N.M. Oil Cons. DIV-Dist. 2

Form 3160-5 (April 2004)

UNITED STATES 1301 W. Grand Avenue DEPARTMENT OF THE INTARTOSIA, NIVI 8821
BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS

	is form for proposals ell. Use Form 3160-3			6. If Indian, Allottee or Tribe Name			
SUBMIT IN TRI	PLICATE- Other ins	tructions on revers	e side.	7. If Unit or CA/Agreement, Name and/or l	No.		
1. Type of Well Oil Well	Gas Well Other			8. Well Name and No.			
2. Name of Operator MERIT ENE	RGY COMPANY			LAST CHANCE FEDERAL 1			
3a. Address		3b. Phone No. (include of	area code)	9. API Well No. 30 015 24450			
POBOX 2517, MIDLAND, TEXAS 79702 RECEIVED				10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description)	• • •		GRAYBURG-JACKSON			
1650' FNL 2310' FEL		FE	B 0 1 2005	11. County or Parish, State			
SEC 17 T17S-R31E		O 01	EDDY				
12. CHECK AI	PPROPRIATE BOX(ES) TO	O INDICATE NATURI	E OF NOTICE, RE	EPORT, OR OTHER DATA			
TYPE OF SUBMISSION		TYP	E OF ACTION				
Notice of Intent	Acidize Deepen Production (Start/Resume) Water Shut-Off Alter Casing Fracture Treat Reclamation Well Integrity						
Subsequent Report	Casing Repair Change Plans	New Construction Plug and Abandon	Recomplete Temporarily Aba	Other			
Final Abandonment Notice	Convert to Injection	Plug Back	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 recomplete 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 site is ready for final inspection.)

SEE ATTACHED PROCEDURE.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)			
TOMMY TAYLOR	Title AGENT		
Signature Journey Jak	Date	01/26/2005	
THIS SPACE FOR FEDERAL	OR STATE O	FFICE USE	
Approved by(OBIG. SGD.) DAWD B. GLASS CONDITIONS of approval, if any, are attached. Approval of this page does not warrantee the state of the sta	Title	Date	JAN 2 8 2005
Conditions of approval, if any, are attached. Approval of this poice does not warrancertify that the applicant holds legal or equitable title to those lights in the subject lewhich would entitle the applicant to conduct operations diereon.			
Title 19 H.C. Section 1001 and Title 62 H.S.C. Section 1212 make it a seine Sun		L 77 C 11	Cab - TI is a

States any false, fictitious or fraudulent statements or representations as to anymatter within its jurisdiction.

PROPOSED PLUGGING PROCEDURE FOR MERIT ENERGY COMPANY

WELL:

LAST CHANCE FEDERAL #1

FIELD:

GRAYBURG-JACKSON

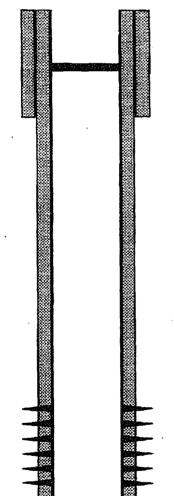
COUNTY:

EDDY

- 1. MIRU, SPOT EQUIPMENT.
- 2. REMOVE TREE, SET BOP.
- 3. R/U POWER SWIVEL. *
- 4. RIH W/ DRILL COLLARS, BIT, AND TBG TO 300'. *
- 5. DRILL OUT CIBP. *
- 6. PUSH CIBP TO TOP OF PERFORATIOINS. *
- 7. POOH W/TBG, DRILL COLLARS, & BIT. *
- 8. RIH W/ 5-1/2" CIBP AND SET @ 2800'.
- 9. RELEASE SETTING TOOL FROM CIBP.
- 10. SET 10 SX CMT PN CIBP FROM 2715' 2800'.
- 11. CIRCULATE WELL W/ 70 BBLS OF 9.5 PPG MUD LADEN FLUIDS.
- 12. PPPH W/ TBG AND LAY DOWN SETTING TOOL.
- 13. RIH W/TBG TO 546', (TOP OF SALT PER JOHN SIMONTZ).
- 14. SET 35 SX CMT PLUG FROM 250'-546'.
- 15. PULL TBG UP OUT OF CMT, REVERSE OUT, WOC.
- 16. LOWER TBG TO TOC, TAG AND RECORD.
- 17. POOH W/TBG.
- 18. SET 10 SX CMT PLUG FROM SURFACE TO 60'.
- 19. POOH W/ TBG.
- 20. CUT AND REMOVE WELLHEAD.
- 21. INSTALL DRYHOLE MARKER.
- 22. RDMO LOCATION.

DEVON ENERGY CORPORATION WELLBORE SCHEMATIC

WELL NAME: LAST CHANCE FEDERAL #1			FIELD: GRAYBURG-JACKSON				
LOCATION: 1650' FNL & 2310' FEL, SEC 17-T17S-R31E			COUNTY: EDDY COUNTY			STATE: NM	
ELEVATION: GL=3732'; KB=UNK			SPUD DATE: 04/05/83		COMP DATE: 07/08/83		
API #: 30-015-24450 PREPARED BY: C.H. CARL			ETON		DATE: 03/08/00		
	DEPTH	SIZE	WEIGHT	GRADE	THREAD	HOLE SIZE	
CASING:	0' - 574'	8 5/8"	23#			12 1/4"	
CASING:	0' - 3612'	5 1/2"	17#			7 7/8"	
CASING:							
TUBING:		T					
TUBING:							



CURRENT

PROPOSED

OPERATOR: DEVON ENERGY CORPORATION(NEVADA)

CIBP @ 300'

8 5/8" CASING @ 574" W/400 SXS. TOC @ SURFACE.

DETAIL OF PERFORATIONS

QUEEN: 2806'-2814'

GRAYBURG: 2840'-2844', 2848'-2850', 2856'-2858', 2862'-2866'

PREMIER: 3126'-3140', 3148'-3160'

VACUUM: 3206'-3212', 3238'-3242', 3256'-3262', 3272'-3276'

LOVINGTON: 3294'-3300', 3328'-3340', 3350'-3356'

M.JACKSON: 3446'-3456', 3583'-3600'

PERFORATIONS: 2806'- 3600' (OA) - 113 HOLES

5 1/2" CASING @ 3612' W/1000 SXS. TOC @ SURFACE.

TD @ 3612