

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

**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.**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Lease Serial No. LC-031844
2. Name of Operator Merit Energy Company		6. If Indian, Allottee or Tribe Name
3a. Address 13727 Noel Road, Suite 500, Dallas, Texas 75240	3b. Phone No. (include area code) 972-628-1610	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) O, 660' FSL & 1980' FEL, Sec. 19, T-17-S, R-31-E		8. Well Name and No. Fren Oil Company Well No. 1
		9. API Well No. 30-015-05249
		10. Field and Pool, or Exploratory Area Grayburg-Jackson
		11. County or Parish, State Eddy County, New Mexico

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 site is ready for final inspection.)

07/24/2006 - MIRU & bled well down. SDFN.

07/25/2006 - ND WH. NU BOP, Pulled tubing. TIH w/tbg. & CIBP. POOH w/CIBP. TIH w/perforated sub & bull plug. Worked through salt plug. POOH. TIH w/notched collar. Stacked out & pump fresh water. Cleared casing. Continue to TIH to 1800'. Spot 25 sxs cement plug. POOH - CWI - Pressured up. SDFN.

0726/2006 - Open well - had water flow. Bled well down, TIH & tagged cement plug at 1700'. Mud up, POOH to 1275', spot 25 sxs cmt. POOH & WOC. TIH & tagged @ 1215'. Spot 25 sxs cmt on top of plug. POOH to 565', spot 25 sxs cmt on top of plug. Pressured up - CWI - SDFN.

07/27/2006 - TIH & tagged @ 90'. Dug out casing & found cement to surface. Spot cement from 90' to 3'. ND BOP, cut off wellhead, welded dry hold marker, RD, removed anchors, cleaned location. Well complete. Ready for inspection

Approved as to plugging of the well bore  
Liability under bond is retained until  
surface restoration is completed.

Accepted for record - NMOCD

APPROVED

AUG - 1 2006

GARY GOURLEY  
PETROLEUM ENGINEER

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

Larry M. Sanders

Title Sr. Regulatory Analyst

Signature

*Larry M. Sanders*

Date

07/28/2006

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

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

Date

Office

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.

(Instructions on page 2)