

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

Form C-103
May 27, 2004

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

WELL API NO. 30-015-05114
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LC029435B
7. Lease Name or Unit Agreement Name J.L. KEEL B
8. Well Number #18
9. OGRID Number 14591
10. Pool name or Wildcat GRAYBURG JACKSON;SR-Q-G-SA

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 --- Water Injection Well ☐

2. Name of Operator
Merit Energy Company

3. Address of Operator
13727 Noel Road, Suite 500, Dallas, Texas, 75240

4. Well Location
Unit Letter D: 660 feet from the NORTH line and 660 feet from the WEST line
Section 8 Township 17S Range 31E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3761' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

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

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.

KEEL B # 18 WATER INJECTION WELL FAILED ITS ANNUAL IMIT ON 5/09/2005, DUE TO A HOLE IN TUBING. REMEDIATION COMMENCED ON 8/17/05.

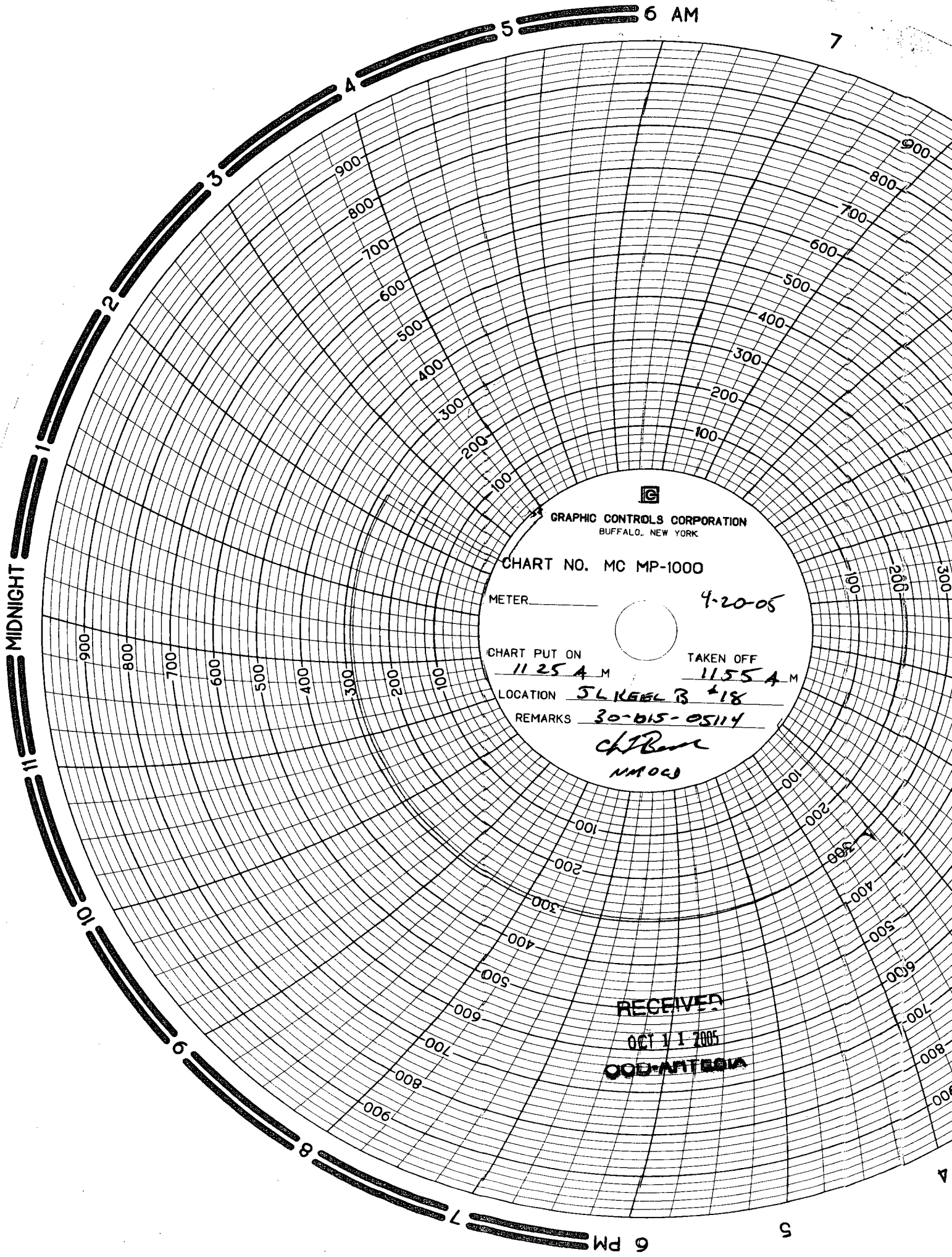
- 8/17/2005: MIRU OPEN WELL TO VAC TRK WELL DID NOT QUIT FLOWING LEFT WELL FLOWING TO BATTERY SION.
- 8/18/2005: CREW SHOWED UP WELL STILL FLOWING WENT AHEAD & RIGGED DOWN.
- 9/09/2005: M.I.R.U. WELL-SERV. #5. SPOT 250 BBL WORKING PIT S.D.
- 9/12/2005: WELL FLOWING @ 40 PSI ND WELL-HEAD. INSTALL BOP RELEASE PKR. LAY DOWN 1 JT. SECURE WELL. SHUT DOWN. NOTE: FOUND HOLE IN TOP JT. A SWARM OF BEES PASSED THROUGH AREA. RIG CREW REFUSED TO RETURN TO WORK.
- 9/13/2005: WELL FLWOING @ 40 PSI TO BATTERY. TOO H W/ 86 JTS 2 3/8 TUBING SN 4 1/2 PKR. TEST IN HOLE @ 7000 PSI BELOW SLIPS W/ PKR, SN, 86 JTS. DISPLACE ANNULUS W/ 55 BBL FW W/ 25 GAL HEAT 9100. SET PKR. ND BOP FLANGE UP WELL-HEAD W/ S K TENSION ON PRK. TEST CSG TO 500 PSI FOR 30 MIN TEST GOOD SECURE WELL SDFN.
- 9/20/2005: PERFORMED MIT TO VERIFY WELL INTEGRITY. SUCCESSFUL CHART INCLUDED WITH THIS DOCUMENT.

Accepted for record - NMOCD

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Larry M. Sanders TITLE Sr. Reg. Analyst DATE 10/5/05
Type or print name LARRY M. SANDERS E-mail address: _____ Telephone No. 972-628-1610
For State Use Only

APPROVED BY: _____ TITLE: _____ DATE: _____
Conditions of Approval (if any): _____



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

CHART NO. MC MP-1000

METER _____ 4-20-05

CHART PUT ON
11 25 A M

TAKEN OFF
11 55 A M

LOCATION 5 L KEELE 3 18

REMARKS 30-015-05114

CHIRBANK
NM 003

RECEIVED

OCT 11 2005

OOD-ARTESIA