

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
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30 015 02541
5. Indicate Type of Lease STATE FEE X
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Artesia Unit
8. Well Number 46
9. OGRID Number 184860
10. Pool name or Wildcat Artesia: Queen-Gray-SA 3230

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 ☐

2. Name of Operator
Melrose Operating Company

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

MAR 31 2008
OCD-ARTESIA

4. Well Location
Unit Letter F : 2310 feet from the North line and 2267 feet from the West line
Section 3 Township 18S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3602' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 COMPL ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS ☐ P AND A ☐
CASING/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.

As per notice from NMOCD this well is permitted under R-11720-A, allowing injection into the Grayburg formation from 2125-2419'. This well was perforated @ 1800' by a previous operator. Melrose will rig up and confirm what perforations are open in this well; in the event perforation are open above 2125', they will be squeezed by setting a retainer 50' above the perforations and squeezing with 100 sx CI C cement. Melrose will WOC, then pressure test squeeze.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines X, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE [Signature] TITLE Regulatory Agent DATE 3-20-08

Type or print name: Ann E. Ritchie E-mail address: ann.ritchie@wtor.net
For State Use Only

Telephone No. 432 684-6381

ACCEPTED FOR RECORD

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any):

APR 9 - 2008

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIA