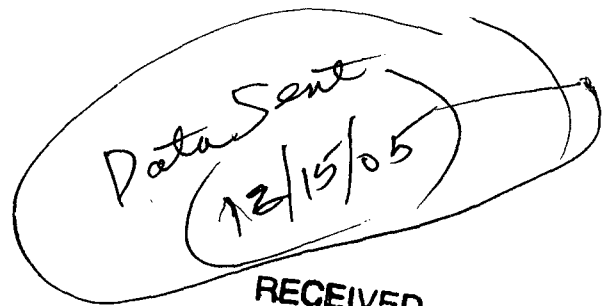


Enclosed Sundry Notices  
are filed in compliance with  
NMOCD Order No. R-11720-A

Melrose Operating Company  
Artesia Unit  
Eddy County, New Mexico



RECEIVED  
DEC 15 2005  
OCD-ARTESIA

Partial work as required

Case 13199  
R-11720-A

1/18/06

Van/BRYAN; "MELROSE"

ARTESIA UNIT

I looked this over — a couple of wells still look marginal but they MAY be OK! Others look GOOD.

I saved one copy of each SUNDRY and will scan them into R-11720-A (Case 13199).

The original + one copy of each + the CBL's are being mailed BACK for your SIGNATURE/scanning.

(This is work done BY Melrose in compliance with the above ORDER on wells:)

|              |         |                |
|--------------|---------|----------------|
| 30-015-01801 | Well 54 | OK             |
| 01798        | Well 55 | QUESTIONABLE — |
| 01800        | Well 37 | QUESTIONABLE — |
| 02541        | Well 46 | OK             |
| 01788        | Well 53 | OK             |
| 01799        | Well 40 | OK             |

Many other wells require work in this ORDER.

Will Jones

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.<br>30 015 01801  |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |

|   |                    |  |
|---|--------------------|--|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.)               |                    | 7. Lease Name or Unit Agreement Name<br>Artesia Unit |
| 1. Type of Well:<br>Oil Well      Gas Well      Other (Injection) <input checked="" type="checkbox"/>   | <b>RECEIVED</b>    | 8. Well Number<br>Well # 54                          |
| 2. Name of Operator<br>Melrose Operating Company  | DEC 15 2005        | 9. OGRID Number<br>184860                            |
| 3. Address of Operator<br>c/o P.O. Box 953, Midland, TX 79702   | <b>OOD-ARTESIA</b> | 10. Pool name or Wildcat<br>Artesia (QN-GR-SA)       |
| 4. Well Location<br><br>Unit Letter <u>K</u> : <u>1653.6</u> feet from the <u>South</u> line and <u>2272.4</u> feet from the <u>East</u> line<br><br>Section <u>3</u> Township <u>18S</u> Range <u>28E</u> NMPM Eddy County |                    |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3659' GR  |                    |  |

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
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.

8-18-05: Pressure test casing, leaking off 500 psi. Trip in hole with 5 1/2" packer, set plug @ 1790', tested plug. Hunted hole and found @ 280'.

8-19-05: Isolated hole, dump sand on RBP, rigged up BJ Services, TIH open ended mix 50 sx C1 C cement w/4% CaCl, load casing 6 bbls. TOH w/tubing, close BOP pump cement down casing 1500 psi.

8-22-05: Went in hole, tagged cement @ 90', started drilling & circulated well clean. Shut-in.

8-23-05: Drilling out cement to 324' and clean sand off RBP. Shut-in.

8-24-05: TIH w/AD-1 plastic coated packer & tubing. Tested well to 500 psi - held. Shut-in.

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 12-05-05

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 \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Submit 3 Copies To Appropriate District  
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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

|  |  |   |
|--|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.)          |  | WELL API NO.<br>30 015 01801  |
| 1. Type of Well:<br>Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (Injection) <input type="checkbox"/>  |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator<br>Melrose Operating Company   |  | 6. State Oil & Gas Lease No.  |
| 3. Address of Operator<br>c/o P.O. Box 953, Midland, TX 79702  |  | 7. Lease Name or Unit Agreement Name<br>Artesia Unit  |
| 4. Well Location<br>Unit Letter <u>C</u> : <u>1070</u> feet from the <u>North</u> line and <u>1570</u> feet from the <u>West</u> line<br>Section <u>3</u> Township <u>18S</u> Range <u>28E</u> NMPM <u>Eddy</u> County |  | 8. Well Number<br>Well # <u>54</u>  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)   |  | 9. OGRID Number<br>184860   |

RECEIVED

DEC 22 2005

UUN-ARTESIA

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  
**NOTICE OF INTENTION TO:**

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐  
OTHER: ☐

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK ☒ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: (Order No. R-11720-A)

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.

