

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. 30 015 01864
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B115943
7. Lease Name or Unit Agreement Name State "14" B
8. Well No. 15
9. Pool name or Wildcat Artesia, Q-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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> OTHER <input type="checkbox"/>	RECEIVED JAN 22 2004
2. Name of Operator Melrose Operating Company	
3. Address of Operator c/o P.O. Box 953, , Midland, TX, 79702	OCD-ARTESIA

4. Well Location Unit Letter P 330 Feet From The South Line and 990 Feet From The East Line Section 14 Township 18S Range 28E NMPM Eddy County	10. Elevation (Show whether DF, RKB, RT, GR, etc.) ////////////////////
---	--

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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER remedial work/back on production <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.

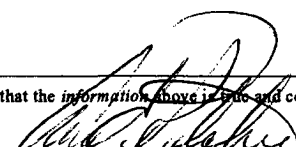
12-16-03: MIRU, pulled rods & pump. Pull tubing and test. SION.

12-17-03: Steamed tubing, testing tubing, waiting to flush tubing.

12-18-03: Went in hole with packer to 2280', perforated @ 2320', 2369', 2540-46', OH from 2550-64'. Rigged up Cudd, pumped 2500 gals 15% HCL.

12-19-03: Unset packer, ran tubing, pump & rods, hang on. Electricians set motor and panel. Started pumping.

12-31-03: Final report - well pumping to battery, 3-5- bbls oil per day.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.	
SIGNATURE 	TITLE Regulatory Agent
DATE 1-19-04	
TYPE OR PRINT NAME Ann E. Ritchie	
TELEPHONE NO. 432 684-6381	

(this space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: _____

Accepted for record - NMOC