

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

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 March 10 2010

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

WELL API NO. 30-025-38939
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Jalmat Field Yates Sand Unit
8. Well Number 146
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 <u>Injector</u>	
2. Name of Operator Melrose Operating	
3. Address of Operator 20333 State Highway 249, Suite 310, Houston, Texas 77070	
4. Well Location Unit Letter <u>B</u> : <u>660</u> feet from the <u>North</u> line and <u>1700</u> feet from the <u>East</u> line Section <u>23</u> Township <u>22S</u> Range <u>35E</u> NMPM County <u>Lea</u>	
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 ☒

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.

12/17/08 MIRUPU, RU Weatherford WL & Perf well 3828' - 4018' w/ 2spf, RU Cudd & Acidize well w/ 4000 gals acid,
 02/18/09 Frac w/ 1508 bbl frac fl w/ 130525# sand
 08/07/09, MIRUPU, Bleed well down, NDWH & NU BOP, Tally tbg & RIH w/ 5 1/2" AD-1 tention packer & 115 jnts 2 3/8" injection tubing. Set packer @ 3760'

Spud Date: 12/03/08

Rig Release Date:

WFX-852

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

SIGNATURE [Signature] TITLE VIC PRESIDENT DATE 03.30.2010

Type or print name Barry Archer E-mail address: barcher@melroseenergy.com PHONE: 832 698 7500

For State Use Only

APPROVED BY: [Signature] TITLE STATE MGR DATE 3-31-10
 Conditions of Approval (if any):

WELL DIAGRAM

Operator - Melrose Operating Company

Lease Name - Jalmat Field Yates Sand Unit

API - 30 025 38939

Location - Unit B 660' FNL & 1700' FEL, Section 23, T 22S, R 35E NMPM Lea Country, NM

Spud - 12/03/08

Well - 146

