

Submit 3 Copies To Appropriate
District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
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

Form C-103
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30 025 03163
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Northeast Pearl Queen Unit
8. Well Number 3
9. OGRID Number 184860
10. Pool name or Wildcat: Pearl Queen

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 ☒ Gas Well ☐ Other (Injection) ☐

2. Name of Operator
Melrose Operating Company

3. Address of Operator
c/o Box 953 Midland, TX 79702

4. Well Location
Unit Letter D : 330 feet from the South line and 1980 feet from the West line
Section 15 Township 19S Range 35E NMPM Edd County

11. Elevation (Show whether DR, RKB, RT, GR, etc.): 3763

12. 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 CEMENT JOB

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.

5-23-07: POOH w/ rods & pump & tubing; ran back in hole w/161 jts 2 3/8" tubing, tagged @ 4899'.

5-24-07: RIH w/scan tool, scanned tubing, Rig up wireline, ran CBL logs. RIH w/ 4 3/4" big, tagged @ 4898'. Clean well out to 4950'.

5-29-07: RIH with impression block, found top of junk tubing & milled to 5026'. POOH-no junk in shoe. RIH w/bit & tagged @ 4950.

5-30-07: RIH and cleaned out to 5026'. RIH w/SN & 2 3/8" tubing, started swabbing.

5-31-07: Swabbed. RIH w/pump & rods, stroked pump.

6-1-07: Well Test: 4 bbls oil, 81 bbls water and 0 gas.

Well put back on production as part of ACO compliance order.

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: 7-13-07

Type or print name Ann E. Ritchie E-mail address: ann.ritchie@wtor.net Telephone No. 432 684-6381

(This space for State use)

APPROVED BY Lang W. Wink TITLE OC FIELD REPRESENTATIVE II / STAFF MANAGER DATE _____

Conditions of approval, if any:

JUL 18 2007