OCD-ARTESIA

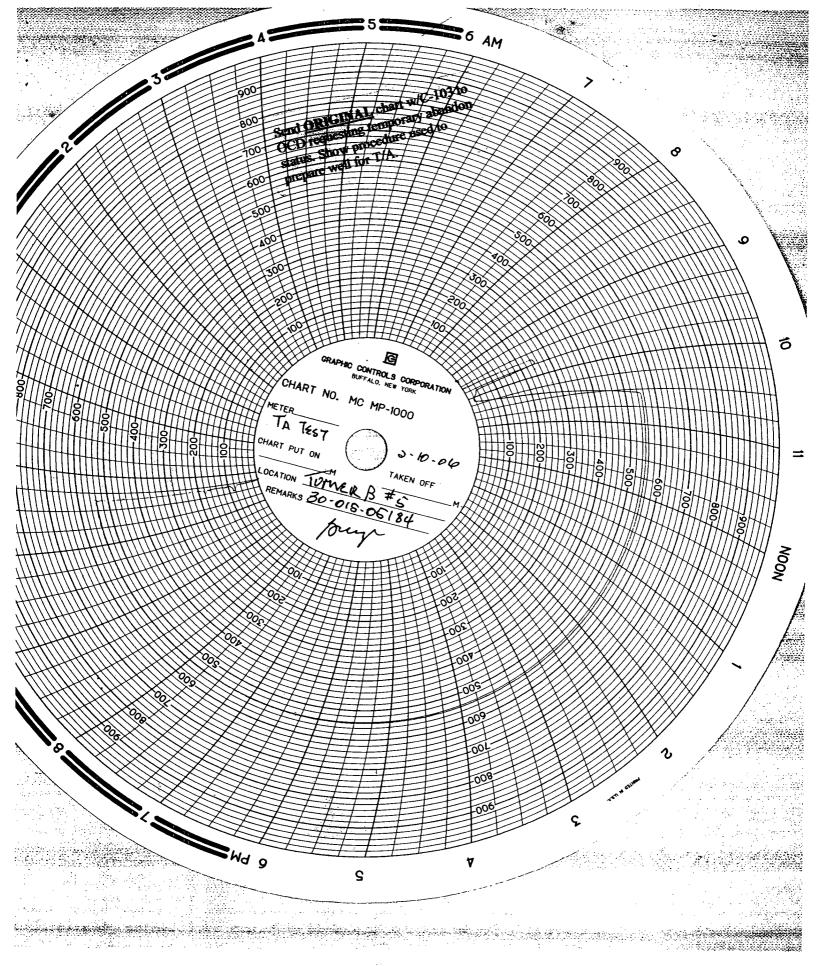
Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

	BUREAU OF LAND MANAGEN	5. Lease Serial No.		
SUNDRY	NOTICES AND REPORT	LC-029395-B		
Do not use t	this form for proposals to dri vell. Use Form 3160-3 (APD)	II or to re-enter an	6. If Indian, Allottee or Tribe Name	
	RIPLICATE- Other instruction	ons 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.	
2. Name of Operator Merit Energ	my Company		Turner B Well No. 5	
3a Address		Phone No. (include area code)	9. API Well No. 30-015-05184	
13727 Noel Road, Suite 500, I	10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec.	, T., R., M., or Survey Description)		Grayburg-Jackson 11. County or Parish, State	
1980' FSL & 660' FWL, Sec.	17, T-17-S, R-31-E, Unit L.	Eddy County, New Mexico		
12. CHECK A	APPROPRIATE BOX(ES) TO INDIC	CATE NATURE OF NOTICE,	REPORT, OR OTHER DATA	
TYPE OF SUBMISSION		TYPE OF ACTION		
Notice of Intent ✓ Subsequent Report ☐ Final Abandonment Notice	Alter Casing Fra Casing Repair Ne Change Plans Plu	epen Production (S acture Treat Reclamation are Construction Recomplete ag and Abandon Temporarily A ag Back Water Disposa	Well Integrity Other	
RU Stone to displace pact Stone. TOOH w/2-3/8 IP 12/23/2005 - Open well. R with 10' of cement. RD V plugged w/needel valve.	ker fluid. Could not curculate, reversi C, 2-2/38 SN, pkr. Secure Well. SDF RU Jarrell Services. RIH w/FRIB to 33 Vireleine. Take off BOP. Remove lack RD BWS, Move off. Will test for MIT	e or conv. work pkr to relax packing. N. 342', pull collar strip for corleation ting the head. secure well w/4-1/2 to 12/26/2005.	OP w/enviro pot, release Johnson 110-S pkr. ng elements. Well contuied to pressure up. RD n.RIH w/4-12" CIBP and set at 3300'. Cap plug n.RIH w/4-12" LP, Swage w/200# ball valvve, bull MOCD Field Inspector. Original chart to	
BLM- Request Tempora			•	
NMOCD - Request Temp	orarily Abandon status for a period n	of to exceed five years. OCU-AFTESIA	APPROVED	
14. Thereby certify that the fore	egoing is true and correct		MAR - 7 2006	
Name (Printed/Typed) Larry M. Sande	ers	Title Sr. Regulatory Analy		
Signature Signature	m Parelin		GARY GOURLEY PETROLEUM ENGINEER	
- Charles	THIS SPACE FOR FEDE	RAL OR STATE OFFICE	USE	
			USE	
	attached. Approval of this notice does not I or equitable title to those rights in the sub o conduct operations thereon.		Date of Frederick Printers	
Title 18 U.S.C. Section 1001 and Title States any false, fictitious or fraudule.	e 43 U.S.C. Section 1212, make it a crime f lent statements or representations as to any	or any person knowingly and willfully matter within its jurisdiction.	make to any department or agency of the United	
(Instructions on page 2)		ADDDOVED E	OP 6 MONTH PERIOD	

APPROVED FOR <u>6</u> MONTH PERIOR <u>9-30-06</u>



Production Summary of api:3001505184 pool:GRAYBURG JACKSON;SR-Q-G-SA

producing year	Oil	Gas	Water	Co2
1992**	158803	54333	1149	0
1994	0	0	0	0
2002	0	0	0	0
2003	0	0	0	0
2004	0	0	0	0
2005	0	0	0	0
summary	158803	54333	1149	0

^{**}represents cumulative production data from pre-ONGARD database until December 1992.

• this well and pool combination has other production data, click here to see the report.

BUREAU OF LAND MANAGEMENT Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201 505-627-0272

Temporary Abandonment of Wells on Federal Lands Conditions of Approval

A temporary abandoned well is defined as a completion that is not capable of production in paying quantities but may have value as a service well. Pursuant to 43 CFR 3162.3-4(c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful casing integrity test as follows:

- 1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
- 2. A description of the temporary abandonment procedure.
- A. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
- B. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
- C. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
- D. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
- E. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Chaves and Roosevelt County, call (505) 234-5972; Lea county (505) 393-3612.

Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment (TA) status for a 12 month period provided by the operator.

- 1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval.
- 2. Attaches a clear copy of the original pressure test chart.
- 3. Provided justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.
- 4. Describes the temporary abandonment procedure.

The TA status could be extended without another casing integrity test provided there was no leak-off during the test and the test was witnesses by a BLM representative.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

- 1. A procedure to repair the casing so that a TA approval can be granted.
- 2. A procedure to plug and abandon the well.

Ref: IM: NM-95-022 (12/16/1994)