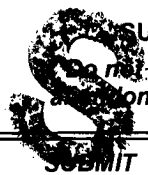


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

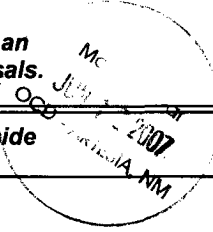
FORM APPROVED
OMB NO. 1004-0135
Expires January 31, 2004



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



5. Lease Serial No.
LC-049998-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
V. L. FOSTER #003

9. API Well No.
30-015-05202

10. Field and Pool, or Exploratory Area
GRAYBURG-JACKSON Q-G-SA

11. County or Parish, State
EDDY COUNTY NM

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
MERIT ENERGY COMPANY

3a. Address
13727 NOEL RD., SUITE 500, DALLAS, TEXAS 75240

3b. Phone No. (include area code)
(972) 628-1610

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**UNIT LETTER H
2310' FNL & 990' FEL
SEC. 17, T-17S, R-31E**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input 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 recomple 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 recompletion 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 final site is ready for final inspection.)

04/30/07: MIX & PUMP A 50 SX. CMT. PLUG @ 2926' PER WESLEY W/ HLM; WOC & TAG TOP OF CMT. PLUG @ 2731'.
05/01/07: CIRC. WELL W/ PXA MUD; PERF. SQZ. HOLES @ 1362'; MIX & SQZ. A 50 SX. CMT. PLUG @ 1362'; WOC.
05/02/07: TAG TOP OF CMT. PLUG @ 1008'; PERF. SQZ. HOLES @ 570'; MIX & SQZ. A 50 SX. CMT. PLUG @ 570'; WOC
05/03/07: TAG TOP OF CMT. PLUG @ 520'; MIX & PUMP A 15 SX. CMT. PLUG @ 520' PER HLM; PERF. SQZ. HOLES @ 250'; MIX & SQZ. A 100 SX. CMT. PLUG @ 250'-3'; DIG OUT & CUT OFF WELLHEAD 3' B.G.L.; WELD STEELPLATE ON CASINGS & INSTALL DRY HOLE MARKER.

WELL PLUGGED AND ABANDONED ON 05/03/07.

Accepted for record
NMOC

ACCEPTED FOR RECORD

JUN 10 2007

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **DAVID A. EYLER (432) 687-2033**

Title **AGENT**

Date **05/21/07**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

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 _____

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.