

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

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 38704 ✓
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Melrose Operating Company ✓		6. State Oil & Gas Lease No.
3. Address of Operator c/o P.O. Box 953, Midland, TX 79702		7. Lease Name or Unit Agreement Name Jalmat Field Yates Sand Unit ✓
4. Well Location Unit Letter <u>J</u> : 1980 feet from the <u>South</u> line and 1980 feet from the <u>East</u> line Section <u>10</u> Township <u>22S</u> Range <u>35E</u> NMPM <u>Lea</u> County		8. Well Number <u>225</u> ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>3606'' GR</u>		9. OGRID Number <u>184860</u> ✓
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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 COMPL ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS ☒ P AND A ☐
CASING/CEMENT JOB ☒ X
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.

3-6-08: Spudded well, drilling 12 1/4" hole. Ran 417' of 8 5/8", 24#, J-55, STC LS casing, 4 centralizers, cemented with 450 sx Cl C + 2% CaCl, did not circulate. WOC. Top of cement @ 120'. WOC 18 hrs.
3-7-08: RIH w/125' of 1" pipe out 8 5/8", rigged up BJ Services and pumped cement to surface. Pumped 200 sx Cl C + 2% CaCl ! 14.8 ppg filled annulus to surface. WOC. Pressured up to 1000# for 30 minutes, held. WOC 8 hrs.
3-15-08: Reached total depth of 4035'. RIH w/ 5 1/2", 17#, J55 8 rd casing to 4035'. Cemented with 700 sx lead 50:50; 10; poz,C;gel+5% salt +.125#sxcf+3#sxlCM-1; 11.8#/gal; yield 2.45. Tailed w/300 sx 50:50;2;poz,C;gel+5% salt+3#sxlCM-1+4/10 FL-25; 14.2#/gal; yield 1.30. Circulated 68 sx to pit. WOC. Pressured up to 1000 psi, held. Waiting on completion. Rig released.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines X, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE [Signature] TITLE Regulatory Agent DATE 3-17-08

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

For State Use Only

APPROVED BY: [Signature] TITLE Geologist DATE APR 08 2008
Conditions of Approval (if any): _____

RECEIVED

MAR 21 2008

HOBBS OCL