Form 3160-5 (June 1990) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT		FORM APPROVED CS Budget Bureau No. 1004-0135 Expires: March 31, 1993			
		5. Lease Designation and Serial No. NMNM17095			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals		6 If Indian Allester - T'' Al			
SUBMIT IN TRIPLICATE		7. If Unit or CA, Agreement Designation			
1. Type of Well Oil Gas X Well Well Other		8. Well Name and No.			
2. Name of Operator			40		
Merit Energy Company		9. API Well No.			
3. Address and Telephone No. 12222 Merit Drive, Suite 1500, Dallas, TX 75251 (214) 701-8377			30-015-25559		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		10. Field and Pool, or	Explorator	y Area	
SE SE		FENTON, DELAWARE NW			
Sec. 1, T21S, R27E 660' FSL & 660' FEL		11. County or Parish, State			
1					
12. ECK APPROPRIATE BOX(s) TO INI	DICATE NATURE OF NOTICE, REPORT, OR OTHER DAT	Eddy, NM			
TYPE OF SUBMISSION	TYPE OF ACTION	Α			
Notice of Intent	Abandonment	Chan	ge of Plans		
X Subsequent Report	X Recompletion		Constructio		
	Plugging Back	Non-F	Routine Fra	cturing	
Final Abandonment Notice	Casing Repair Aftering Casing		Shut-Off		
	Other		ersion to Inj se Water	ection	
		(Note: Report results of m		etion on Well	
13 Describe Brancowsky Communication		Cama-latina a B	_		
give subsurface locations and measured and true	e all pertinent detail, and give pertinent dates, including estimated date of starting any prertical depths for all markers and zones pertinent to this work.)*	жороsed work. If well is a	firectionally d	rilled,	
	refliced depths for all markers and zones pertinent to this work.)*				
Well was recompleted from the Ava	alon Bone Springs East to the Fenton Delayare		77 20		
See attached daily workover report	NEGE		₽	5 3	
ood attached daily workover report		400C	دىم	£13	
	APR 0	1 1996		< 2 (1}	
		אמו ודשוווון	e	4 €	
	OILCO			tii) (3.)	
14. I hereby certify that the foregoing is true and cor		3T. 2			
Signed XX		an ref	<u> </u>		
- The state of the	Title Regulatory Manager		Date _	2/28/96	
(This space for Federal or State office use)		· AND CONTRACTOR OF THE PROPERTY OF THE PROPER	Company of Comments	no tema transmissioner	

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Title

Date

Approved by

Conditions of approval, if any:

Daily Operations Report

Well:

GOVERNMENT D A/C 2 13

Objective:

RECOMPLETE TO THE DELAWARE

Field:

EAST AVALON

Job Type:

AFE #: 1039

Recomplete

County: State:

EDDY

WI:

100.00% AFE Amount: \$40,000.00

District:

West

NRI:

82.50% Cost To Date: \$23,205.00

Daily Cost \$6,275.00

MIRU WSU. POOH W/PUMP & RODS, NU BOP. POOH W/TBG, TALLYING OUT OF HOLE. RIH W/5 1/2" CASING SCRAPER TO 3200'. POOH W/TBG & SCRAPER, LAID TOOLS DN. MIRU WIRELINE, RIH W/5 1/2" CIBP & GAMMA GUN, LOGGED 250', SET CIBP @ 3200'. RIH W/PERF GUNS & PERFORATED DELAWARE FORMATION. 2 SPF 3081,79,77, 75 73 ,71, 69, 2909, 07, 05, 03, 01, 2899, 97, 95, 93, 91, 83, 81, 79, 77, 75, 73, 71, TOTAL OF 48 HOLES. RIH W/WIRELINE BAILER & PUMPED 20' OF CEMENT ON CIBP, RD WIRELINE & SDON.

Date

1/31/95

Daily Cost

\$2,970.00

OPENED WELL UP HAD LIGHT BLOW, MIRU HYDROTESTERS. RIH W/5 1/2" MODEL R PKR, SN & 2 7/8" TBG TESTING TO 5000# PSI. RD TESTERS. SET PKR ABOVE PERFS 3069 & 3081. RU SWAB UNIT, MADE 3 RUNS. 1ST RUN FLUID LEVEL SURFACE. RECOVERED 24 BBLS W/21 H2O & 3 OIL. WAITED 10 MINUTES, NO ENTRY. WAITED 1 HR, NO ENTRY. RD SWAB UNIT. RELEASED PKR POOH W/TBG & SET PKR @ 2830' ABOVE PERFS(2870'-2900'). RU SWAB UNIT. MADE 3 RUNS. 1ST RUN FLUID LEVEL 1000' FROM SURFACE. SWABBED WELL DRY. RECOVERED 12 BBLS H20 W/LITTLE EMULSION. SDON.

Date

2/1/95

Daily Cost

\$1,350.00

OPENED WELL UP. TBG HAD 20# PSI AND ANNULUS WAS STATIC. RU SWAB & MADE 1 RUN. HAD 300" FLUID ENTRY OVER NIGHT W/TRACE OF OIL. PKR @ 2830' ABOVE PERFS 2871' - 3081'(48 HOLES). RELEASE PKR & RIH W/TBG RESET PKR @ 3020'. SI, LOADED ANNULUS, SDON.

Date

2/2/95

Daily Cost

\$5,385.00

MIRU BJ PREP TP FRAC BTM ZONE 3069-81(14 HOLES). FRAC ZONE W/1000 GAL 15% HCL ACID FOLLOWED BY 1500 GAL PER PAD, 3500 GALS PAD, 1200 GAL SPECTRA FRAC 300 CONTAINING RAMPED SAND(16/30 RC) 1 TO 3#,1800 GALS RAMP 3-6# PMPED @ A RATE OF 8 RPM. 8 BBLS INTO FLUSH HAD SCREEN OUT. WENT FROM 744# TREATING PSI TO 5780#, TBG BURST. HOOKED UP BJ ON CSG, RELEASED PK, STARTED PUMP DN CSG TO REVERSE SAND, PK STUCK, WORKED FREE, POOH W/3 STANDS, PK STUCK, WORKED FREE POOH W/TBG & PKR. PU RTBP & PK, RIH, TAGGED HIGH. POOH W/RTBP & PK, RTBP RUBBERS WERE TORN, RIH W/NOTCHED COLLAR, CIRC OUT SAND TO 3030'. POOH W/TBG & NOTCHED COLLAR. RIH W/RTBP & SET @ 3020', J OFF, POOH TO EOT@ 2830'. PREP TO FRAC SECOND ZONE OF 2871 TO 2901(34 HOLES). PMPED 1500 GAL 15% HCL, FOLLOWED BY 1500 GALS PRE-PAD, 6000 GAL PAD, 1500 GAL SPECTRA FRAC 3000 RAMPED 1 TO 3.2#, 3000 GAL 3.2 TO 5.5 CUT JOB FRAC SHORT. BJ RAN OUT OF SAND. FOR THE LAST PART OF DESIGN TO HOLD 5.5# PER GAL ON FINAL STAGE OF 5.5# IN 520 GALS. WELL WAS SCREENING OUT, PUMP FLUSH TO TOP PERF. ISIP 1257', STARTED FORCE CLOSURE. SI & RD BJ. SDON.

2/3/95

Daily Cost

\$3,105.00

OPENED WELL UP. TBG PSI 500#. FLOWED BACK INTO FRAC TANK. WELL QUIT FLOWING. RIH TAGGED FILL @ 2880'. RU POWER SWIVEL & CIRC SAND OFF RTBP @ 2975'. RELEASED RTBP & POOH W/TBG & RTBP. LAID TOOLS DN. RIH W/TBG & NOTCHED COLLAR, TAGGED SAND FILL @ 3090'. RU POWER SWIVEL & CLEANED OUT TO 3188' CIRC HOLE CLEAN THEN LAID SWIVEL DN. POOH W TBG LAYING DN 80 JTS & RIH W/PROD EQUIPMENT, BULL PLUG, MUD ANCHOR, PERF SUBSEATING NIPPLE, 11 JTS 7/8 TBG. TAC 88 JTS TBG & ND BOP. SET TAC, NU WELL HEAD & SDON.

2/4/95

Daily Cost

\$2,320.00

OPENED WELL UP & RIH W/98 3/4 RODS & CAME OUT LAYING DN. PU PUMP & RIH W/PUMP & REST OF RODS, SPACED PMP OUT. HUNG ON & RD. PUMP -2 1/2 X 1 1/4 X 10' X 11' X 12'. TOP HOLD DN. PONY ON PUMP 1' X 3/4 & 5 K-BARS. 3/4 RODS(52). 7/8 RODS (64). PONY SUB 1-6', 2-4', 3-2'(7/8). POLISH ROD.

2/6/95

Daily Cost

TEST: 109 H20 & 2 MCF

Date

2/7/95 **Daily Cost**

TEST: 54 H2O, NO MCF, NO OIL. NOT PUMPING

Date

2/8/95

Daily Cost

WAITING ON PULLING UNIT.

Date

2/10/95

Daily Cost

\$1,800.00

MIRU WSU. CHANGED OUT PUMP

Laily Operations Report

Well: **GOVERNMENT D A/C 2 13**

Objective: RECOMPLETE TO THE DELAWARE

Recomplete

Job Type:

Field:

EAST AVALON

AFE #: 1039

County:

EDDY

100.00% AFE Amount: \$40,000.00

State:

NM

WI:

District: West NRI:

82.50% Cost To Date: \$23,205.00

Date 2/11/95 Daily Cost TEST: 100 H20 & A TRACE OF OIL. Date 2/12/95 Daily Cost TEST: 100 H20 & A TRACE OF OIL. DROP FROM REPORT