

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OCD Artesia
AUG 24 2009

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

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.

5. Lease Serial No
NM14777

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Merit Energy Company

3a. Address
13727 Noel Road, Suite 500, Dallas, TX 75240

3b. Phone No. (include area code)
972-628-1462

7. If Unit of CA/Agreement, Name and/or No

8. Well Name and No
Mayer Fed Com 1

9. API Well No.
30-015-24041

10. Field and Pool or Exploratory Area
Owen Mesa Atoka

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980° FSL & 660° FEL
Sec 26 T24S R29E

11. Country or Parish, State
Eddy, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input 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 recompleate 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

- Objective
- Abandon Atoka, Perforate Wolfcamp, and ACDZ
- Procedure
1. MI pump truck and load backside with 4% KCl. Pressure test the backside to 500# to check the integrity of the casing.
 2. MIRU coil tubing unit and pump a balanced plug over the Atoka. Tag with coil tubing to verify TOC.
 3. Pull up and circulate 4% KCL with clay stabilizer and pressure test the plug to 1000# at surface for 30 minutes.
 4. MIRU WL with 10,000# lubricator and flowback crew with separator heater and flare stack. RIH w/ 1 11/16" gun tie into Welx Micro-Seismogram Log-Cased Hole log dated 7/1/1982 and perforate 11,499' - 503', 11,517' - 11', 11,524' - 529', 11,592' - 94', 11,603' - 609', 11,618' - 25', 11,635' - 41', 11,753' - 57', 11,795' - 809'(Wolfcamp); 2 SPF, 0" phasing in 8 runs.
 5. POOH and verify that all shots were fired. Monitor flowback.
 6. RU acid and N2 trucks and pump a nitrified acid job with BS per the recommendation. Pmax = 7000#, Qmax = 5 to 6 bpm, Nitrogen rate = 1500 scf/min. Hold 500# on the backside throughout the acid job.
 7. Shut well in and record the 5, 10, 15 pressure measurements.
 8. Open well and let flow back to frac tanks. Once well has cleaned up, RD flowback hands, and turn over to sales.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

Title Operations Engineer

Signature

Date 08/06/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

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 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)

APPROVED

AUG 19 2009

Date

**WESLEY W. INGRAM
PETROLEUM ENGINEER**

**Mayer Fed Com 1
30-015-24041
Merit Energy Company
August 19, 2009
Conditions of Approval**

- 1. BLM Petroleum Engineering Technician and Petroleum Engineer to be onsite during plugging operation. Call 575-361-2822 a minimum of 24 hours prior to start of work.**
- 2. Surface disturbance beyond the existing pad must have prior approval.**
- 3. Closed loop system required if needed for procedure.**
- 4. H2S has been detected in this section.**
- 5. Operator has proposed to pump the minimum 25 sack plug in stages to minimize the amount of cement in the coil tubing at any one time. Minimum stage should be 12-15 sacks to provide adequate cement to seal across perforations as that should provide 120-150' of coverage with no flow into the perforations. The staging may result in contaminated cement within the plug. Approved with condition that an additional cement plug or additional pressure test may be required on top of this plug at final abandonment to ensure proper isolation of Atoka formation.**
- 6. Plug over Atoka to be tagged at 12546' or shallower.**
- 7. Subsequent sundry and completion report required.**

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