

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC029426B
2. Name of Operator MERIT ENERGY COMPANY		6. If Indian, Allottee or Tribe Name
Contact: BEV HATFIELD E-Mail: beverly.hatfield@meritenergy.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 13727 NOEL RD STE 500 DALLAS, TX 75240	3b. Phone No. (include area code) Ph: 972.628.1630 Ext: 630 Fx: 972.960.1252	8. Well Name and No. H E WEST B 72
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 9 T17S R31E SESE 660FSL 735FEL		9. API Well No. 30-015-28131-00-S1
		10. Field and Pool, or Exploratory GRAYBURG
		11. County or Parish, and State EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input checked="" type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

CONVERT TO INJECTION FOR MERIT'S GRAYBURG JACKSON SEVEN RIVERS WATERFLOOD PILOT PROJECT - ACIDIZE 7 RVRs PERFS.

1) COMPLY W/COMPANY & GOVERNMENTAL SAFETY REGULATIONS

2) RU PU, ND WH, NU BOP. CLEAN OUT WELLBORE TO TD.

3) SELECTIVELY PERF THE INTERVAL 3122-4160' OH.

4) RIH W/BAKER AD-1 PKR ON 2-3/8" TBG & SET @ +/-100' ABOVE TOP PERF.

5) ND BOP, NU INJ WH. TIE INTO INJECTION SYSTEM. PUT WELL ON INJECTION. MONITOR FOR SEVERAL MONTHS. WL TO RUN INJECTION PROFILE SURVEY.

RECEIVED

AUG 24 2004

SUBJECT TO APPROVAL BY NMOC

OOD-ARTESIA

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #34930 verified by the BLM Well Information System For MERIT ENERGY COMPANY, sent to the Carlsbad Committed to AFMSS for processing by ARMANDO LOPEZ on 08/19/2004 (04AL0342SE)	
Name (Printed/Typed) BEV HATFIELD	Title NOTIFICATION CONTACT
Signature (Electronic Submission)	Date 08/19/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By LES BABYAK	Title PETROLEUM ENGINEER	Date 08/20/04
Conditions of approval, if any, are attached: Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **