

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

Energy, Minerals and Natural Resources

Revised June 10, 2003

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

HOBBS (1)

WELL API NO.

30-025-38930

5. Indicate Type of Lease

STATE X FEE

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name

Jalmat Field Yates Sand Unit

8. Well Number

237

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

2. Name of Operator

Melrose Operating Company

3. Address of Operator

c/o Box 953 Midland, TX 79702

4. Well Location

Unit Letter L ; 1980 feet from the South line and 990 feet from the West line

Section 12 Township 22S Range 35E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.): 3584'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 PLANSPULL 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.

10-2-08: Spud well, drilling 12-1/4" hole.

10-3-08: Drilled to 425'; set 8-5/8", 24#, J55, STC, new casing @ 412'. Cemented w/375 sx Cl C + 2% CaCl. Circulated 40 sx to pit. WOC 12 + hrs. Pressure tested to 1000# for 30 minutes - held.

10-8-08: Reached total depth of 4185'. Ran 5-1/2", 15.5#, J55 casing to 4181'. Cemented w/400 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 23 sx to pit - floats 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: 10-8-08Type 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: