

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grande Ave., Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
1220 S. St. Francis Dr.
Santa Fe, New Mexico 87505

| | |
|--------------------------------------|--|
| WELL API NO. | 30 025 08649 |
| 5. Indicate Type of Lease | STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. | B 11223-2 |
| 7. Lease Name or Unit Agreement Name | Cone Jalmat Yates Pool Unit |
| 8. Well No. | 110 |
| 9. Pool name or Wildcat | Jalmat, (Tansill, Yates, Seven Rivers) |

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 Inject

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 F 1980' Feet From The North Line and 1980' Feet From The West Line

Section 24 Township 22S Range 35E NMPM Lea County

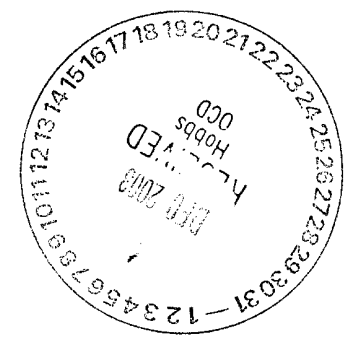
10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3585' GR

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

| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|--|---|--|---|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDONMENT <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | | CASING TEST AND CEMENT JOB <input type="checkbox"/> | |
| OTHER: _____ <input type="checkbox"/> | | OTHER <u>MIT</u> <input checked="" type="checkbox"/> | |

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.

MIT test after remedial.
11-21-03: Isolated and squeezed cement leak @ 912' with 75 sx cement. Drilled out and cleaned well to TD, ran tubing & packer - set packer at 3605'. OCD notified for pressure test on 11-26-03.
11-26-03: Pressure tested to 600# and held for 30 minutes. Good test.
Chart attached.



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 12-1-03

TYPE OR PRINT NAME Ann E. Ritchie TELEPHONE NO. 432 684-6381

(this space for State Use)

APPROVED BY Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE DEC 1 0 2003

CONDITIONS OF APPROVAL, IF ANY:

