

Office

State of New Mexico

Form C-10

District I

Energy, Minerals and Natural Resources

March 23 2010

1625 N. French Dr., Hobbs, NM 87401

RECEIVED

District II

OIL CONSERVATION DIVISION

1301 W. Grand Ave., Artesia, NM 88210

District III

1220 South St. Francis Dr.

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

Santa Fe, NM 87505

1220 S. St. Francis Dr., Santa Fe, NM

87505

WELL API NO.

30-025-38918

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 130

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

2. Name of Operator

Melrose Operating

3. Address of Operator

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

4. Well Location

Unit Letter N : 610 feet from the South line and 2015 feet from the West lineSection 24 Township 22S Range 35E NMPM County Lea

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.

12/27/2009 RU Weatherford WL & Perf lower zone 3872' - 3937' w 2 spf

12/28/2009 RU Cudd & Spot 2000 gals Acid,

12/31/2009 RU Weatherford WL & Perf upper zone 3689'-3856', 2SPF, 106 net feet, 212 holes, RD WL, RIH w/ RBP & Pkr, set RBP @3867', RU Cudd & acidize w/ 2000 gal Acid upper perms RD Cudd, Swab back acid water, SD

01/05/2010 Unset RBP & POOH & LD Pkr & RBP, RIH w/ Tbg & Tag below all Perfs, POOH & LD Workstring, ND BOP & NU Frac Valve, Close Well in & RUD&MO

01/08/2010 RU Cudd & Frac well Down Casing w/ 1670 bbl frac w/ 112568# 12/20 sand

01/14/2010 RU RIH w/ 4 3/4" Bit & Clean out Frac Sand,

Spud Date:

12/09/2009

Rig Release Date:

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

SIGNATURE

TITLE

VICE PRESIDENT

DATE

03.25.2010

Type or print name

BARRY ARCHER

E-mail address:

barcher@melroseenergy.com

PHONE: 832 698 1000

For State Use Only

APPROVED BY

TITLE

STAFF MGR

DATE

3-30-10

Conditions of Approval (if any):

WELL DIAGRAM

Operator - Melrose Operating Company

Lease Name - Jalmat Field Yates Sand Unit

API - 30 025 38918

Location - Unit N 610' FSL & 2015' FWL, Section 13, T 22S, R 35E NMPM Lea Country, NM

Spud - 12/09/2009

Well - 130

