

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

June 19, 2008

RECEIVED

FEB 10 2009

HOBBSOC

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.	30-025-37174 /
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	Prop#25191
7. Lease Name or Unit Agreement Name	JALMAT FIELD YATES SAND UNIT /
8. Well Number	220 /
9. OGRID Number	184860 /
10. Pool name or Wildcat	Jalmat, Yates, Tansell, 7-Rives /

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 Gas Well ☒ Other ☒ Water Injection Well ☒ OK

2. Name of Operator  
MELROSE OPERATING CO /

3. Address of Operator  
1000 W. WILSHIRE, SUITE 223, OKLAHOMA CITY, OK 73116

4. Well Location  
Unit Letter L : 1942 feet from the SOUTH line and 955 feet from the WEST line  
Section 11 Township 22S Range 35E NMPM County LEA /

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3600' GL

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 ☐  
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☒ 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.

Melrose will performing MIT Test on Jalmat #220 WIW on Wednesday, February 11<sup>th</sup>, 2009, at 9:30 AM MST

Spud Date:

Rig Release Date:

WFX-821

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Cam Robbins TITLE Forman DATE 2/6/09

Type or print name Cam Robbins E-mail address: maximum@valornet.co PHONE: 575-390-4666

For State Use Only

APPROVED BY: Ray M. Hill TITLE DISTRICT 1 SUPERVISOR DATE FEB 11 2009

Conditions of Approval (if any):