

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No 1004-0135
Expires January 31, 2004

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 <u>Injection</u>		5 Lease Serial No NM 052
2 Name of Operator <u>Merit Energy Company</u>		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 NM 70989C
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FSL & 1980' FWL; Sec. 35-T19S-R34E		8 Well Name and No. Mescalero Ridge 35 #8
		9. API Well No 30-025-20695
		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 type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Resume Injection</u>
	<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	

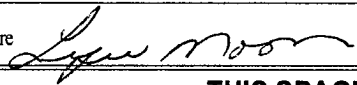
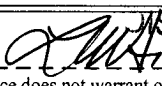
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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.)

Merit Energy Company has resumed water injection after repairing the tbg. Currently injecting 154 BW at 1400 psi.

RECEIVED

DEC 11 2009

HOBBSOCD

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Lynne Moon		Title Regulatory Manager
Signature 	Date 10/28/2009	ACCEPTED FOR RECORD DEC 9 2009 WESLEY W. INGRAM PETROLEUM ENGINEER
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by 	Title DISTRICT 1 SUPERVISOR	
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 USC 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)