

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO 1004-0137
Expires March 31, 2007

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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		RECEIVED	7 If Unit or CA/Agreement, Name and/or No
1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		NOV - 9 2009	8 Well Name and No. WEST SHUGART 24G 2
2 Name of Operator MERIT ENERGY COMPANY		NMOCD ARTESIA	FEDERAL
3a Address 13727 NOEL ROAD, STE 500, DALLAS TX 75240	3b Phone No (include area code) 972-628-1569		9 API Well No 30-015-31742
4 Location of Well (Footage, Sec., T, R, M., or Survey Description) 2440 FSL & 1550 FEL CONGRESS SECTION SEC 24-18S-30E			10 Field and Pool, or Exploratory Area SHUGART; BONE SPRING
			11 County or Parish, State EDDY 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	CHANGE OF OPERATOR
	<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 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 final site is ready for final inspection.)

EFFECTIVE JULY 1, 2009 THE OPERATOR OF THIS WELL IS MERIT ENERGY COMPANY.

Be advised that MERIT ENERGY COMPANY is considered to be the operator on the above described lands and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands or portions thereof.

Bond Coverage for this well is provided under BLM Bond No. 103912148

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) LYNNE MOON	Title REGULATORY MANAGER
Signature <i>Lynne Moon</i>	Date 10/12/2009
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved by <i>[Signature]</i>	Title BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE
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.	

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.

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