

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-025-35221
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
State Oil & Gas Lease No.
Lease Name or Unit Agreement Name Jalmat Field Yates Sand Unit
Well No. 169
Pool name or Wildcat Jalmat (TN-YT-7R)
Well Location Unit Letter <u>C</u> <u>10</u> Feet From The <u>North</u> Line and <u>1330</u> Feet From The <u>West</u> Line Section <u>13</u> Township <u>22S</u> Range <u>35E</u> NMPM <u>Lea</u> County
Elevation (Show whether DF, RKB, RT, GR, etc.) 3591' GR

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.)

Type of Well:
OIL WELL GAS WELL OTHER

Name of Operator
Melrose Operating Co.

Address of Operator
PO Box 5061, Midland, TX 79704

Well Location
Unit Letter C 10 Feet From The North Line and 1330 Feet From The West Line
Section 13 Township 22S Range 35E NMPM Lea County

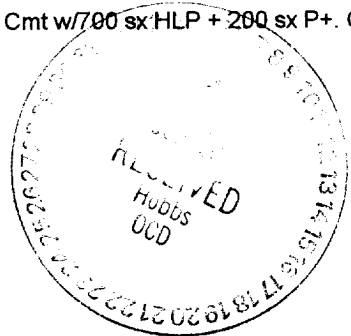
Elevation (Show whether DF, RKB, RT, GR, etc.)
3591' GR

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 checked="" type="checkbox"/>	PLUG AND ANBANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

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.

Spud 12-1/4" hole on 2/17/01. Drill to 420'. RIH w/8-5/8", 24#, J-55, csg. Set @ 403'. Cmt w/275 sx P+. Circ. WOC total of 18 hrs.
Drill 7-7/8" hole. TD @ 4200'. Reached TD 2/23/01. RIH w/95 jts 5-1/2", 15.5# csg. Set @ 4208'. Cmt w/700 sx HLP + 200 sx P+. Circ.
Release Rig 2/23/01.



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

SIGNATURE Bonnie Atwater TITLE Agent DATE 6-5-02

TYPE OR PRINT NAME Bonnie Atwater TELEPHONE NO. 915/685-1761

(This space for State Use)

APPROVED BY _____ TITLE PAUL KAUTZ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

ORIGINAL SIGNED BY
PAUL KAUTZ
DISTRICT MANAGER