

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

DISTRICT II

1301 W. Grande Ave., Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

1220 S. St. Francis Dr.
Santa Fe, New Mexico 87505

WELL API NO.	30 025 08606
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	B 11223-2
7. Lease Name or Unit Agreement Name	Cone Jalmat Yates Pool Unit
8. Well No.	105
9. Pool name or Wildcat	Jalmat, (Tansill, Yates, Seven Rivers)

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> OTHER <u>Inject</u>	
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>L</u> <u>1980</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 <u>Lea</u> County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) <u>3585'</u>	

11.

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

NOTICE OF INTENTION TO:

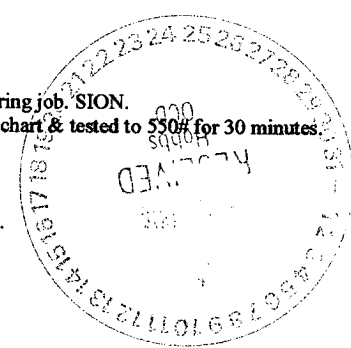
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER Remedial work ☒

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.

10-28-03: Pulled out of hole with 2 3/8" tubing-tested. SION.
10-29-03: RIH w/tubing, circulated hole. RIH w/RBP & set @ 3660' & tested to 1000#. SION.
10-30-03: Testing coming up hole - test good. Prep for cement job on casing. SION.
10-31-03: Ran CBL/CCL from 3660-250'. Top of cement @ 650'. Cemented well with 125 sx Cl C + 2% CaCl, good circulation during job. SION.
11-3-03: Set reverse unit, pressure up on casing to 500# - held OK. Tagged cement @ 76', drilled cement to 595', POOH & RU test chart & tested to 550# for 30 minutes. SION.
11-4-03: Rigged up & tagged fill @ 3884' - 114' fill, 22' perfs covered. SI.
11-12-03: RIH w/RBP-set @ 3520'. SION.
11-13-03: Isolated casing leak @ 466-520', rig up cementers, cement squeeze w/100 sx Cl C w/4% CaCl2 & 100 sx C neat. Shut-in.
11-14-03: Rigged up reverse unit, tagged cement @ 255', drilled cement - pressure up on casing to 550#. SION.
11-17-03: Drilled hard cement to 600'. SION.
12-3-03: Circulated hole, pulled out of hole with RBP. Rigged down, moved off.
12-9-03: Ran Casing Inspection Log.
2-3-04: Moved in reverse unit. Tagged fill.
****Plan to run 4" casing inside 5 1/2" casing from TD to surface and cement to surface. Will re-perforate same interval. Will run 2 1/16" tubing & packer & test casing before putting back into service.



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 2-4-04

TYPE OR PRINT NAME Ann E. Ritchie TELEPHONE NO. 432 684-6381

(this space for State Use)

APPROVED BY

Larry W. Wink

CONDITIONS OF APPROVAL, IF ANY:

TITLE

OC FIELD REPRESENTATIVE II/STAFF MANAGER

DATE FEB 23 2004