District I PO Box 1980, Hobbs, NM 88241-1980 District II PO Drawer DD, Artesia, NM 88211-0719 District III 1000 Rio Brazos Rd., Aziec, NM 87410

PO Box 2088, Santa Fe, NM 87504-2088

District (V

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088 Form C-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies

X AMENDED REPORT

Fee Lease - 5 Copies

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

Operator Name and Address.	¹ OGRID Number	
MERIT ENERGY COMPANY	014591	
12222 MERIT DRIVE SUITE 1500 DALLAS TX 75251	' API Number 30 - 025 - 24617	
* Property Code	* Well No.	

⁷ Surface Location

ĺ	UL or lot me.	Section	Towaship	Range	Lot ida	Feet from the	North/South line	Feet from the	East/West Lac	County
	0	7	16 S	36E	L	555	South	2085	East	Lea
	8 Proposed Bottom Hole Location If Different From Surface									

UL or lot so.	7	Township 16 S		Lot Ida	Feet from the 985	North/South line South	Feet from the 1837	East/West line East	County Lea
Northeast 'Proposed Pool I North Shoe Bar, East (Strawn)							" Propo	sed Pool 2	

" Work Type Code P	⁽¹ Well Type Code ()	¹³ Cable/Rotary	Lease Type Code	"Ground Level Elevation 3950
¹⁶ Multiple	17 Proposed Depth	" Formation	1* Contractor	³⁰ Sped Date
No	11600	Strawn	N/A	upon approval

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Comeat	Estimated TOC
17 1/2	13 3/8	48	365	400	Surface
12 1/4	9 5/8	36 & 40	4159	350	1400
8 3/4	4 1/2	10.5 & 11.6		600	1400

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 blowest prevention program, if any. Use additional sheets if necessary.

Propose to cement sqz existing Wolfcamp perfs 10296 - 10329 and 10509 - 10530'. Drill out to approx. 10720', Kick off for sidetrack (see attached proposed survey). Bottom Hole @ MD 11726', TVD 11575'. Run 2 7/8" liner from 10500' Total Depth. Perf. Strawn 11450-11455'. All operations to be performed accordingly with ODC rules and regulations.

²⁰ I hereby certify that the information gr of my knowledge and belief.	above is true and complete to the bear	OIL CONSERVATION DIVISION			
Signature: arthay	50 en	Approved by: ORIGINAL SIGNED BY			
Printed name: Martha J.	Rogers	Title: GARY WINK	(
	atory Affairs	Approval Date:	Expiration Date:		
Date: 9/18/97	(972) 701-8377	Conditions of Approval : Attached			