11-16-05: Rig up wireline, log cement top @ 1730'. Shot 2 squeeze holes @ 1700'. RIH w/packer, RBP & tubing, set RBP @ 1800' & test to 500#. Pull packer above squeeze holes, pumped 100 bbls @ 2 bbls/min @ 1000#. TIH & dumped 2 sx sand on RBP. SI.  
11-17/21-05: Set cement retainer @ 1632'. Pumped 200 sx Cl C w/2% CaCl. SI.  
11-22-05: Rig up wireline, log top of cement @ 234'. Shot squeeze @ 195'.  
11-23-05: Pumped 275 sx Cl C 3% CaCl, circulate 20 sx good cement to surface.  
11-28/30-05: Drilled out cement & through retainer @ 1632'.  
12-1-05: Rigged up BJ Services, went in hole to 90' & set packer. Pumped 200 sx Cl C cement w/3% CaCl.  
12-2-05: RIH & tagged cement @ 120'.  
12-9-05: Rigged up Rising Star, pumped 250 sx Cl C w/2% CaCl. SI.  
12-13/14-05: Drilled out cement to 1716', pulled RBP out. RIH w/AD-1 packer & 2 3/8" plastic coated tubing to 2300'. Prep for test.

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 12-20-05

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 \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

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

|  |  |   |
|--|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.)        |  | WELL API NO.<br>30 015 02541  |
| 1. Type of Well:<br>Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (Injection) <input type="checkbox"/>  |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator<br>Melrose Operating Company   |  | 6. State Oil & Gas Lease No.  |
| 3. Address of Operator<br>c/o P.O. Box 953, Midland, TX 79702  |  | 7. Lease Name or Unit Agreement Name<br>Artesia Unit <b>RECEIVED</b>                                |
| 4. Well Location<br>Unit Letter <u>F</u> <u>2310</u> feet from the <u>North</u> line and <u>2267</u> feet from the <u>West</u> line<br>Section <u>3</u> Township <u>18S</u> Range <u>28E</u> NMPM <u>Eddy</u> County |  | 8. Well Number<br>Well # <u>46</u> <b>DEC 15 2005</b>   |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br><u>3662' GR</u>  |  | 9. OGRID Number <b>000-ARTESIA</b><br><u>184860</u>   |
| 10. Pool name or Wildcat<br>Artesia, Queen, Gray, SA   |  |   |

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: Cement Bond Log ☒

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.

11-14-05: Rigged up Precision Energy Services, ran CBL, CCL log as per Artesia Unit Waterflood Order No. R-11720-A.  
Log attached. Estimated cement top @ 284'.

OK  
WJ

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 12-05-05

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 \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Conditions of approval, if any:

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

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

Form C-103  
Revised June 10, 2003

|   |  |   |
|---|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.)           |  | WELL API NO.<br>30 015 01799  |
| 1. Type of Well:<br>Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (Injection) <input type="checkbox"/>   |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator<br>Melrose Operating Company  |  | 6. State Oil & Gas Lease No.  |
| 3. Address of Operator<br>c/o P.O. Box 953, Midland, TX 79702   |  | 7. Lease Name or Unit Agreement Name<br>Artesia Unit <b>RECEIVED</b>                                |
| 4. Well Location<br><br>Unit Letter <u>C</u> : <u>1070</u> feet from the <u>North</u> line and <u>1570</u> feet from the <u>West</u> line<br><br>Section <u>3</u> Township <u>18S</u> Range <u>28E</u> NMPM Eddy County |  | 8. Well Number<br>Well # 40 <b>DEC 15 2005</b>  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)  |  | 9. OGRID Number <b>COB-ARTESIA</b><br>184860  |
|   |  | 10. Pool name or Wildcat<br>Artesia, Queen, Gray, SA  |

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

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.

3-16-05: Rigged up Basic Energy Services. RIH & set RBP @ 2148' & test, held. TIH to shoot squeeze holes @ 2100'.

3-18-05: Rigged up BJ Services to squeeze w/100 sx CI C poz cement.

3-19-05: TIH to tag cement, drilled & cleaned out hole.

3-21-05: Ran cement bond log - top of cement @ 1320'.

3-23 to 4-4-05: Drilled & cleaned out hole to PBTD @ 2515'.

4-7-05: Ran in hole with tubing, hung well on - pumping.

OIC  
wvs

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

SIGNATURE Ann E. Ritchie TITLE Regulatory Agent DATE 12-05-05

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 \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of approval, if any:

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.<br>30 015 01798  |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |
| 7. Lease Name or Unit Agreement Name<br>Artesia Unit  |
| 8. Well Number<br>Well # 55   |
| 9. OGRID Number<br>184860   |
| 10. Pool name or Wildcat<br>Artesia (QN-GR-SA)  |

**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 ☒ Gas Well ☐ Other (Injection) ☐

2. Name of Operator  
Melrose Operating Company

3. Address of Operator  
c/o P.O. Box 953, Midland, TX 79702

4. Well Location

Unit Letter K: 2390 feet from the South line and 1570 feet from the West line

Section 3 Township 18S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3659' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  
**NOTICE OF INTENTION TO:**

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐  
OTHER: ☐

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: Cement Bond Log ☒

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.

6-11-05: Rigged up Precision Energy Services. Ran cement bond log/CCL log. Log attached. Compliance with Order No. R-11720-A, Artesia Unit waterflood program.

POOR CMT, BUT may  
ISOLATE interval if above 1800'  
Will Jones 1/18/06

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

SIGNATURE Ann E. Ritchie TITLE Regulatory Agent DATE 12-05-05

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 \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Conditions of approval, if any:

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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.<br>30 015 01800  |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |
| 7. Lease Name or Unit Agreement Name<br>Artesia Unit  |
| 8. Well Number<br>Well # 37   |
| 9. OGRID Number<br>184860   |
| 10. Pool name or Wildcat<br>Artesia, Queen, Gray, SA  |

**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 ☒ Gas Well ☐ Other (Injection) ☐

2. Name of Operator  
Melrose Operating Company

3. Address of Operator  
c/o P.O. Box 953, Midland, TX 79702

4. Well Location

Unit Letter A: 990 feet from the North line and 990 feet from the East line

Section 3 Township 18S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3650' GR

RECEIVED

DEC 15 2005

OOD-ARTESIA

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

**NOTICE OF INTENTION TO:**

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK ☒ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB

OTHER: Cement Bond Log ☒

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.

6-6-05: Pulled tubing, rods & pump. Rigged up Recision Logging and ran CBL. Copy of log attached.

8-23-05: Add/re-perforate well in existing producing formation @ 1867-74, 1970-77, 2160-72, 2284-88, 2307-20, 2335-2367, 2400-2440' w/ 4 spf.

8-24-05: Acidized with 5000 gals 15% HCL.

8-26-05: Went in hole with tubing, rods & pump - hang well on.

(Rally CMT 1500-2050  
Good CMT Below 2050)

OK  
WJ

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 12-02-05

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 \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of approval, if any:



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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.<br>30 015 01788  |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |
| 7. Lease Name or Unit Agreement Name<br>Artesia Unit  |
| 8. Well Number<br>Well # 53   |
| 9. OGRID Number<br>184860   |
| 10. Pool name or Wildcat<br>Artesia (QN-GR-SA)  |

|  |  |
|--|--|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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:<br>Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (Injection) <input type="checkbox"/>  | <b>RECEIVED</b><br>DEC 15 2005<br><b>OUU-ARTESIA</b> |
| 2. Name of Operator<br>Melrose Operating Company   | 9. OGRID Number<br>184860                            |
| 3. Address of Operator<br>c/o P.O. Box 953, Midland, TX 79702  | 10. Pool name or Wildcat<br>Artesia (QN-GR-SA)       |
| 4. Well Location<br><br>Unit Letter <u>J</u> <u>1650</u> feet from the <u>South</u> line and <u>1650</u> feet from the <u>East</u> line<br><br>Section <u>3</u> Township <u>18S</u> Range <u>28E</u> NMPM <u>Eddy</u> County |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3652' GR   |  |

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: Cement Bond Log ☒

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.

6-2-05: Rigged up Precision Energy Services, ran CBL, CCL log as per Artesia Unit Waterflood Order No. R-11720-A.  
Log attached. Estimated cement top @ 800'.

OK  
WJS

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

SIGNATURE Ann E. Ritchie TITLE Regulatory Agent DATE 12-05-05

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

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APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Conditions of approval, if any: