

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 811 South First, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO. 30-015-25555
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Burton Flat
8. Well No. 3
9. Pool name or Wildcat E. Avalon - Bone Spring

SUNDRY NOTICES AND REPORTS ON WELLS
 (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.)

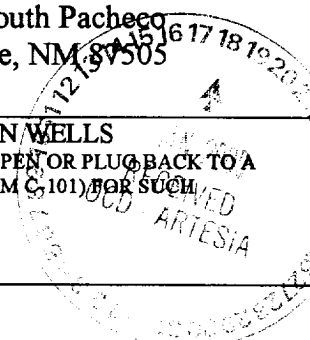
1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 Merit Energy Company

3. Address of Operator
 12222 Merit Drive Suite 1500 Dallas, Texas 75251

4. Well Location
 Unit Letter P : 2970 feet from the South line and 990 feet from the East line
 Section 1 Township 21S Range 27E NMPM County Eddy

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3204' KB



C/SF
 OP

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input checked="" type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>	
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12. 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 recompilation.

01/12/2000 Notified Leslie @ N.M.O.C.D. MIRU. NU BOP. POOH w/production equipment. Set CIBP @ 5508'. Circulated hole w/mud & pressure tested csg. to 500 psi. Held.

01/13/2000 Notified Leslie @ N.M.O.C.D. Pumped 10 sx. Class "C" cmt. 5508' - 5412'. Pumped 55 sx. Class "C" cmt. 2509' - 2085'. Pumped 55 sx. Class "C" cmt. w/2% CaCl2 @ 1499'. WOC & tagged cmt. @ 1155'. Pumped 45 sx. Class "C" cmt. 590' - 482'. ND BOP & pumped 10 sx. Class "C" cmt. 30' to surface.

01/14/2000 Cut off wellhead & installed dryhole marker. Covered pit, cellar and anchors.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Lynne Moon TITLE Regulatory Analyst DATE 01/14/2000
 Type or print name Lynne Moon Telephone No. 972-383-656

APPROVED BY Phil Hawkins TITLE Field Rep. I DATE 3-21-00
 Conditions of approval, if any: