

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

5. Lease Serial No.
NM 93772 L2029387 B

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

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)
972-628-1603

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980 FNL & 1980 FWL SEC 19-18S-31E

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

8. Well Name and No.
Shugart West 19 Federal #5

9. API Well No.
30-015-33068 30688

10. Field and Pool or Exploratory Area
Shugart; Bone Springs North

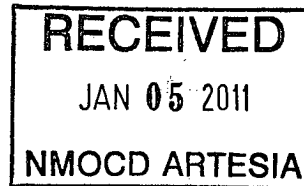
11. Country or Parish, State
Eddy Co., New Mexico

12. CHECK THE 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 add perms
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	perf Bone Springs Dolomite
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	and commingle

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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

- 1) MIRU W/O Rig. ND WH. NU BOP's and test. RU tbg tools. Kill well if needed w/2% KCL. LD Rods and Tbg. RU Gas Buster Tank
- 2) RIH w/ B&S to PBTD. Clean out fill if needed. NU Frac Valve. Prepare location for frac
- 3) MIRU W/L; Set Comp BP @ est 7900 feet; test plug. Perforate Bone Springs Sandstone as prescribed. Dump Bail acid on bottom perf
- 4) MIRU Pumping Services. Treat interval as required. RDMO Frac Crew
- 5) MIRU Flowback Crew; flowback well as prescribed
- 6) MIRU W/O Rig / ND Frac Valve; NU BOPS and test. Kill well if needed / Install Production String / Install wellhead; Put well on pump
- 7) Produce well a minimum of 3 months before commingling with BS Dolomite; Determine Allocations
- 8) MIRU W/O Rig. Kill well if needed. ND WH / NU BOPs and Test / LD Rods and Tbg / NU 4 3/4" Varel Bit / PU DCs and DO BP
- 9) Install Prod String; ND BOPs; Install Wellhead / Put well on Pump / Clean Location



14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Cindy Chavez

Title Regulatory Analyst

Signature

Date 12/21/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

SEAS

Date

1-2-11

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

CFD

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.

DD

Wellbore Diagram

LC-029387B

Lease & Well No. **Shugart West 19 Federal #005**

Field Name **Shugart**

Location **1980' FSL & 1980' FWL, Sec. 19, T18S, R31E**

Status **Active**

County & State **Eddy County, NM**

API No. **30-015-33 1688**

Well Information

Spud: **9/21/99**

Ground Elevation: **3,630'**

D.F. Elevation:

Completed:

KB Elevation: **3,645'**

Total Depth: **8,380'**

Pipe Data

Surface						
Hole size	Depth	Size (OD)	Weight	Grade	Sx. Cmt	Comments
17-1/2"	530.36'	13-3/8"	48.0#	H-40	370 sx	
Intermediate						
Hole size	Depth	Size (OD)	Weight	Grade	Sx. Cmt	Comments
11"	2,805'	8-5/8"	32.0#		850 sx	
Production						
Hole size	Depth	Size (OD)	Weight	Grade	Sx. Cmt	Comments
7 7/8"	8,380'	5-1/2"	15.5 / 17#		300 sx	TOC @ 6630' CBL

Downhole Tubulars (Top to Bttm):						

Procedures

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