

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 811 South First, Artesia, NM 87210
 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
OIL CONSERVATION DIVISION
 1220 S. St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised March 25, 1999

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 type="checkbox"/>		WELL API NO. 30 015 02137 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name: MRY
2. Name of Operator Melrose Operating Company	RECEIVED MAR - 2 2004	8. Well No. 3
3. Address of Operator c/o P.O. Box 953, Midland, TX 79702	OCD-ARTESIA	9. Pool name or Wildcat Artesia, Queen, GR, SA
4. Well Location Unit Letter <u>3</u> <u>2308</u> feet from the <u>South</u> line and <u>331</u> feet from the <u>West</u> line Section <u>30</u> Township <u>18S</u> Range <u>28E</u> NMPM <u>Eddy</u> County		
10. Elevation (Show whether DR, RKB, RT GR, etc.)		

I 1. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: 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 COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENTJOB <input type="checkbox"/> OTHER: <input checked="" type="checkbox"/>	
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12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

2-9-04: Moved in and rigged up. Pulled out of hole with pump & rods. Tested tubing, replaced some rods. Went back in hole with replacement pump, and rods. Spaced pump & put well on production. Repairs made to tank battery.
 2-18-04: Tank repaired. Well turned on 2-17-04. Well made 4 bbls crude oil and 35 bbls water, TSTM gas.

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

SIGNATURE [Signature] TITLE Regulatory Agent DATE 2-23-04

Type or print name Ann E. Ritchie Telephone No. 432 684-6381
 (This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

Accepted for record NMOCD