

Submit 3 Copies 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
 Revised June 10, 2003

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30 025 20580
5. Indicate Type of Lease STATE FEE X
6. State Oil & Gas Lease No.

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 Other (Injection)		7. Lease Name or Unit Agreement Name Northeast Pearl Queen Unit
2. Name of Operator Melrose Operating Company	8. Well Number 13	
3. Address of Operator c/o Box 953 Midland, TX 79702	9. OGRID Number 184860	
4. Well Location Unit Letter <u>H</u> : <u>1980</u> feet from the <u>North</u> line and <u>990</u> feet from the <u>East</u> line Section <u>23</u> Township <u>19S</u> Range <u>35E</u> NMPM <u>Lea</u> County	10. Pool name or Wildcat: Pearl Queen	
11. Elevation (Show whether DR, RKB, RT, GR, etc.): 3743		

12. 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 PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER:		SUBSEQUENT REPORT OF: REMEDIAL WORK <input checked="" type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB OTHER:
---	--	---

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

5-15-07: Moved in and rigged up. POOH w/rods & pump, bad paraffin. Rigged up hot oiler. Picked up tubing – parted @ 536’.

5-16-07: RIH w/work string to fish tubing & rods.

5-18-07: RIH and drilled to 4752’.

5-19/31-07: Scanned out tubing, ran in hole with working string w/overshot & fish. Caught fish & prep to tie in new 4 1/2” casing @ 392’.

6-2-07: Back off 4 1/2” @ 392’, POOH, screw into 4 1/2” collar, torque up to 50K# tension, set slips, weld on 4 1/2” bell nipple.

6-4/19-07: Cleaning out hole, cleaned out to 5058’. Circulated clean. POOH w/work string.

6-20-07: RIH w/ new 2 3/8” tubing, rods & pump. Set seating nipple @ 5016’. Swabbed well.

6-21-07: Well test: 2 bbls oil, 125 water, 0 gas.

Well put back on production as part of ACO compliance order.

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: 7-13-07

Type or print name Ann E. Ritchie E-mail address: ann.ritchie@wtor.net Telephone No. 432 684-6381

(This space for State use)

APPROVED BY Gay W. Wink TITLE _____ DATE JUL 18 2007

OC FIELD REPRESENTATIVE II/STAFF MANAGER