

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 Blvd., Lordsburg, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

RECEIVED

OCT 20 2008

HOBBS (11)

State of New Mexico
Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103

Revised June 10, 2003

WELL API NO. 30-025-38941 ✓
5. Indicate Type of Lease STATE X FEE ✓
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Jalmat Field Yates Sand Unit ✓
8. Well Number 242 ✓
9. OGRID Number 184860 ✓
10. Pool name or Wildcat: Jalmat; Tansill-Yates-7 Rvrs ✓

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 X Gas Well Other ✓	7. Lease Name or Unit Agreement Name Jalmat Field Yates Sand Unit ✓
2. Name of Operator Melrose Operating Company ✓	8. Well Number 242 ✓
3. Address of Operator c/o Box 953 Midland, TX 79702	9. OGRID Number 184860 ✓
4. Well Location Unit Letter <u>D</u> ; <u>625</u> feet from the <u>North</u> line and <u>375</u> feet from the <u>West</u> line Section 11 Township 22S Range 35E NMPM Lea County	10. Pool name or Wildcat: Jalmat; Tansill-Yates-7 Rvrs ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.): 3610'GR	

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 X PLUG AND ABANDONMENT ☐
CASING TEST AND 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.

8-14-08: Spud well, drilling 12-1/4" hole.

8-15-08: Drilled to 435'; set 8-5/8", 24#, J55, STC, new casing @ 420'. Cemented w/375 sx Cl C + 2% CaCl. Circulated 1 sx to pit. WOC 12 + hrs. Pressure tested to 1000# for 30 minutes – held.

8-21-08: Reached total depth of 4160'. Ran 5-1/2", 17#, J55 casing to 4157'. Cemented w/450 sx lead, 50/50 poz, Cl C, 5% salt + .125#sxcf + 3#sxlcm-1, 11.8#/gal, yield 2.45. Tailed w/300 sx 50/50 poz, Cl C, 5% salt + 3#sxlcm-1 + 4/10 fl-25, 14.2#/gal, yield 1.3. Circulated 31 sx to pit – float held. WOC, 12+/hrs. Pressure tested to 1000# for 30 minutes – held. Rig release. Waiting on completion.

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: 10-8-08

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 [Signature] TITLE PETROLEUM ENGINEER DATE OCT 23 2008
Conditions of approval, if any: