

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Merit Energy Company

3a. Address
13727 Noel Road, Suite 500, Dallas, Texas 75240

3b. Phone No. (include area code)
972-628-1610

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
990' FSL & 1650' FEL, Sec. 35, T19S, R34E

5. Lease Serial No.
NM 052

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Mescalero Ridge Unit "35" #16

9. API Well No.
30-025-21858

10. Field and Pool, or Exploratory Area
Pearl

11. County or Parish, State
Lea County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" 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 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.)

8/26/05 - MIRU, Unbeam head & bled pressure off tbg. Lower rods, TOO H w/rods & plunger. ND wellhead, unseat TAP & NU wellhead. TOO H w/tbg, LD working bbl and mud jt. MU Baker RBP & TIH, set rpb @ 3900', release rpb & cooh, MU Fullbore PKR & TIH & set @ 3890', test pkr & plug to 2000 psi. Held ok. SOOH isolating hole in csg. Found bottom of leak @ 1280'. Pull pkr to 1078' & SDON.
8/29/05 - continue to isolate csg hole, found bottom hole 1202'-1217', TOH & Set 2nd rpb @ 1202', isolate top holes between 888' and 1140'. TOH w/pkr MU retrieving head & retrieve rpb @ 1202'. POOH, SDON.
8/30/05 - TIH, & retrieve rpb @ 3900', PU to 2500', dump 2 sx sand on rpb. TOO H. MU pkr & TIH to 726'. SDON.
8/31/05 - RU Key Energy, test pumps & lines to 3000 psi. Load annulus & put 500 psi on same. Est inj rate @ 600 psi. Mix & pump 150 sx, class C cmt w/2% cacl. After 100 sx, cmt started setting up in tub, flushed w/6bbls fresh water, released pkr & reversed out, recovered 1 bbl water & 4 bbl cmt. Reset pkr & pressured up on cmt to 2000 psi. Cmt already set. RD Key Energy. Release pkr & tooh, PU drill collars, bit & TIH. Tagged cmt @ pkr depth, RU power swivel & drill cmt to 888', circ clean. SDON.
9/01/05 - RU swivel and cont drill cmt from 888', drilled to 1100' & drilled out of cmt, circ clean. Test squeeze to 500 psi, did not hold, RD swivel, TOO H, SDON.
9/02/05 - TIH w/pkr & retest leaks, found to be the same, pu pkr to 780', left swinging overnight, standby on cmt truck.
9/06/05 - Open well, set pkr @ 760'. RU Schlumberger to cmt. Test pumps & lines to 3000 psi, put 500 psi on annulus, est pump in rate of 1 bbl @ 500 psi. Mix & pump 200 sx class A cmt w/2% cacl to 15.4 ppg @ 1/2 bpm, displaced to 1 bbl below pkr.
Continued on next page.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Larry M. Sanders

Title **Sr. Regulatory Analyst**

Signature

Larry M. Sanders

Date

10/10/05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

DAVID R. GLASS

Title

Date

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

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.

(Instructions on page 2)

GW

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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. NM 052
2. Name of Operator Merit Energy Company		6. If Indian, Allottee or Tribe Name
3a. Address 13727 Noel Road, Suite 500, Dallas, Texas 75240	3b. Phone No. (include area code) 972-628-1610	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 990' FSL & 1650' FEL, Sec. 35, T19S, R34E		8. Well Name and No. Mescalero Ridge Unit "35" #16
		9. API Well No. 30-025-21858
		10. Field and Pool, or Exploratory Area Pearl
		11. County or Parish, State Lea County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" 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 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 recompletable 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 recompletion in a new interval, a Form 3160-5 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.)

9/6/05 - Continued. SD & wash pump & lines. Staged cmt 5 times beginning w/pressure of 800 psi, ending psi 20000. RD Schlumberger, SDON.
9/7/05 - Opened well, TIH W/bit, tagged cmt @ 806'. RU power swivel & drill hard cmt 806' to 942' & drilled out of cmt. Circ clean. Lower tbg to 1200'. Tested squeeze, pumped in @ 1 bbl bpm @ 500 psi. TOOH, SDON.
9/8/05 - Opened well. Lower bit to rbp & washed off rbp. TOOH, LD drill bit. MU retrieving head & TIH, wash of remaining sand, release rbp, tooh w/rbp. MU CIBP & TIH, set CIBP @ 3940'. TOOH, SDON.
9/9/05 - Opened well. MU bullplugged perforated sub & TIH. Change over to rods & TIH w/rod string. TOOH, LD rod string. Change over to tbg. TOOH & LD tbg string. SDON.
9/12/05 - MU collar on btm of 2-3/8 tbg & TIH, tagged CIBP @ 3940'. TOOH w/tbg. Change out rams on BOPs from 2-3/8 to 4-1/2. NO BOPs & remove Hindliter Head & install Larkin Type R head. NU BOPs & SDON.
9/13/05 - Opened well. RU Bull Rogers csg crew. MU csg shoe on btm jt, TIH picking up 4-1/2 flush jnt csg, PU 22 jts, hit tight spot, worked csg & unable to get deeper. Tagged @ 870' TOOH & LD csg. MU 4-1/2 muleshoed washpipe & TIH. Tagged @ 870'. SDON.
9/14/05 - Opened well. MU 4-1/2 tapered shoe on 2 jts of 4-1/2 washpipe & TIH w/same. Tagged tight spot, unable to work past 870', TOOH & SDON.

Continued on next page.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

LARRY M. SANDERS

Title SR. Regulatory Analyst

Signature

Larry M. Sanders

Date

10/10/05

ACCEPTED FOR FEDERAL OR STATE OFFICE USE

Approved by

DAVID R. CLARK

Title

Date

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

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.

(Instructions on page 2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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. NM 052
2. Name of Operator Merit Energy Company		6. If Indian, Allottee or Tribe Name
3a. Address 13727 Noel Road, Suite 500, Dallas, Texas 75240	3b. Phone No. (include area code) 972-628-1610	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 990' FSL & 1650' FEL, Sec. 35, T19S, R34E		8. Well Name and No. Mescalero Ridge Unit "35" #16
		9. API Well No. 32-025-21858
		10. Field and Pool, or Exploratory Area Pearl
		11. County or Parish, State Lea County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA.

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" 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 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.)

9/15/05 - Opened well. MU tapered mill & mill through tight spot. TOO. MU orange peeled 4/5 csg shoe & MU on 2 jts of 4.5 washpipe & & TIH. Ran tbg to CIBP. No fill. TOO, LD washpipe. SDON.

9/16/05 - Opened well. TIH w/5 drill collars & L same. RU Bull Rogers. MU 20' long peeled jnt of 4.5 csg & TIH, end of csg 3904. RD csg crew. MD BOPs & NU Larkin head. RU BJ Services & cmt liner w 125 sxs Class "C" cement mixed to 14.8 ppg, cmt circulated to surface. Cut off csg. & weld on nipple. SDON.

9/19/05 - Opened well, NU BOPs & change rams from 4.5t 2-3/8. MU 3-7/8 bit & PU 2 3-1/8 drill collars & TIH. Tagged cmt @ 3559'. RU power swivel & drill cmt to 3857', circ clean & SDON.

9/20/05 - Opened well and cont drilling to 3904'. Circ clean & TOO. MU concave mill & TIH, RU power swivel, milled orange peel off btm of liner, cont to drill out cmt to CIBP. Drill on CIBP until mill was worn out. TOO & LD. SDON.

9/21/05 - Opened well, RU Power swivel & cont. drill on CIBP, drilled out CIBP & pushed to 4100'. RD Power swivel. TOO w/bit, drill collars & LD. SDON.

9/22/05 - Opened well. MU on/off tool on k-bar & pu 5 k-bars total & TIH picking up rods. Spaced out well, polished rods, hang well on & rig down unit. Return to production.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

LARRY M. SANDERS

Title SR Regulatory Analyst

Signature

Larry M. Sanders

Date

10/10/05

ACCEPTED THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

DAVID R. GLAD

Title

Date

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

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.