

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB No 1004-0137
Expires: July 31, 2010

OCT 21 2008

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.

5. Lease Serial No.
NM-NM013276

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
Merit Energy Company3a. Address
13727 Noel Rd. Suite 500
Dallas, Texas 752403b. Phone No. (include area code)
972-628-1569

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

1650' FNL & 2210' FEL; Unit G; Sec 18-T20S-R34E Lea County, New Mexico

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

8. Well Name and No.
Sinagua 18 Federal #19. API Well No.
30-025-3240210. Field and Pool or Exploratory Area
Quail Ridge; Morrow (Gas)11. Country or Parish, State
Lea County, New Mexico

12. CHECK THE 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 checked="" type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Add Perforations
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	in Morrow
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

07/21/2008 RU WL. RIH & perforate 13292-13320'; 13258-13266'; 13246-13248'; 13225-13228'; 13217-13220'; 13202-13206'. Acidize w/48 bbls.
thru 7% HCL prior to frac. Frac well w/863 bbls MagnaFrac 30 + 70% Quality CO2 @ 177 tons + 72400# 20/40 bauxite sand. CO2 booster
08/22/2008 went down during frac. Actually put away between 25000-30000# of 20/40 bauxite.

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

Lynne Moon

Title South Division Regulatory Supervisor

Signature

Date 10/01/2008

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

Office

Date

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.

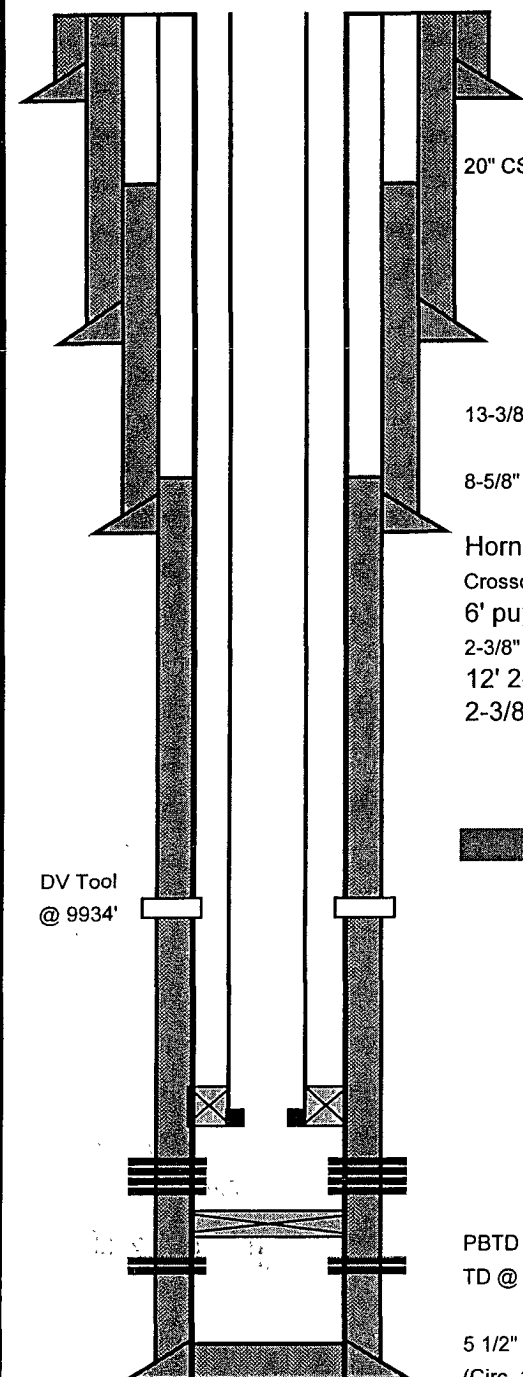
(Instructions on page 2)

ACCEPTED FOR RECORD

OCT 17 2008

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

WELL NAME: Sinagua 18 Federal # 1			FIELD: TEAS			
LOCATION: 1650' FNL & 2210' FEL, Sec. 18, T20S-R34E			COUNTY: LEA			STATE: NM
ELEVATION: GL = 3619.4' KB = 3638.4		SPUD DATE: 1/12/94		COMP DATE: 3/8/94		
API#: 30-025-32402		UPDATED BY: J. FINDLEY			DATE: 9/30/08	
	DEPTH	SIZE	WEIGHT	GRADE	THREAD	HOLE SIZE
CASING:	0 - 475'	20"	94#	J-55	BT&C	26"
CASING:	0 - 3265'	13-3/8"	68#	K-55	BT&C	17-1/2"
CASING:	0 - 5200'	8-5/8"	32#	L-80 & K-55	LT&C	12-1/4"
CASING:	0 - 13750'	5-1/2"	17#	N-80 & S-95	LT&C	7-7/8"
TUBING:	412 JTS	2-3/8"	4.7#	N-80	8 RD	



☒ CURRENT ☐ PROPOSED

OPERATOR: MERIT ENERGY COMPANY

20" CSG @ 475' w/550 SX LITE & 200 SX 'C' (TOC @ SURFACE)

13-3/8" CSG @ 3265' w/ 2450 SX LITE & 250 "C" (TOC @ SURFACE)

8-5/8" CSG @ 5200' W/ 600 SX LITE & 400 'C' (TOC UNKNOWN)

Hornet packer w/1.875 X profile nipple @ 13,120'

Crossover, 2-7/8" x 2-3/8"

6' pup jt

2-3/8" 1.875 X seat nipple

12' 2-3/8" pup jt

2-3/8 WLEG

DETAIL OF PERFORATIONS

UPPER MORROW: 13202'-13206', 13217'-13220', 13225'-13228', 13246'-13248'
13258' - 13266', 13292' - 13320' (4 SPF)

CIBP @ 13400'

LOWER MORROW: 13479' - 13497' (10 holes, 4" csg-gun)

DV Tool
@ 9934'

PBTD @ 13400'

TD @ 13750'

5-1/2" csg consists of 95 jts of S-95 & 240 jts of N-80

5 1/2" CSG @ 13750' W/ 1965 SX 'H' (1ST ST. = 925 SX, 2ND ST. = 1040 SX)
(Circ. 100 SX off top of DV Tool to pit.)