

May 27, 2004

Office

District I

1625 N French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505WELL API NO.
30—15-05239

5. Indicate Type of Lease

STATE ☐ FEE ☐6. State Oil & Gas Lease No.
BLM LC-029395-B

7. Lease Name or Unit Agreement Name

Turner "A"

8. Well Number 067

9. OGRID Number 14591

10. Pool name or Wildcat
Grayburg-Jackson

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☐ Other Injector

2. Name of Operator

Merit Energy Company

3. Address of Operator

13727 Noel Road, Suite 500 Dallas, Texas 75240

4. Well Location

Unit Letter _____: 1650 _____ feet from the _____ north _____ line and 660 _____ feet from the _____ west _____ line

Section 19 Township 17-S Range 31-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Possible casing leak

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

This well has been shut-in since 4/3/2007 due to pressure on the casing. Repair date is 7/7/2007.

Merit Energy Company requests an additional 180 days to repair this well. Due to rig availability it will be necessary to delay the repair of the possible casing leak.

ACCEPTED FOR RECORD

JUL 9 2007

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIAI hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.SIGNATURE Gary M. Sanders TITLE Sr. Regulatory Analyst DATE 06/28/2007

Type or print name

E-mail address:

Telephone No. (972) 628-1610

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):