Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

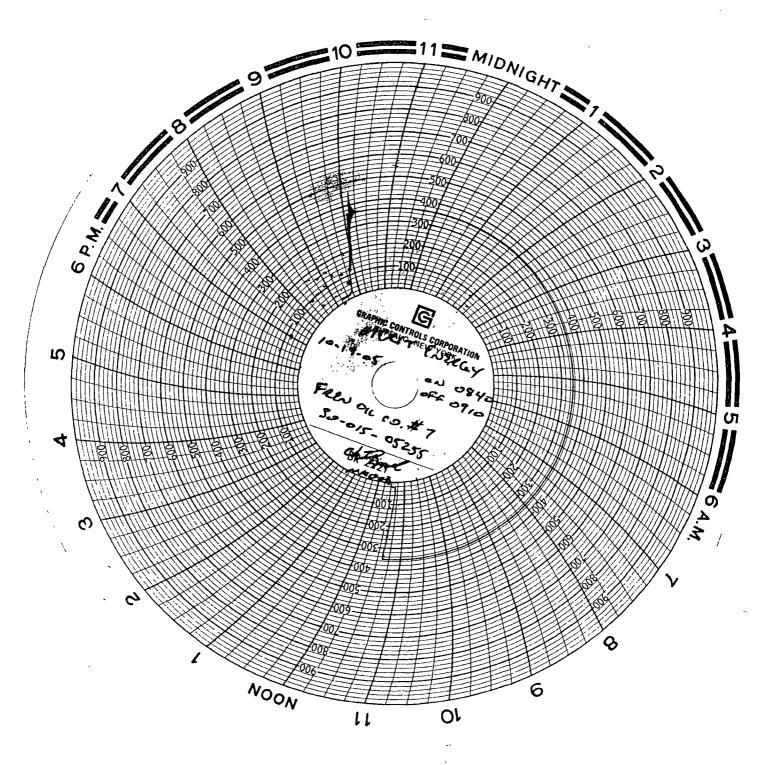
OCD Artesia

FORM AF OM B No Expires M

5 Lease Serial No

SUNDRY NOTICES AND REPORTS ON WELLS	LC-031044 TIVIOUD ARTES
Do not use this form for proposals to drill or to re-enter an	6 If Indian, Allottee or Tribe Name
abandoned well. Use Form 3160 - 3 (APD) for such proposals.	
SUBMIT IN TRIPLICATE- Other instructions on reverse side.	7. If Unit or CA/Agreement, Name and/or No
1/ Type of Well Oil Well □ Gas Well □ Other	
	8 Well Name and No. Fren Oil Company #7
2 Name of Operator Merit Energy Company	9. API Well No.
3a Address 3b Phone No (include area code) 972-628-1569.	30-015-05255 10 Field and Pool, or Exploratory Area
4 Location of Well (Footage, Sec., T., R., M., or Survey Description)	Grayburg-Jackson
990' FSL & 2970' FEL; Sec. 19-T17S-R31E	11 County or Parish, State
	Eddy Co., New Mexico
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, F	REPORT, OR OTHER DATA
TYPE OF SUBMISSION TYPE OF ACTION	
Acidize Deepen Production (St	art/Resume) Water Shut-Off
Notice of Intent Alter Casing Fracture Treat Reclamation	Well Integrity
Subsequent Report Casing Repair New Construction Recomplete	Other Resume Injection
Final Abandonment Notice Convert to Injection Plus Red	
Final Abandonment Notice Convert to Injection Plug Back Water Disposal	
Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required following completion of the involved operations. If the operation results in a multiple completion or recompletion testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including recland determined that the site is ready for final inspection.) Merit Energy Company is returning this shut-in injector back to active service by resuming water MIT attached.	in a new interval, a Form 3160-4 shall be filed once nation, have been completed, and the operator has injection. Copy of most current witnessed
	attached anditions
The same of the sa	Appropriation and the second
	Accepted for record
SUBJECT TO LIKE APPROVAL BY STATE	12/1/09
14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)	
Lynne Moon Title Regulatory Manager	
Signature Lique Moon Date	10/22/2003 ACCEPTED FOR RECORD
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved by Title	Date DEC 5 2009
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 Office	11/4
which would entitle the applicant to conduct operations thereon	WESLEY W. INGRAM

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 of agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Fren Oil Company #7 30-015-05255 Merit Energy Company December 5, 2009 Conditions

- 1. Notice of Intent received in Carlsbad Field Office on 10/23/2009, subsequent report received in Carlsbad Field Office on 10/29/2009. Work done prior to approval Incident of Non-Compliance will be issued.
- 2. Well has been idle since July 2008. The well has previously been injecting at a pressure exceeding the maximum set by NMOCD.
- 3. If not already in place, operator is to install a pressure gauge on the casing annulus. Pressure to be monitored and documented at least once a week. Data to be available whenever NMOCD or BLM requires readings.
- 4. MIT required in 2010 per 5 year NMOCD requirement.
- 5. NMOCD and BLM to be notified if well is temporarily abandoned more than 30 days.

WWI 120509