

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. 30-025-30999 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> ✓
6. State Oil & Gas Lease No.

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input checked="" type="checkbox"/>		7. Lease Name or Unit Agreement Name State A A/C 1 ✓
2. Name of Operator Merit Energy Co. ✓		8. Well Number 123 ✓
3. Address of Operator 13272 Noel Rd, Suite 500 Dallas TX 75240		9. OGRID Number 14591 ✓
4. Well Location Unit Letter <u>  </u> N <u>  </u> : <u>  </u> 990 <u>  </u> feet from the <u>  </u> South <u>  </u> line and <u>  </u> 2250 <u>  </u> feet from the <u>  </u> West <u>  </u> line Section <u>  </u> 9 <u>  </u> Township <u>  </u> 23S <u>  </u> Range <u>  </u> 36E <u>  </u> NMPM <u>  </u> Lea <u>  </u> County <u>  </u> ✓		10. Pool name or Wildcat Jalmat Tansill Yates 7 rvrs ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GL 3485'		

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

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/>		<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Test for TA Status <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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: 9:00 AM

1. Load csg w/ packer fluid.
2. Pressure test csg to 500# for 30 minutes. (Plug set @ 2900')
3. Record test on chart.
4. Turn in chart and subsequent C103 for 6 month TA extension. ✓

**RECEIVED**

JUN 10 2010

HOBBSON

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)

Dr