

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 87240  
District II  
811 South First, Artesia, NM 87210  
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  
Revised March 25, 1999

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

WELL API NO. 30 025 36496
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Jalmat Field Yates Sand Unit
8. Well No. 194
9. Pool name or Wildcat Jalmat, (Tansill, Yates, Seven Rivers)

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator Melrose Operating Company	
3. Address of Operator c/o P.O. Box 953, Midland, TX 79702	
4. Well Location Unit Letter <u>F</u> <u>2630'</u> feet from the <u>North</u> line and <u>2630'</u> feet from the <u>West</u> line Section <u>14</u> Township <u>22S</u> Range <u>35E</u> NMPM Lea County	
10. Elevation (Show whether DR, RKB, RT GR, etc.) 3578' GR	

I 1. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENTJOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

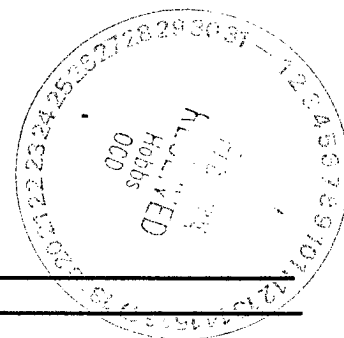
12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

12-21-03: Moved in and rigged up. Spud 12 1/4" hole.

12-22-03: Ran 445', 8 5/8", 24# casing, cemented with 400 sx Cl C cement with 2% CaCl. Circulated 80 sx to pit. Float held. Tested to 1000#.

12-31-03: Reached total depth of 4200'. Logged. Ran 4200', 5 1/2", 15.5# casing. Cemented with 300 sx lite and 250 sx C + 2% CaCl. Circulated one sx to pit. Float held. Tested to 1500 psi. WOC.

Waiting on completion.



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

SIGNATURE Ann E. Ritchie TITLE Regulatory Agent DATE 2-5-04

Type or print name Ann E. Ritchie

Telephone No. 432 684-6381

(This space for State use)

OC FIELD REPRESENTATIVE II/STAFF MANAGER

APPROVED BY Larry W. Wink TITLE  DATE FEB 10 2004

Conditions of approval, if any: