

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

**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 checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM052
2. Name of Operator MERIT ENERGY COMPANY		6. If Indian, Allottee or Tribe Name
Contact: BEVERLY HATFIELD E-Mail: beverly.hatfield@meritenergy.com		7. If Unit or CA/Agreement, Name and/or No. NMNM70989C
3a. Address 13727 NOEL ROAD #500 DALLAS, TX 75240-7312	3b. Phone No. (include area code) Ph: 972.628.1630 Ext: 630 Fx: 972.960.1252	8. Well Name and No. MRU 02
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 35 T19S R34E NWSE 1980FSL 1980FEL <i>Unit J</i>		9. API Well No. 30-025-20565-00-S1
		10. Field and Pool, or Exploratory PEARL
		11. County or Parish, and State LEA COUNTY, NM

12. CHECK 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 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 checked="" 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.)

PRODUCING IN PEARL FIELD, PLAN TO PB TO 7RIVERS.

1) COMPLY W/ALL SAFETY & ENVIRONMENTAL REGS.

2) MIRU WSU, ND WH, NU BOP. TOH W/RODS, PMP & TBG.

3) MIRU ELINE UNIT. SET 5-1/2" CIBP @ +/- 4500'. DMP CMT ON TOP OF CIBP.

4) MU 3-3/8 2 JSPF CSG GUNS & RIH, PERF 7RIVERS "C" FORMATION: 3984'-4000' (32 HOLES), 4010'-4040' (60 HOLES).

5) RIH W/WS & TREATING PKR. SET PKR, PRESS TST.

6) FRAC. RUN TBG/RODS/PMP, PUT ON PROD.

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #32690 verified by the BLM Well Information System For MERIT ENERGY COMPANY, sent to the Hobbs Committed to AFMSS for processing by ARMANDO LOPEZ on 07/08/2004 (04AL0121SE)</b>	
Name (Printed/Typed) BEVERLY HATFIELD	Title AUTHORIZED SIGNATURE
Signature (Electronic Submission)	Date 07/06/2004

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

Approved By GARY GOURLEY	Title PETROLEUM ENGINEER	Date 07/08/2004
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.		Office Hobbs

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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

*KZ*