

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District R  
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  
May 27, 2004

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

WELL API NO. 30 025 38707
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Jalmat Field Yates Sand Unit
8. Well Number Well #228
9. OGRID Number 184860
10. Pool name or Wildcat Jalmat ; Tan-Yates-7 Rvrs 33820

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 _____

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 <input type="checkbox"/>
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 <input checked="" type="checkbox"/> O 1980 1310 feet from the South line and 1980 2303 feet from the East line Section 10 Township 22S Range 35E NMPM Lea County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3606'

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P & A <input type="checkbox"/> CASING/CEMENT JOB <input checked="" type="checkbox"/> OTHER: <input type="checkbox"/>
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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 1 103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- 4-1-08: Spudded 12 1/4" hole, drilled to 450'. RIH w/ 8 5/8", new LS, J55, STC, 24# casing to 438'. Cemented w/375 sx CI C 2% CaCl cement, 14.8#/gal, yield 1.33. Circulated 50 sx to pit. WOC. Pressure tested to 1000 psi for 30 minutes.
- 4-5-08: Reached total depth of 4165'. Did not log. Ran 5 1/2" 17#, LS, J55 new casing to 4160'.
- 4-6-08: Cemented 5 1/2" casing w/lead 700 sx 50/50 poz CI C + 5% salt + .125# sx cf + 3# SXLCM-1, 11.8#/gal, 2.45 yield, tailed w/200 sx 50/50 poz, CI C + 5% salt + 3# SXLCM-1 + 4/10 FL-25, 14.2#/gal, yield 1.33. Circulated 50 sx to pit. NU wellhead. Released rig. Waiting on completion.

RECEIVED

APR 18 2008

HOBBS OCD

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 NMOC guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Ann E. Ritchie TITLE Regulatory Agent DATE 04/10/2008

Type print name Ann E. Ritchie E-mail address: ann.ritchie@wtor.net Telephone No. 432 684-6381/214 762-0830  
For State Use Only

APPROVED BY: Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE APR 25 2008  
Conditions of Approval (if any):