

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
May 27, 2004

OIL CONSERVATION DIVISION

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

WELL API NO.
30 025 38875

5. Indicate Type of Lease
STATE ☒ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Jalmat Field Yates Sand Unit

8. Well Number 222

9. OGRID Number 184860

10. Pool name or Wildcat
Jalmat Tan-Yates-7Rvrs

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL FOR OIL OR GAS OR TO PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT TO DRILL FOR OIL OR GAS" 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 B : 606 feet from the North line and 1802 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.

5-13-08: Well spudded. Drilling 12 1/4" hole. Ran 8 5/8", 24#, J55 new casing STC to 459'. Cemented casing with 375 sx CI C + 2% CaCl, 14.8#/gal, yield 1.33. Circulated to surface. WOC. Pressure tested to 1000 psi for 30 minutes. WOC for 12 hrs.
5-19-08: Reached total depth of 4180'. Ran 5 1/2", 15.5#, J55, new STC casing to 4180'. Cemented w/450 sx lead 50:50 poz CI C + 10% bentonite + Sodium Chloride + 0.2FL, slurry 11.8 ppg, yield 2.45. Tailed w/300 sx 50:50 poz CI C + 10% bentonite + Sodium Chloride + 0.2% GL, slurry weight 14.2 ppg, yield 1.33. Circulated 87 sx to surface. WOC. Pressure tested to 1500 psi for 30 minutes. WOC for over 24 hrs. 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 TITLE Regulatory Agent DATE 6-12-08

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: Chris Williams TITLE DISTRICT SUPERVISOR/GENERAL MANAGER DATE JUL 07 2008

Conditions of Approval (if any):