

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

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.)		WELL API NO. 30 025 36574
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other injection <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Melrose Operating Co.		6. State Oil & Gas Lease No.
3. Address of Operator c/o Box 953, Midland, TX 79702		7. Lease Name or Unit Agreement Name: Jalmat Field Yates Sand Unit
4. Well Location Unit Letter <u>D</u> <u>1310'</u> feet from the <u>North</u> line and <u>1157'</u> feet from the <u>West</u> line Section <u>13</u> Township <u>22S</u> Range <u>35E</u> NMPM Lea County		8. Well No. 198
10. Elevation (Show whether DR, RKB, RT GR, etc.) 3583' GR		9. Pool name or Wildcat Jalmat, (Tansil, Yates, Seven Rivers)

I 1. 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 COMPLETION ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

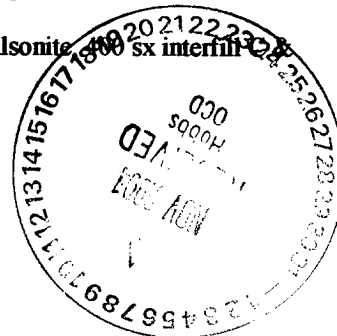
REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENTJOB ☐
OTHER: Spud, surface & production casing, TD ☒

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.

7-8-04: Spudded 12 1/4" hole. Drilled to 416'.

7-9-04: Ran 8 5/8", 24# surface casing to 397'. Cemented with 300 sx Cl C 2% CaCl, circulated 59 sx to pit. WOC. Tested to 1000# held okay. WOC.

7-17-04: Reached TD @ 4176', ran logs & ran 5 1/2", 17# casing to 4131'. Cemented with 535 sx HL/Gilsonite, 400 sx interfill, 300 sx PP w/50 sx Thixset, released rig and WOC and 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 11-2-04

Type or print name Ann E. Ritchie

Telephone No. 432 684-6381

(This space for State use)

APPROVED BY Paul J. [Signature] TITLE PETROLEUM ENGINEER DATE DEC 13 2004

Conditions of approval, if any: