

Office

Energy, Minerals and Natural Resources

June 19, 2008

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

RECEIVED

MAR 18 2010

HOBBSUCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-08608 ✓

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

Prop#25203

7. Lease Name or Unit Agreement Name
CONE JALMAT YATES POOL UNIT ✓

8. Well Number 108 ✓

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

2. Name of Operator

MELROSE OPERATING CO

3. Address of Operator

20333 STATE HIGHWAY 249, Suite 310, HOUSTON TX 77077

4. Well Location

Unit Letter O : 660 feet from the SOUTH line and 1980 feet from the EAST lineSection 13 Township 22S Range 35E NMPM County LEA ✓

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

3585' 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 ☐

OTHER:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: **INJECTION MIT**

X

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.

Performed Injection MIT, 3/12/2010, 500#s for 30 min, Witnessed by OCD/Mark Whitaker, SEE attached Chart

Spud Date:

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 _____ TITLE Forman DATE 3/12/09Type or print name Cam Robbins E-mail address: maximum@valornet.co PHONE: 575-390-4666

For State Use Only

APPROVED BY: [Signature] TITLE STAFF MGR DATE MAR 31 2010

Conditions of Approval (if any):

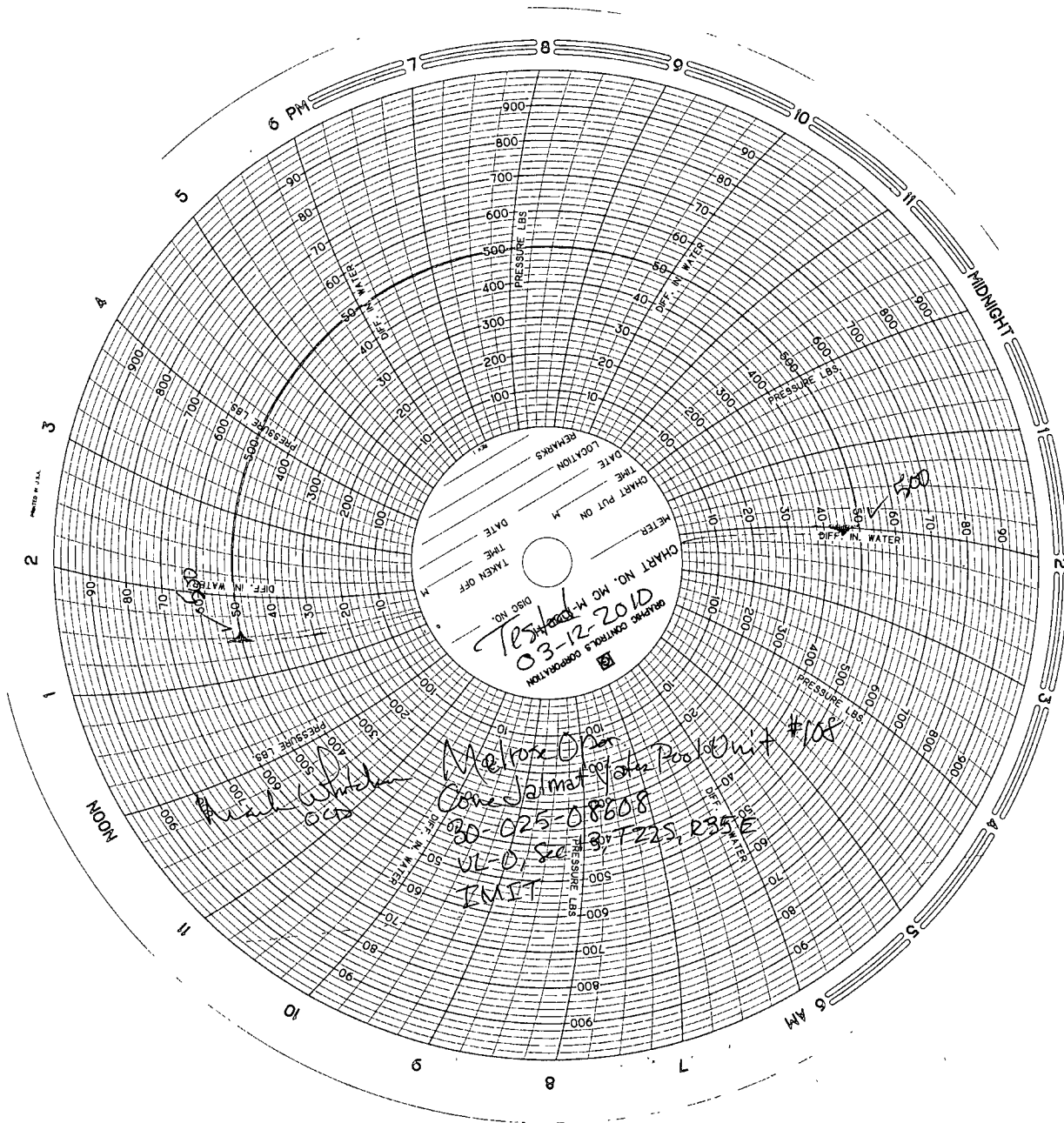


CHART NO. 10
03-12-2010
BRADING CONTROLS CORPORATION
METER _____
TAKEN OFF _____
DATE _____
TIME _____
LOCATION _____
REMARKS _____

Melrose Open
Cone Jarmat Valve Pool Unit #105
30-025-08608
UL-0, Sec 8, T225, R35E
IMIT

Handwritten signature
04/05