

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
Revised March 17, 1999

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|---|--|---|
| ¹ Operator Name and Address Merit Energy Company 12222 Merit Drive Suite 1500 Dallas, Texas 75251 | | ² OGRID Number 014591 |
| ³ Property Code 24508 | | ³ API Number 30 - 025-05240 |
| ⁵ Property Name Lea "G" State | | ⁶ Well No. 3 |

⁷ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| I | 2 | 15S | 37E | | 1980' | South | 990' | East | Lea |

⁸ Proposed Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | |
|---|-------------------------------|
| ⁹ Proposed Pool 1 Denton Wolfcamp | ¹⁰ Proposed Pool 2 |
|---|-------------------------------|

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|-----------------------------------|--|--|------------------------------------|---|
| ¹¹ Work Type Code P | ¹² Well Type Code O | ¹³ Cable/Rotary R | ¹⁴ Lease Type Code S | ¹⁵ Ground Level Elevation 3825' |
| ¹⁶ Multiple No | ¹⁷ Proposed Depth 12743' | ¹⁸ Formation wolfcamp Devonian | ¹⁹ Contractor | ²⁰ Spud Date 7/1/99 |

²¹ Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 17 1/2" | 13 3/8" | 48# | 361' | 350 | Surface |
| 12 1/4" | 9 5/8" | 36 & 40# | 4685' | 2000 | 1460' |
| 8 3/4" | 7" | 26, 29 & 32# | 12595' | 1050 | 8095' |
| | | | | | |
| | | | | | |

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.

Describe the blowout prevention program, if any. Use additional sheets if necessary.

MIRU Workover rig. POOH w/rods. POOH w/tbg. & downhole equipment. RIH w/CIBP & set @ 9500' +/- . Test CIBP to 1000 psi. MIRU perforators. RIH w/4" csg. gun & perforate Wolfcamp (2 spf). 9200' - 9274'. Swab well to test if productive.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

Plug-Back

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Lynne Moon*

Printed name: Lynne Moon

Title: Regulatory Analyst

Date: 6/22/99

Phone: 972-383-6569

OIL CONSERVATION DIVISION

Approved by: *[Signature]*

Title: *[Signature]*

Approval Date: JUL 07 1999

Expiration Date:

Conditions of Approval:

Attached ☐

CT