## Form 3160-5 FORM APPROVED UNITED STATES DEPARTMENT OF THE INTERIOR 6 17 18 OCD-ART 181A OM B No. 1004-0137 Expires: March 31, 2007 (April 2004) BUREAU OF LAND MANAGEMEN 5. Lease Serial No. LC-029395-B SUNDRY NOTICES AND REPORTS ON WELI If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for sugh SUBMIT IN TRIPLICATE- Other instructions on reverse side 7. If Unit or CA/Agreement, Name and/or No. 1. Type of Well Gas Well Other 8. Well Name and No. Turner "B" Well No. 95 2. Name of Operator Merit Energy Company 9. API Well No. 30-105-26612 3a Address 3b. Phone No. (include area code) 972-628-1610 13727 Noel Road, Suite 500, Dallas, Texas 75240 10. Field and Pool, or Exploratory Area Grayburg-Jackson 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 2610' FSL & 1000' FWL, Sec. 20, T-17-S, R-31-E **Eddy County, New Mexico** 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Well Integrity Alter Casing Reclamation Fracture Treat Other Set CIBP & return Casing Repair New Construction Recomplete ✓ Subsequent Report Change Plans Plug and Abandon Temporarily Abandon well to production 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.) 07/31/2006 - MIRU Well Service No. 5. TOOH w/tbg & rods. NDWH, release tbg anchor. NU BOP w/enviro pot. Finish TOOH w/tbg & rods. Secure well, SDFN. 08/01/2006 - Open well. Finish stripping out rods & pump. RU BWWC, RIH W/GRJB to 2750, Set CIBP @ 2680', capped with 15 foot of cement. Secure well. SDFN. 08/02/2006 - Open well. TIH w/1 jt 2-7/8 w/notched collar, SN, 12 jts, TAC, 51 jts. Take off BOP, set anchor, w/12K tension. NUWH. TIHw/1-1/4 X 12' GA, 2-1/2 X 2 X 16 pump, 6 1-1/4 K bars, 44-7/8, 27-1", 8', production rods 32" off bottom. Hang rods on unit & test to 600. RDMO. Return well to production. CIBP @ 2680 capped w/15' cement. ACCEPTED FOR RECORD All rods are new KD. All tubing is new 2-7/8 J-55. Job complete. AUG 1 4 2005 14. I hereby certify that the foregoing is true and correct GARY GOURLEY Name (Printed/Typed) PETROLEUM ENGINEER Larry M. Sanders Title Sr. Regulatory Analyst 08/07/2006 Signature Date THIS SPACE FOR FEDERAL OR STATE OFFICE USE Date Title 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 Office which would entitle the applicant to conduct operations thereon.

(Instructions on page 2)

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.