

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

New Mexico Oil Conservation Division, District 1  
1625 N. French I  
Hobbs, NM 88240

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**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  
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator  
Merit Energy Company

3a. Address  
12222 Merit drive, Suite 1500, Dallas, TX 75251

3b. Phone No. (include area code)  
(972)701-8377

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
2041' FSL & 2171' FEL, Unit J, Section 18-T20S-R34E

5. Lease Serial No.  
NM-NM29512-A LC 6275/2C

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
Sinagua 18 Federal #2

9. API Well No.  
30-025-32694

10. Field and Pool, or Exploratory Area  
Teas, SE; Delaware

11. County or Parish, State  
Lea Cnty  
New Mexico

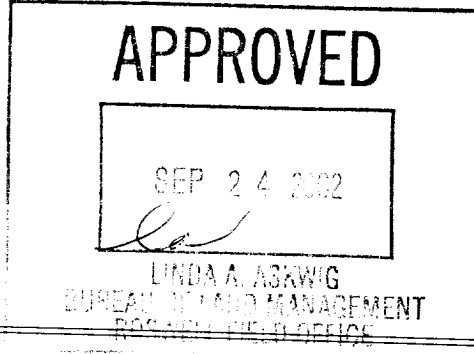
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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>change of operator</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 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.)

For the Sinagua 18 Federal #2, effective July 1, 2002, Merit Energy Company accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof, for the Lease Serial Number listed in Item 5. Devon-SFS Operating, Inc. was the previous operator.

Merit Energy Company  
US Dept of Interior - BLM Bond  
Number: WY3011  
Coverage: Nationwide \$150,000



14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Arlene Valliquette

Signature

*Arlene Valliquette*

Title

Manager, Regulatory Affairs

Date

06/27/2002

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Office

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.

Title 18 U.S.C. Section 1001, makes 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 reverse)