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AUG 13 2010

HOBBSOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30 025 08595
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 Number 106
9. OGRID Number 184860
10. Pool name or Wildcat Jalmat Tan-Yates-7Rvrs
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 X Other Water Injection Well

2. Name of Operator
Melrose Operating

3. Address of Operator
20333 State Highway 249, Suite 310, Houston, Texas 77070

4. Well Location
Unit Letter C : 660 feet from the NORTH line and 1650 feet from the WEST line
Section 11 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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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.

MONDAY JUNE 22, 2010 thru JUNE 30, 2010 Repair Packer Leak & add Perfs/Acidize

SEE ATTACHED REPORT

Spud Date:

Rig Release Date:

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

SIGNATURE Cam Robbins TITLE Forman DATE 6/30/10

Type or print name Cam Robbins E-mail address: maximum@valornet.com PHONE: 575-390-4666

For State Use Only

APPROVED BY: Elizbeth TITLE STAFF MGR DATE 8-16-10

Conditions of Approval (if any):

**MELROSE OPERATING
JFYSU #106 WIW
PACKER REPAIR REPORT**

Tuesday, June 22, 2010

MIRUPU, RU Vac Truck for fluid control, NDWH pick up on Tbg, found Packer released, attempted to Reset Pkr, will Not set, NU BOP, Tally & POOH w/ 121- 2 3/8" SuperMax Inj Tubing & 3 1/2" Arrow Set 1X Packer, close well in & SD

Wednesday, June 23, 2010

Bleed well down, RU Vac Truck to control fluid, Tally & RIH w/ 3 1/2" Tapered & String Mills, & 123 Jnts 2 3/8" SuperMax workstring, Clean well out to PBTD (4030') pull Tbg above perfs & SD

Thursday, June 24, 2010

POOH w/ WS, waiting on Weatherford to re-perforate, 3874'-3898', 3924'-3928', 3932'-3938', 3944'-3960', 3976'-4004', 4 SPF, 0.27", 26" penetration

Friday, June 25, 2010

RU Weatherford WL & perforate, 3874'-3898', 3924'-3928', 3932'-3938', 3944'-3960', 3976'-4004', 4 SPF, (78' - 312 Holes) 0.27", 26" penetration, RD WL

Monday, June 28, 2010

Bleed well down, RU Cudd & acidize well with 4000 gal 15% HCL Acid, blocking w/ rock salt, 164 bbls to recover, (see faxed job log & chart). Open well to flowback tank @ 1800#s, in 3 hours recovered 170 bbls fluid, close well in & SION

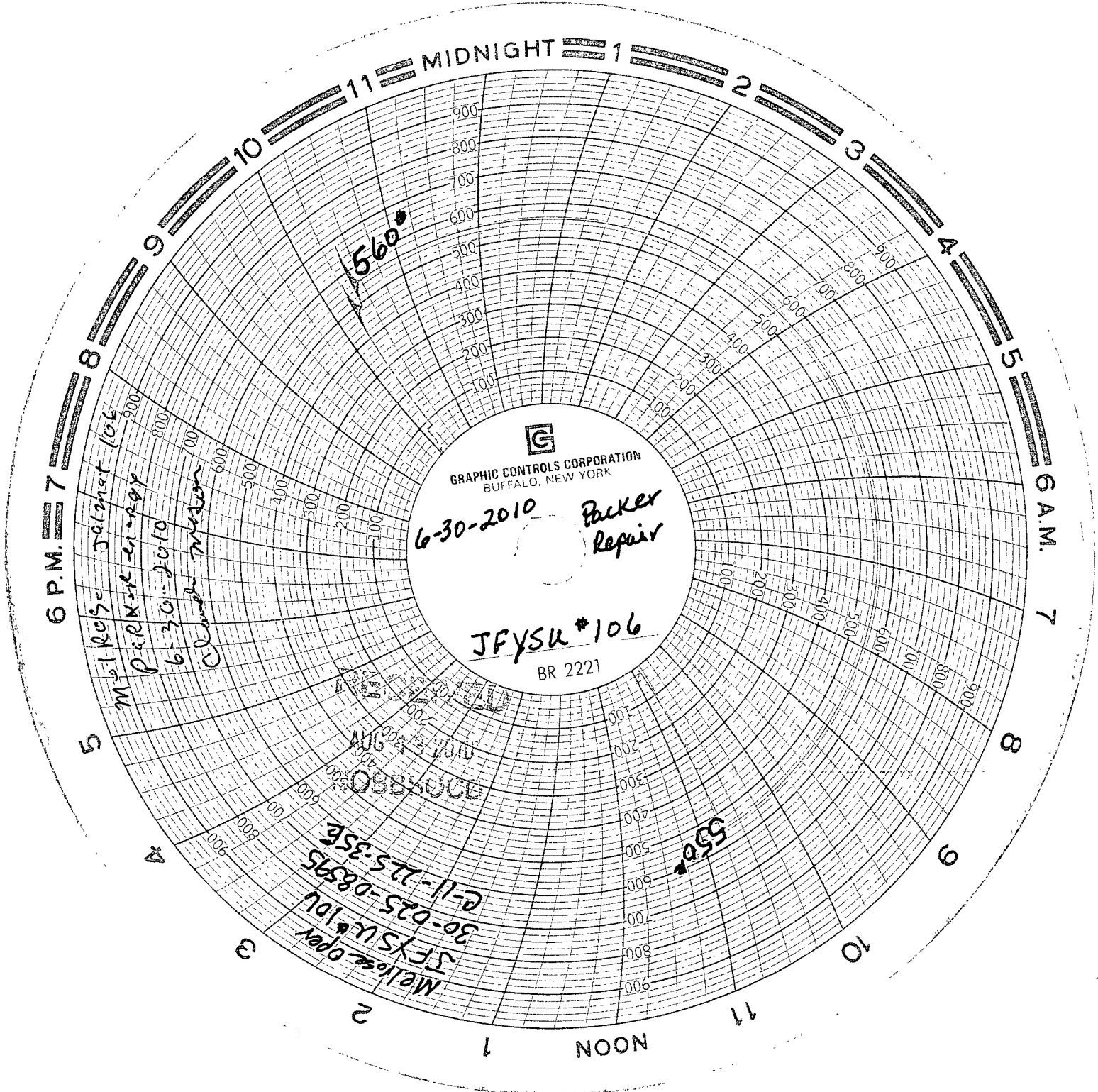
Tuesday, June 29, 2010

Open well & found 900#s pressure, Bleed well down to flowback tank, flowing 1/4 to 1/2 BPM, release packer & POOH, RIH open ended & tag for salt, circulate salt out of casing, POOH & LD WS, CWI&SION

Wednesday, June 30, 2010

RU Testers, & RIH w/ 3 1/2" ArrowSet 1X packer & 120 Jnts 2 3/8" SuperMax w/Fiberline Tbg, to 3799.66', RD Testers & RU pump truck, Circulate well w/ 60 bbls 2% KCL & 30 gal 606 packer fluid, set Packer & test well to 560# for 30 minutes, (called EMNRD/OCD, they did not witness chart), RD pump truck, clean up location & RD RU & RDPU&MO





GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

6-30-2010

Packer
Repair

JFYSU #106

BR 2221

RECEIVED
AUG 13 2010
MOBILE

Melrose Oper
JFYSU #106
30-025-0895
6-11-225-356