

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO.	30 025 36153
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Jalmat Field Yates Sand Unit
8. Well No.	186
9. Pool name or Wildcat	Jalmat, Tansill, Yates, Seven Rivers
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3580'

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> OTHER	2. Name of Operator Melrose Operating Company
3. Address of Operator c/o P.O. Box 953, , Midland, TX, 79702	4. Well Location Unit Letter H 2630 Feet From The North Line and 1056 Feet From The East Line Section 14 Township 22S Range 35E NMPM Lea County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3580'	

11. 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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER Spud, TD, casing <input checked="" type="checkbox"/>

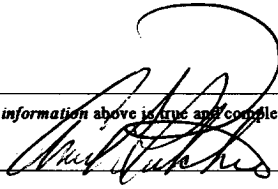
12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

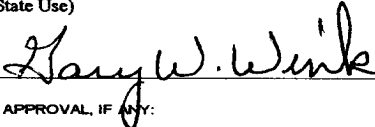
9-18-03: Moved in rigged up United Drilling Co. rig. Spud well - 12 1/4" hole.

9-19-03: Ran 396', 8 5/8", new 24# casing. Cemented with 290 sx PP, 14.8#. WOC. Tested to 1000#.

9-24-03: Reached TD of 4127'. Logged well, ran 4127', 5 1/2", 15.5# csg.

9-25-03: Cemented 5 1/2" w lead slurry 500 sx, interfill C @ 11.9 ppg, 2.45 yield, tailed with 335 sx PP w/1#/sx salt, 3% CFR-3, 3% LAP-1, 1/4# sx ! 14.8 ppg/1.34 yield. circulated 271 sx to pit. Rig released. WOC.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.	
SIGNATURE 	TITLE Regulatory Agent
DATE 9-29-03	TELEPHONE NO. 432 684-6381
TYPE OR PRINT NAME Ann E. Ritchie	

(this space for State Use)	OCT 06 2003
APPROVED BY 	OC DISTRICT SUPERVISOR/GENERAL MANAGER
CONDITIONS OF APPROVAL, IF ANY:	DATE