

OCD-HOBBS
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 type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <i>Inj</i>		5. Lease Serial No NM 052
2. Name of Operator Merit Energy Company		6. If Indian, Allottee or Tribe Name
3a. Address 13727 Noel Rd. Suite 500 Dallas, Texas 75240	3b. Phone No (include area code) 972-628-1569	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 1980' FEL; Sec. 35-T19S-R34E		8. Well Name and No. Mescalero Ridge Unit 35 #4
		9. API Well No 30-025-20692
		10. Field and Pool, or Exploratory Area Pearl Queen
		11. County or Parish, State Lea Co., 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.)

10/07/2009 RU. Unset pkr. TOO H w/tbg. & pkr. PU bit & collars. SIH.

10/08/2009 RIH w/bit. Tag @ 4660'. RU swivel. Cleaned to 4690'. Began bouncing & getting metal picked up. Circulated clean. Spotted 2 bbls. acid. TOO H. PU swedge, bumper sub & jars.

10/09/2009 Tag up @ 876'. Started swedging on csg. Swedging through tight spots @ 876', 888' & 908'. Worked through several times. TOO H. PU swedge. Would not go. TOO H. Run back w/swedge. Stop above tight spot.

10/12/2009 TIH w/swedge. Went through tight spot. Still good. LD tools. PU fullbore pkr. Tested bad spot in csg. Did not test. Pinpointed @ 908'. Could pump into @ 1/2 BPM @ 700 psi. TOO H. Set-up cmt. job. RIH w/plug. Set @ 1250'. Drop 2 sxs. of sand on top of plug. TOO H.

10/13/2009 PU fullbore pkr. RIH & set 100' above hole. RU Halliburton. Squeezed hole w/150 sxs. 2% Class C Cement. Left 1200 psi on well.

10/14/2009 TOO H w/fullbore pkr. RU reverse unit. Tag cmt. @ 841'. Drill out. Tested hole. PU retrieving head. Wash over plug. Latched on. POOH.

10/15/2009 RU hydro-tester. SIH w/hornet pkr. Stacked out @ 908'. TOO H. Swedge out on csg. RBIH w/hornet pkr. Had to push through. Finish testing in hole. Set hornet pkr. Tested backside. Good test. Gon off on-off tool. Circulated pkr. fluid. Latched on. Re-Tested backside.

Good test. SI.

10/16/2009 RD.

10/22/2009 Ran MIT. Witnessed by BLM Paul Flowers (copy attached).

*

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Lynne Moon		Title Regulatory Manager Date 10/26/2009	ACCEPTED FOR RECORD NOV 4 2009 /s/ Chris Walls BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE
Signature <i>Lynne Moon</i>			

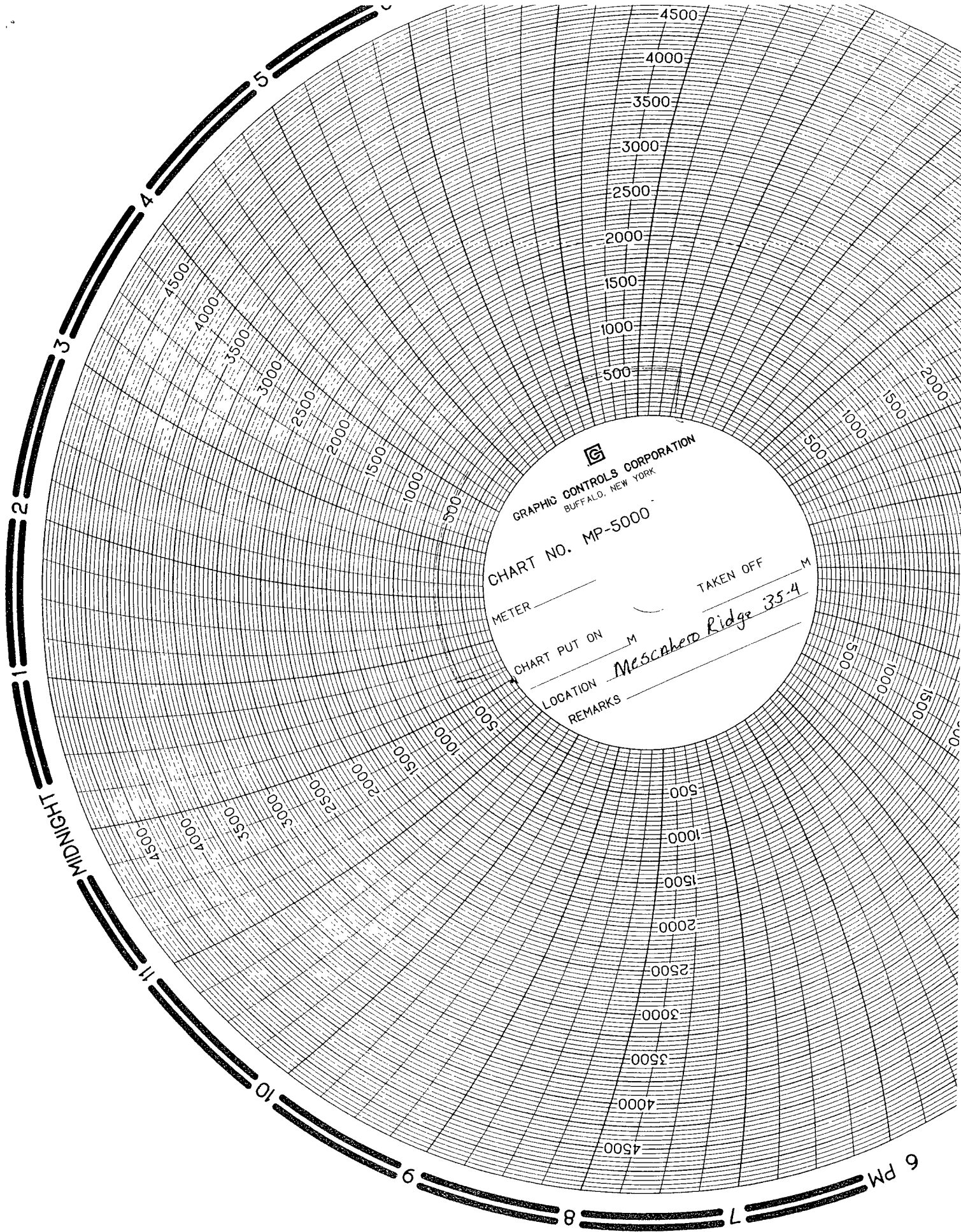
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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)

Tony W. Hill * No Indication of packer depth.
Chart not acceptable!

11-9-09
575-393-6161
EXT-102



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

CHART NO. MP-5000

METER _____

TAKEN OFF _____ M

CHART PUT ON _____ M

LOCATION _____

REMARKS _____

Mescalero Ridge 35.4

Thy D. McEwen
Bass

10-22-09

Paul Flowers

10-22-09