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DEC 12 2008

HOBBSOCD

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103

May 27, 2004

WELL API NO. 30 025 38937 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Jalmat Field Yates Sand Unit ✓
8. Well Number 142 ✓
9. OGRID Number 184860 ✓
10. Pool name or Wildcat Jalmat, Tansill-Yates- 7Rvrs ✓

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 I 1980 feet from the South line and 600 feet from the East line Section 14 Township 22S Range 35E NMPM Lea County	
11. Elevation (Show whether DL~ RKB, RT GR, etc) 3573' GR	
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: _____ Inil 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 ☒

OTHER: Spud to TD ☒

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.

10-21-08: Spudded 12 1/4".

10-22-08: Drilled to 425'. Ran 423', 8 5/8", 24#, J55 STC new casing. Cemented with 375sx Cl C 2% CaCl. Pressure tested casing to 500 psi for 30 minutes. Circulated 44 sx to pit. WOC 12+ hrs.

10-26-08: Reached TD 4150'. Ran 5 1/2", J-55, 15.5# new casing to 4150'. Cemented with lead 500 sx 50/50 poz C + 5% salt + .125#SXCF + 3#SXLCM-1, 11.8 gal, 2.45 yield, tailed with 250 sx 50/50 poz C + 5% salt + 3SXLCM-1 + 420 FL-25, 14.2 gal, 1.3 yield. Pressure tested to 1500 psi 30 minutes. Rig released. Waiting on completion.

*See Amended C-103
Dated 12/11/08*

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 12-5-08

Type or print name Ann E. Ritchie E-mail address: ann.wtor@gmail.com Telephone No. 432 684-6381
For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE _____

Conditions of Approval (if any):

DEC 17 2008