

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

Santa Fe, NM 87505

Form C-103

May 27, 2004

WELL API NO. 30 025 38874
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 Jalmat Field Yates Sand Unit <input checked="" type="checkbox"/>
8. Well Number 195 <input checked="" type="checkbox"/>
9. OGRID Number 184860
10. Pool name or Wildcat Jalmat Tan-Yates-7Rvrs

MAY 27 2008

RECEIVED
HOBBS OCD

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR TO BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM 100) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ 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 : 1970 feet from the North line and 448 feet from the East line
Section 14 Township 22S Range 35E NMPM Lea County

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

Pit or Below-grade Tank Application ☐ or Closure ☐

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.

5-6-08: Spudded well, drilling 12 1/4" hole.

5-7-08: Reached 453', set 8 5/8", 24# J55 New STC casing @ 453', cemented w/375 sx Cl C w/2% CaCl. Floats OK. Did not circulated cement, RIH w/ 1" pipe & tag TOC @ 100'. RU BJ & pumped 100 sx Cl C w/2% CaCl, circulated cement to surface. WOC 18 hrs. Pressure tested to 1000 psi for 30 minutes.

5-11-08: Reached total depth of 4180'. Ra 5 1/2", 15.5#, J55, LTC new casing to 4171'. Cemented w/400 sx lead and 350 sx tail Cl C cement. Circulated 0 sx to pit. Float OK. Pressure tested to 1500 psi for 30 minutes. WOC more than 24 hrs. Rig released.

Hole size? Temperature survey or CBL needs to be run! CW

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 Ann E. Ritchie TITLE Regulatory Agent DATE 5-19-08

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

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APPROVED BY: Chris Williams TITLE OCD DISTRICT SUPERVISOR/GENERAL MANAGER DATE JUN 10 2008
Conditions of Approval (if any):