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MAY 25 2010

HOBBSCOCD

Submit One Copy To Appropriate District 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 ResourcesOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505Form C-103
March 18, 2009

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: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		WELL API NO. 30-025-08607 ✓ 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> ✓ 6. State Oil & Gas Lease No. 25203 (old - B-11223-2)
2. Name of Operator MELROSE OPERATING CO		7. Lease Name or Unit Agreement Name Cone Jalmat Yates Pool Unit ✓ 8. Well Number #106 ✓
3. Address of Operator 20333 State Highway 249, Suite 310, Houston TX 77077		9. OGRID Number 184860 ✓ 10. Pool name or Wildcat Jalmat, Tan-Yates, 7 Rivers ✓
4. Well Location Unit Letter <u>M</u> : <u>660</u> feet from the <u>SOUTH</u> line and <u>660</u> feet from the <u>WEST</u> line ✓ Section <u>13</u> Township <u>22S</u> Range <u>35E</u> NMPM County <u>LEA</u>		
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3576' GL		
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data		
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> X Location is ready for OCD inspection after P&A
X All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. X Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned. X A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the		

OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. ALL INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.

- X The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
 X Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
☐ If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
 X All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
 X All other environmental concerns have been addressed as per OCD rules.
 X Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE Cam Robbins TITLE Forman DATE MAY 7, 2010

TYPE OR PRINT NAME Cam Robbins E-MAIL: maximum@valornet.com PHONE: 575-390-4666

For State Use Only

APPROVED BY: Mark Whitman TITLE Compliance Officer DATE 06/16/2010
 Conditions of Approval (if any):