

District I - (575) 393-6161

1625 N. French Dr., Hobbs, NM 88240

District II - (575) 748-1283

811 S. First St., Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Rd., Aztec, NM 87410

District IV - (505) 476-3460

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

HOBBS OGD

MAY 18 2012

RECEIVED

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.	30-025-09295 /
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	State A A/C 1 /
8. Well Number	81 /
9. OGRID Number	14591 /
10. Pool name or Wildcat	JalmatTanYates7-Rivers/Langlie Mattix 7Rvrs Q
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	

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 Company /

3. Address of Operator
13727 Noel Road, Ste. 500
Dallas, TX 75240

4. Well Location
Unit Letter C : 660 feet from the North line and 1980 feet from the West line
Section 10 Township 22S Range 36E NMPM County Lea

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 ☒

OTHER: ☐

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

Plan to drill out CIBP and commingle well. DHC #4427.

Spud Date:

Rig Release Date:

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

SIGNATURE Matt Ogden TITLE Regulatory Analyst DATE 05/14/2012

Type or print name Matt Ogden E-mail address: matt.ogden@meritenergy.com PHONE: (972)628-1603

For State Use Only

APPROVED BY [Signature] TITLE STATE MAR DATE 5-21-2012

Conditions of Approval (if any):

MAY 21 2012

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised July 16, 2010
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-09295	² Pool Code 24130	³ Pool Name Eunice 7 Rivers Queen South
⁴ Property Code State A A/C 1	⁵ Property Name Merit Energy Company	⁶ Well Number 81
⁷ OGRID No. 14591	⁸ Operator Name Merit Energy Company	⁹ Elevation

¹⁰ Surface Location

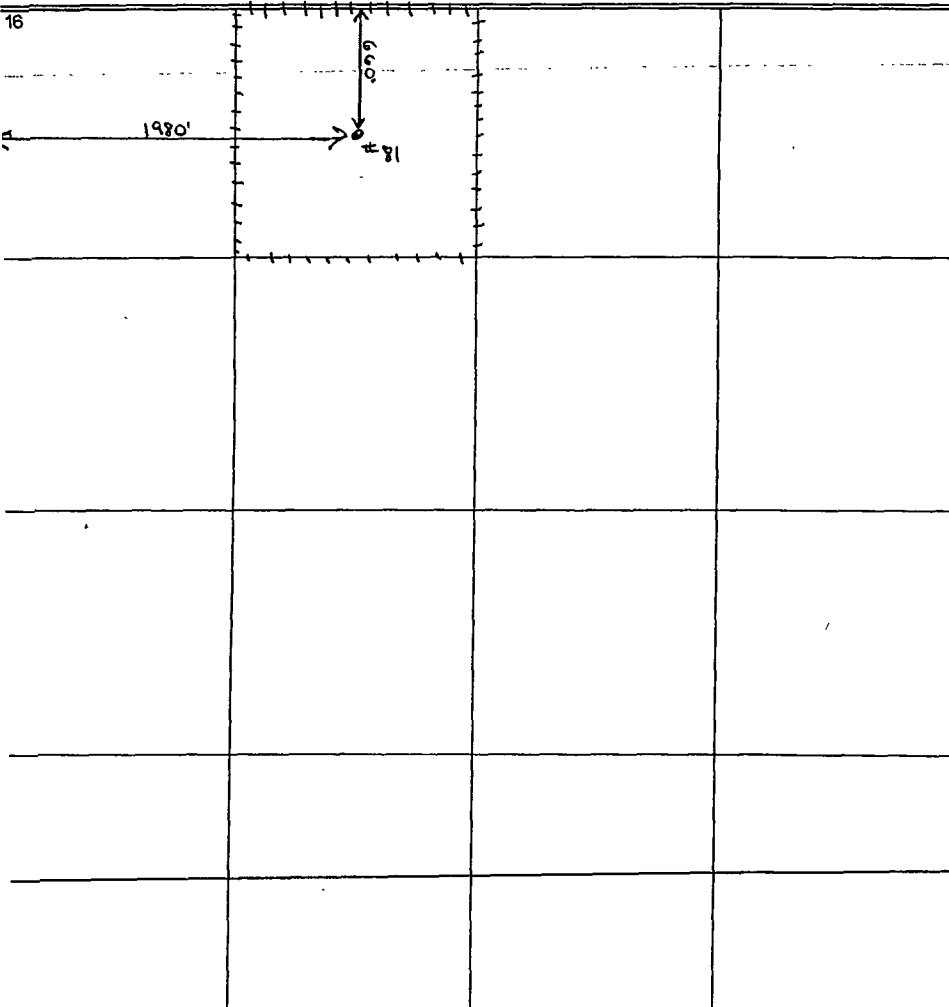
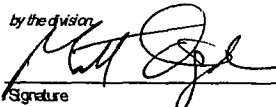
UL or lot no. C	Section 10	Township 23S	Range 36E	Lot 1 dn	Feet from the 660	North/South line North	Feet from the 1980	East/West line West	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. C	Section 10	Township 23S	Range 36E	Lot 1 dn	Feet from the 660	North/South line North	Feet from the 1980	East/West line West	County Lea
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¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p> 07/07/2011</p> <p>Signature Date</p> <p>Matt Ogden</p> <p>Printed Name</p> <p>matt.ogden@meritenergy.com</p> <p>E-mail Address</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p>
	<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
	<p>Certificate Number</p>

District II
PO Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd. Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Free Lease - 3 Copies

☐ AMENDED REPORT

API Number 30-025-09295	2 Pool Code 79240	3 Pool Name Jalmat: Tam. Yates 7RHS (Pro Gas)
4 Property Code 24669	5 Property Name State A A/C 1	6 Well Number 81
7 OGRID No. 162791	8 Operator Name Raptor Resources	9 Elevation

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	10	23S	36E		660	North	1980	West	Lea

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 480	13 Joint or Infil	14 Consolidation Code	15 Order No. NSP-1862(SD)
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Section 9

Section 10

Well locations and dimensions:

- Section 9: Well #100 P+A, 990' horizontal distance to Section 10 boundary.
- Section 10: Wells #81, #37, #55, #86 P+A, #131, #55 TA, #34, and #59.
- Dimensions: 1950' (vertical), 1980' (horizontal), 1450' (vertical), 1250' (horizontal), 990' (horizontal), 660' (horizontal), 440' (horizontal).

Certificate Number