

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 87240  
District II  
811 South First, Artesia, NM 87210  
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 S. St. Francis Dr.  
Santa Fe, NM 87505

Form C-103  
Revised March 25, 1999

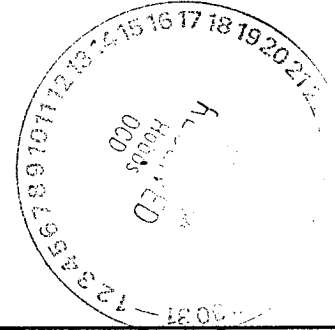
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. 30 025 36497
2. Name of Operator Melrose Operating Company		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator c/o P.O. Box 953, Midland, TX 79702		6. State Oil & Gas Lease No.
4. Well Location Unit Letter <u>F</u> <u>2630'</u> feet from the <u>North</u> line and <u>1650'</u> feet from the <u>West</u> line Section <u>14</u> Township <u>22S</u> Range <u>35E</u> NMPM Lea County		7. Lease Name or Unit Agreement Name: Jalmat Field Yates Sand Unit
10. Elevation (Show whether DR, RKB, RT GR, etc.) 3583' GR		8. Well No. 189
		9. Pool name or Wildcat Jalmat, (Tansill, Yates, Seven Rivers)

I 1. 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 type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENTJOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Spud, casing & TD <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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1-17-04: Rigged up, spudded, drilling 12 1/4" hole. Drilled to 460' and ran 8 5/8", 24#, J-55 casing to 450'. Cemented with 400 sx PP 2% CaCl<sub>2</sub> cement. Circulated 100 sx to pit. WOC. Pressured to 1000#.  
2-1-04: Reached Total Depth of 4213'. Ran 5 1/2", 17# casing to 4204'. Cemented with 375 sx Interfill-C and 350 sx PP. WOC. 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 4-20-04

Type or print name Ann E. Ritchie Telephone No. 432 684-6381  
(This space for State use)

APPROVED BY Paul J. Ritchie TITLE PETROLEUM ENGINEER DATE MAY 17 2004  
Conditions of approval, if any: