

Submit 1 Copy To Appropriate District
Office
District I
1625 N. French Dr , Hobbs, NM 88240
District II
1301 W Grand Ave , Artesia, NM 88210
District III
1000 Rio Brazos Rd , Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-09282 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> ✓
6. State Oil & Gas Lease No. 024669
7. Lease Name or Unit Agreement Name State A A/C 1
8. Well Number 12 ✓
9. OGRID Number 14591 ✓
10. Pool name or Wildcat Jalmat Tansill Yts 7 rvrs ✓

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/>	
2. Name of Operator Merit Energy Co. ✓	
3. Address of Operator 13272 Noel Rd, Suite 500 Dallas TX 75240	
4. Well Location Unit Letter _____ O _____ : _____ 660 _____ feet from the _____ South _____ line and _____ 1980 _____ feet from the _____ East _____ line Section _____ 9 _____ Township 23S Range 36E NMPM Lea County ✓	
11. Elevation (Show whether DR, RKB, RT, GR, etc)	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Test for TA Status ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Test Date: 6-11-10 Time: 8:00 AM

1. Load csg w/ packer fluid.
2. Pressure test csg to 500# for 30 minutes. (Plug set @ 3100')
3. Record test on chart.
4. Turn in chart and subsequent C103 for 6 month TA extension. ✓

RECEIVED

JUN 10 2010

HOBBSDO

Condition of Approval : Notify OCD Hobbs
office 24 hours prior to running MIT Test & Chart

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Joel Sisk TITLE Production Foreman DATE 6-9-10

Type or print name Joel Sisk E-mail address: joel.sisk@meritenergy.com PHONE: 575-394-2574

For State Use Only

APPROVED BY: [Signature] TITLE STAFF MGR DATE 6-14-10
Conditions of Approval (if any):

7m.