

Submit 1 Copy To Appropriate District Office
 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

State of New Mexico
 Energy, Minerals and Natural Resources
HOBBS OCD
 OIL CONSERVATION DIVISION
 JAN 27 2014
 220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised August 1, 2011

RECEIVED

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.)		WELL API NO. 30-025-28278 ✓
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> <u>Other Injection</u>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Merit Energy Company		6. State Oil & Gas Lease No.
3. Address of Operator 13727 Noel Road, Ste. 1200 Dallas, TX 75240		7. Lease Name or Unit Agreement Name State A A/C 2 ✓
4. Well Location Unit Letter I : 2615 feet from the South line and 1295 feet from the East line Section 8 Township 35S Range 36E NMPM County Lea		8. Well Number 69 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 22		9. OGRID Number 14591 ✓
		10. Pool name or Wildcat Eunice SR Queen South

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input checked="" type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> OTHER: <u>6 MONTH EXT</u> <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>	
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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.

Merit Energy Company plans to run a MIT proving mechanical integrity. TA status will then be requested for 6 MONTHS years while planning and work is done re-activate the well in a waterflood pilot program within the Jalmat field. Thanks.

Production / Inj.
312 MONTHS OUT

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 [Signature] TITLE Regulatory Analyst DATE 01/24/2014

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 Compliance Officer DATE 1-28-2014

Conditions of Approval (if any):

JAN 28 2014