

Submit To: Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, 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 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. : 30 015 33287 5. Indicate Type of Lease STATE ☒ FEE ☐ State Oil & Gas Lease No.
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WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐ b. Type of Completion: NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF ☐ WELL OVER ☐ BACK REST ☐ 2. Name of Operator Melrose Operating Co. (184860) 3. Address of Operator c/o P.O. Box 953, Midland, TX 79702	7. Lease Name or Unit Agreement Name Artesia Unit (Property Code 26081) 8. Well No.: #103 9. Pool name or Wildcat: Artesia; Queen-Grayburg-San Andres 03230
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4. Well Location

 Unit Letter P : 1110 Feet From The South Line and 2495 Feet From The East Line
 Section 3 Township 18S Range 28E NMPM Eddy County

10. Date Spudded 7-5-06	11. Date T.D. Reached 7-13-06	12. Date Compl. (Ready to Prod.) 9-14-06	13. Elevations (DF& RKB, RT, GR, etc.) 3647 GR	14. Elev. Casinghead
15. Total Depth: 3210'	16. Plug Back T.D.: 3140'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By	Rotary Tools: ☒ Cable Tools
19. Producing Interval(s), of this completion - Top, Bottom, Name Grayburg-San Andres: 2458-2730'				20. Was Directional Survey Made No
21. Type Electric and Other Logs Run: GR/CCL			22. Was Well Cored: No	

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB. FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	469'	12 1/4"	400 sx	None
5 1/2"	15.5#	3210'	7 7/8"	850 sx	None

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8"	2818"	

26. Perforation record (interval, size, and number): Grayburg San Andres: 2458-62,2450-56,2422-2442,2408-2416,2596-2600,2608-10, 2720-30 w/2 shot per ft.	27. ACID. SHOT. FRACTURE. CEMENT. SQUEEZE. ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td>2458-2730</td> <td>4000 gals 15% HCL</td> </tr> <tr> <td> </td> <td>81.000# 16/30 sand. 25# gel</td> </tr> </table>	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	2458-2730	4000 gals 15% HCL		81.000# 16/30 sand. 25# gel
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2458-2730	4000 gals 15% HCL						
	81.000# 16/30 sand. 25# gel						

28. PRODUCTION

Date First Production: 9-18-06		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping		Well Status (Prod. or Shut-in) Producing	
Date of Test 9-20-06	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl 50	Gas - MCF 18
				Water - Bbl. 28	Gas - Oil Ratio 360
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.
					Oil Gravity - API - (Corr.)

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
 Sales _____ Test Witnessed By _____

30. List Attachments
 Logs, inclination & C-104

Signature

Printed Name : Ann E. Ritchie

Title: Regulatory Agent

Date: 10-13-06

E-mail Address: ann.ritchie@wtor.net

INSTRUCTIONS

Melrose Operating Co., Artesia Unit, Well #103, API 30 015 33287, Sec 3, T18S, R28E, Eddy County, NM

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one district copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg 2458	T. Montoya	T. Mancos	T. McCracken
T. San Andres 2720	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 3, from.....to.....

No. 2, from..... to.....

No. 4. from..... to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from to feet.

No. 2, from to feet.

No. 3, from to feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

From	To	Thickness In Feet	Lithology