

Form 3160-5
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1 Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2 Name of Operator
Melrose Operating Company, LLC3a Address 3b Phone No (include area code)
5813 NW Grand Blvd Suite B Oklahoma City OK 73170 (405) 848-4012

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)

UL, Sec: 30, T: 22s, R: 36E

5 Lease Serial No

NMLC030132Ba

6 If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No.

8 Well Name and No

Closson B 11

9 API Well No

30-025-00000-09098

10 Field and Pool, or Exploratory Area

Tansill Yates Seven River

11 County or Parish, State

Lea

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Melrose proposes to test this well and if it is unproductive Melrose will P&A this well. Melrose proposes to put a pulling unit on this well on about June 12 2007.

This well properly TA 9/90. This well was completed as an open hole completion from 3386 to 3486.

A CIBP was set @ 3286 when well was TA'd.

Melrose proposes to RU pulling unit, drill out CIBP swab test open hole interval. If the swab test prove unproductive Melrose will set a CIBP at 3250. Dump 20 sxs of cement on plug. Set an 100 ft plug from 1450 to 1550 (Surface pipe is set @ 1502). Test plug and then set surface plug and place marker.

If well swabs test productive tubing will be run in the well and the well will be placed on production.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Cam Robbins

Title Operation Agent

Signature

Cam Robbins

Date 5/20/2007

ORA

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

Title

Office

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

APPROVED

JUN 22 2007

FREDERICK WRIGHT
PETROLEUM ENGINEER

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted to drill out the CIBP @ 3286' and test this well.
2. If the test proves uneconomic, approval is granted to plug this well with the following modifications:
3. A 25 sack plug will be set @ 3436' for the shoe of the 5.5" casing, base of the salt and the open hole completion.
4. Perf and Squeeze 50 sacks @ 1690' leaving at least 25 sacks inside of the casing, for the top of the salt and the shoe of the 8.625" casing.
5. The surface plug must be at least 60'.
6. The plugs @ 3436' and 1690' must be tagged.

*****All plugs below the surface plug must be at least 100' and 25 sacks of cement plus an additional 10% for each 1000 feet of depth.**

Plugging procedures must conform to 43 CFR 3162.6.d and Onshore Order No. 2.III.G or NMOCD orders if they are more stringent.

ALL OF THE WORK AUTHORIZED HERE MUST BE COMPLETED WITHIN 90 DAYS.

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 6/22/07