

03-25-10; 20:27

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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

87505

State of New Mexico

Energy, Minerals and Natural Resources

Form 0-103

March 24 2010

WELL API NO.

30-025-38916

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Cone Jalmat Yates Pool Unit

8. Well Number 127

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 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 ☒ Log

2. Name of Operator

Melrose Operating

3. Address of Operator

20333 State Highway 249, Suite 310, Houston, Texas 77070

4. Well Location

Unit Letter I : 1970 feet from the South line and 2062 feet from the East lineSection 13 Township 22S Range 35E NMPM County La

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

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: Perf, Acid, Frac, Set Packer ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

10/02/09 RU Perf fl 3658' to 3964' w/ 2 spf. & Acid w/ 4000 gals acid,

10/23/09 Frac w/ 1500 bbl frac w/ 120000# Sand

10/24/09, MIRUPU, ND Frac Valve, NU BOP, Tally & Start RIH

10/26/09, Finish RIH, Tag at 3850', RU Rerv U, & circ well clean out to PBTD 4024'

11/17/09, RIH w/ 5 1/2" AD-1 Packer & 113 Jnts 2 3/8" DuoLine Injection Tbg, Circ Packer fluid & set Packer at 3603',

Spud Date:

02/05/2009

Rig Release Date:

WFX-853

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

SIGNATURE

BARRY ARCHERTITLE VICE PRESIDENTDATE 03.25.2010

Type or print name

BARRY ARCHERE-mail address: barcher@melroseenergy.comPHONE: 852 698 0000

For State Use Only

APPROVED BY:

[Signature]TITLE STAFF MGRDATE 3-29-10

Conditions of Approval (if any):

WELL DIAGRAM

Operator - Melrose Operating Company

Lease Name - Cone Jalmat Yates Pool Unit

API - 30 025 38916

Location - Unit J 1970' FSL & 2062' FEL, Section 13, T 22S, R 35E NMPM Lea Country, NM

Spud - 02/05/2009

Well - 127

