

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. 30 015 01801
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 Artesia Unit
8. Well Number Well # 54
9. OGRID Number 184860
10. Pool name or Wildcat 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) ☒

RECEIVED

2. Name of Operator
Melrose Operating Company

DEC 15 2005

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

OCD-ARTESIA

4. Well Location

Unit Letter K 1653.6 feet from the South line and 2272.4 feet from the East line

Section 3 Township 18S Range 28E NMPM Eddy County

JAN 23 2006

OCD-ARTESIA

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:

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 Cl 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 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 Accepted for record - NMOCD TITLE DATE

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

RECEIVED
JAN 23 2006
OCD-ARTESIA

Many other wells require work in this ORDER.

Will Jones