

October 13, 2009

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 87505

WELL API NO.

30-025-08841

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
State A A/C 2

8. Well Number 54

9. OGRID Number
1459110. Pool name or Wildcat
Jalmat Tan Yates 7 Rivers/Eunice 7 Rivers Queer

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 ☐2. Name of Operator
Merit Energy Company3. Address of Operator 13727 Noel Rd. Ste. 500
Dallas, TX 75240

4. Well Location

Unit Letter O : 660 feet from the South line and 1980 feet from the East line
Section 08 Township 22S Range 36E NMPM County Lea11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3602' GR

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 ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

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

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Spud Date:

Rig Release Date:

04/30/2011

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

TITLE Regulatory Analyst

DATE 06/23/2011

Type or print name Matt Ogden

E-mail address: matt.ogden@meritenergy.com

PHONE: (972)628-1603

For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

PETROLEUM ENGINEER

JUN 28 2011