Submit 3 Copies To Appropriate District State of New Mexico Form C-103 Office Revised June 10, 2003 Energy, Minerals and Natural Resources District I WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II 30 025 08604 **OIL CONSERVATION DIVISION** 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease District III 1220 South St. Francis Dr. STATE X **FEE** 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe. NM 87505 District IV 6. State Oil & Gas Lease No. 1220 S. St. Francis Dr., Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (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 Cone Jalmat Yates Pool Unit PROPOSALS.) 8 Well Number 1. Type of Well: Well # 103 Oil Well X Gas Well Other (Injection) 2. Name of Operator 9. OGRID Number **Melrose Operating Company** 184860 3. Address of Operator 10. Pool name or Wildcat c/o P.O. Box 953, Midland, TX 79702 Jalmat Tansil Yates-7 Rivers 4. Well Location Unit Letter K: 1980 feet from the South line and 1980 feet from the West line Section Township 22S Range 35E **NMPM** Lea County 11. Elevation (Show whether DR, RKB, RT, GR, etc.): 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data **NOTICE OF INTENTION TO:** SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING □ **TEMPORARILY ABANDON** П CHANGE PLANS П **COMMENCE DRILLING OPNS** PLUG AND \Box **ABANDONMENT** PULL OR ALTER CASING **MULTIPLE** CASING TEST AND COMPLETION **CEMENT JOB** OTHER: П 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. 2-12-06: Rigged up, RIH w/ scrapper & 120 joints tubing, tagged bottom @ 3720. RU reverse Unit. 2-14-06: Test tubing, circulate hole to 3984'. RD reverse unit. 2-15-06: Ran 2 3/8" tubing to 3900'. Ran rods, spaced well out & hang on, waiting on pumping unit. 6-10-06: Set pumping unit, hooked up flowline & electricity. Well producing to central battery. 6-29-06: Production Test: 2 bbls oil, 34 bbls water and 2 mcf gas 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 8-4-06 Type or print name Ann E. Ritchie E-mail address: ann.ritchie@wtor.net Telephone No. 432 684-6381 TITLE OF DISTRICT SUPERVISOR/GENERAL MANAGER (This space for State use) SEP 0 5 2006 APPPROVED BY

Conditions of approval, if any: