

Form 3160-3  
(July 1989)  
(formerly 9-331C)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
OCT 15 1992

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK  
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

2. TYPE OF WELL  
OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

3. NAME OF OPERATOR  
Merit Energy Company

4. ADDRESS OF OPERATOR  
12221 Merit Dr., Ste. 500 Dallas, TX 72251

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
At surface 660' FNL & 660' FWL  
At proposed prod. zone Same

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE  
17 miles NE of Roswell, NM

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any) 660'

8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2970'

9. NO. OF ACRES IN LEASE 1872.48

10. NO. OF ACRES ASSIGNED TO THIS WELL 160

11. PROPOSED DEPTH 4800'

12. ROTARY OR CABLE TOOLS Rotary

13. ELEVATIONS (Show whether DF, RT, GR, etc.) 3651.5 GL

14. APPROX. DATE WORK WILL START October 15, 1992

15. LEASE DESIGNATION AND SERIAL NO.  
NM-0559993

16. IF INDIAN, ALLOTTEE OR TRIBE NAME

17. UNIT AGREEMENT NAME

18. FARM OR LEASE NAME  
MM Federal

19. WELL NO.  
12

20. FIELD AND POOL, OR WILDCAT  
South Pecos Slope Abo

21. SEC., T., R., M., OR BLM, AND SURVEY OR AREA  
Sec. 31-T9S-R26E

22. COUNTY OR PARISH  
Chaves

23. STATE  
New Mexico

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	J-55	LTC	900'	Circ. 500 sx
7 7/8"	4 1/2"	10.5#	J-55	LTC	4800'	300 sx "C"

MUD PROGRAM: 0' - 900': Fresh water spud mud. No. WL control.  
900' - 4800': Cut Brine, 8.9-9.5#/gal, Vis. 28-30, WL 20cc or less, oil if required

BOP PROGRAM: A 10" 3000 psi wp Schaffer Type E double hydraulic BOP will be installed on the 8 5/8" casing. Casing and BOP will be tested before drilling out with 7 7/8". The BOP will be used as a 2000 psi wp system and will be tested daily.

Gas is partially dedicated.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. Agent for: Merit Energy Company  
SIGNED: [Signature] TITLE: [Signature] DATE: Sept. 25, 1992

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE  
APPROVED BY: [Signature] TITLE: Asst Area Manager DATE: 10/14/92

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL OF THIS APPLICATION 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.

PLEASE BE ADVISED THAT THERE WILL BE NO EXCAVATION OF FEDERALLY OWNED MINERAL MATERIAL FOR CONSTRUCTION OF THE ACCESS ROAD OR PAD WITHOUT PAYMENT IN ADVANCE.

See Instructions On Reverse Side  
ENTIRETY OF THE APPLICANT TO MAKE TO ANY DEPARTMENT OR AGENCY OF THE