

Submit 3 Copies To Appropriate

District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88211

District III

1000 Rio Brazos Rd., Aztec, NM 87401

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Geology, Minerals and Natural Resources

RECEIVED

FEB 10 9 30 AM '09
HOBBS

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-103

Revised June 10, 2003

WELL API NO.

30-025-38931

5. Indicate Type of Lease

STATE X FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Jalmat Field Yates Sand Unit

8. Well Number

239

9. OGRID Number

184860

10. Pool name or Wildcat:

Jalmat; Tansill-Yates-7 Rvrs

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 X Gas Well Other

2. Name of Operator

Melrose Operating Company

3. Address of Operator

c/o Box 953 Midland, TX 79702

4. Well Location

Unit Letter H ; 2000 feet from the North line and 665 feet from the East line

Section 13 Township 22-S Range 35-E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.): 3595'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 X PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB X

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.

1-16-09: Reached total depth of 3997'. Ran 5-1/2", 15.5#, J55 casing to 3973'. Cemented w/400 sx lead, 50/50 poz, Cl C, 5% salt + .125#sxcf + 3#sxlcm-1, 11.8#/gal, yield 2.45. Tailed w/300 sx 50/50 poz, Cl C, 5% salt + 3#sxlcm-1 + 4/10 fl-25, 14.2 #/gal, yield 1.3. Circulated 71 sx to pit. WOC 24 + hrs. Pressure tested to 1000# for 30 minutes. Rig release. Waiting on completion.

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: 2-4-09

Type or print name Ann E. Ritchie

E-mail address: ann.wtor@gmail.com

Telephone No. 432 684-6381

(This space for State use)

APPROVED BY

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

FEB 11 2009

Conditions of approval, if any: