

RECEIVEDForm 3160-5
(September 2001)**OCD-HOBBS****MAR 10 2008**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**HOBBS****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.*FORM APPROVED
OMB No 1004-0135
Expires January 31, 2004

- 5 Lease Serial No
NM-NM013276
- 6 If Indian, Allottee or Tribe Name
- 7 If Unit or CA/Agreement, Name and/or No
- 8 Well Name and No
Sinagua 18 Fed Com #1
- 9 API Well No
30-025-32402
- 10 Field and Pool, or Exploratory Area
Quail Ridge (Marrow)
- 11 County or Parish, State
Lea, NM

SUBMIT IN TRIPLICATE- Other instructions on reverse side.1 Type of Well
☒ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator Merit Energy Company

14591

3a Address
13727 Noel Rd. Ste. 500, Dallas, TX 752403b Phone No (include area code)
972-628-1467

4 Location of Well (Footage, Sec, T, R, M., or Survey Description)

1650' FNL, 2210' FEL; Section 8; T-20-S, R-34-E

Unit 6

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 recomplate 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 recomplate 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.)

1/28/08 - 2/11/08

- 1) Roaded crew to location. Rigged up wor. Ru Gray Wireline to set blanking plug in 1.78 F profile nipple. Loaded tubing and tested plug to 500 psi plug held ok. Sheared off plug puh to 13122' and shot 3 bleeder holes in the tubing. Rd Gray Ru swab and started swabbing the tubing and annulus down. Fl at 11450' swabbed to 13,000' cwi sdfn. Roaded crew to the yard
- 2) Roaded crew to location. Nd tree and Nu bop. Ru tubing tools released packer and toh talling out with 410 joints of 2 3/8" N- 80 tubing and Baker 5 1/2" 10 - K Hornet packer and on/off tool.cwi sdfn Roaded crew to the yard.
- 3) Roaded crew to location. Bled well down. Tally 6 x 3 1/2" drill collars. Mu 4 3/4" Cone buster mill pu and tih with the collars and 308 joints of 2 3/8" tubing mill tagged something @10181' had to pull and rebound tubing to 100,000 # up and 20,000 # down worked mill loose toh with th, collars and mill. Examined mill and it didn't have any marks on it. Cutrite was full of iron. Cleaned mill. Mu mill tih to 10122' cwi sdfn. Roaded crew to the yard.
(see additional page)



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

Kristin Hodge

Title Regulatory Analyst

Signature

Date

02/22/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

Office

Title 18 USC Section 1001 and Title 43 USC 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)

4) Roaded crew to location. Opened well ru swivel and packoff. Ru foam air unit load and start circulating burned on bad spot for 3 hrs was not making any hole. 1 point set on spot would stall swivel out to 1250 ft lbs. didn't find any thing in the returns. Bled well down layed down swivel toh with tubing, collars and mill inspected mill and it looked like it was going into something about 1" cwi sdfn. Roaded crew to the yard.

5) Roaded crew to location. Opened well. Ru Gray Wireline. Ru ccl. Tih to 10350' pulled log thru 10,000' didn't see bad spot at 10181' toh with e-line. Mu 3 finger caliper tih to 10,500' logged to 10,000' couldn't get caliper to make clear indication of casing problem. Toh with caliper and rd Gray cwi sdfwn. Roaded crew to the yard.

6) Roaded crew to location. Ru Gray Wireline pu 36 arm caliper and rih on e - line to 10500' and corrolated to Computalogs acoustic cement bond log dated 3/4/94 logged well from 10,500' to 9500' to locate tight spot or part @ 10181' in casing. Without success pooh with caliper. Mu MMT Metal loss tool rih on e - line logged from 10,500' to 9500' and didn't find any thing. Pooh with e - line and tool. Rd Gray Wireline Mu 4 1/2" bit and rih with 6 x 3 1/2 drill collars and 396 joints of 2 3/8" tubing left bit swinging at 12870' cwi sdfn. Roaded crew to the

7) Roaded crew to location fih tag fill at 13299' ru Knight Oil Tools Foam Air unit swivel and packoff. Pressured well up and established circulation. Drill and wash sand to 13,413' pbtd tubing measurement. Circulated hole clean and toh with 60 stands cwi sdfn.

8) Roaded crew to location. Bled 300 psi off well. Toh with the rest of the tubing and layed down the collars and bit. Ru Black Warrior Wireline. Mu 3 1/8" slick perforating gun and rih. Corrolated to Computalogs log dated 3/4/94 perforated at 13,300' to 13,320' with 2 spf 120* phasing toh and pu new perf gun and tih perforated 13,292' and 13,258' to 13,266' with 2 spf 120* phasing. Toh with e-line. Rd Black Warrior. Pu Baker Oil Tools Hornet packer w/ 1.78 F profile nipple. Ru Testco Tubing Testers. Tested in the hole to 7000 psi with 322 joints of 2

9) Roaded crew to location. Finished testing in the hole with 90 joints of 2 3/8" N- 80 Tubing. Rd Tester and nd bop Set packer @ 13,180' x 15 points setting down on packer (TOTAL 412 Joints) nu tree. Ru swab and made 3 runs to 13,100' tubing didn't have any fluid. Rd swabbing tools and rigged down wor. Roaded crew to the yard.

10) Roaded crew to location. Ck'd pressure well had 1100 psi on the tubing. Got New Mexico permit and roaded rig and crew to the yard.