in 2010 per 5 year NMOCD requirement.
- 6. NMOCD and BLM to be notified if well is temporarily abandoned more than 30 days.

WWI 103009