District I 1625 N. French Dr.,. Hobbs. N.M. 88240 District II District III

State of New Mexico

Form C-101 Revised February 10, 1994 Instructions on back Submit to Appropriate District Office State Lease - 6 Copies Fee lease - 5 Copies

AMENDED REPORT

Energy, Minerals & Natural Resources Department 1301 W. Grand Ave., Artesia, N.M. 88210 **OIL CONSERVATION DIVISION** 1220 S. St. Francis Dr. 1000 Rio Brazos Rd., Aztec, N.M. 87410 Santa Fe, NM 87505 District IV 1220 S. St. Francis Dr.,, Santa Fe, N.M. 87505 APPLICATION FOR PERMIT TO DRILL, RE - ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE 1 Operator Name and Address **OGRID Number** Melrose Operating Co. 184860 c/o P.O. Box 953 API Number Midland, TX 79702 30-075 5 Property Name Property Code 25191 Jalmat Field Sand Yates Unit 210 7 Surface Location Feet from the East/West line UL or Lot No. Section Township Range Lot Idn Feet from the North/South line County

0 14 **22S** 35E 10' South 2310' East Lea 8. Proposed Bottom Hole Location If Different From Surface UL or Lot No. Section North/South line Lot Idn Feet from the Feet from the County Township Range East/West line 10. Proposed Pool 2 9. Proposed Pool 1

Jalmat (T-Y-7R)

11. Work Type C	ode 12. Well Type Code O	13. Cable/Rotary R	14. Lease Type Code S	15. Ground Level Elevation 3596'
16. Multip	e 17. Proposed Depth	18. Formation	19. Contractor	20. Spud Date
no	4200'	Yates	United Drlg.	12-11-04

21. Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	350'	250 sx	surface
7 7/8"	5 1/2"	15.5#	4200'	1200 sx	surface
					
	<u> </u>			1	

22. Describe the proposed program. If this is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

> Propose to drill 12 1/4" hole to 350', set 8 5/8" casing to 350', cement $\frac{1}{2}$ w/250 sx 9 Cl C circulating to surface. Drill 7 7/8" hole to 4200', run open hole logs, set production string casing to TD, cementing w/1200 sx Cl C, circulating to surface. Will perforate and stimulate and test.

Permit Expires 1 Year From Approval Date Unless Drilling Underway

23. I hereby certify that the information give of my knowledge and belief.	n above is true and complete to the best	OIL CONSERVATION DIVISION
Signature:	Mulelio	Approved by:
Printed Name: A1	nn E. Ritchie	Title:
Title: Regulato	ry Agent	Approval Date: Expiration Date:
Date: 11-8-04	Phone: 432 684-6381	Condition Col Approved: 2004 Attached:

State of New Mexico

DISTRICT I LARS IN FRENCH DR., BORDO, WIE BREAD

Exercy, Minerals and Naturel Despurees Department

DISTRICT II

OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR.

Porm C-102 Revised JUNE 10, 2003. Submit to Appropriate District Office State Lease - 4 Copies Pes Lease - 3 Copies

DISTRICT III 1000 Rio Brazon Rd., Anton, NM 87410 Santa Fe, New Mexico 87505

DISTRICT IV	WELL LOCATION AND	ACREAGE DEDICATION	PLAT	AMENDED REPORT
30-025- 36975	9aal Cada 33820	Jalmat (Tansil,	Pool Mamm	Seven Rivers)
Property Code 25191	rrop	erty Name YATES SAND UNIT	/ 	Well Number 210
GGRID No. 184860		eter Name RATING COMPANY		Sirvation 3596

Surface Location

1	UI. or lot No.	Section	Township	Kange	Lot Idn	Foot from the	North/South line	Foot from the		County	ŀ
	0	14	22-S	35-E		10	SOUTH	2310	EAST	LEA	

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	lot ida	Post from the	Horth/South line	Foot from the	Rest/Vest line	County
Bodicated Acre	Joint o	T Infill Co	manifeation (der No.				
40	1			V	Vaterflood	d Unit			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

N E best of	My Vullard Aug Vullard Atture And Herman And Herma
Sign. Ar W Prim Title	Mul Vulched ature on E. Ritchie agulatory Agent 11-5-04
<u> </u>	ngulatory Agent
Base	11-5-04
St	IRVEYOR CERTIFICATION
I have the not use the not use to	by certify that the wall location show to plot was plotted from field notes oursess made by the or under- vison, and that the same is true of it the boot of my belief.
Date:	OCTOBER 28, 2004 Surveyed Annual Holing IR Surveyed Annual Holing IR Surveyed Annual III III III III III III III III III I
	4.11 /420: 5
	Date:

SECTION 14, TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M., NEW MEXICO LEA COUNTY. 600' 150' NORTH OFFSET 3596.0 0 JALMAT FIELD YATES SAND UNIT #210 150' EAST 150' WEST O OFFSET OFFSET D 3596.0 3595.7 ELEV. 3595.6' LAT.=32°23'03.90" N LONG.=103°20'12.47" W 150' SOUTH **OFFSET** 3594.4 600' DIRECTIONS TO LOCATION FROM THE INTERSECTION OF CO. RD. #21 (DELAWARE BASIN RD.) AND WEAVER RD., GO WEST CO. RD. #21 FOR APPROX. 0.9 MILES TO A ROAD ON THE RIGHT (SDX 1). TURN RIGHT (NW) AND FOLLOW ROAD FOR APPROX. 1.2 MILES TO A 100 100 200 Feet ROAD "T", GO SOUTH FOR APPROX. 800" TO A ROAD ON THE RIGHT. TURN RIGHT (WEST) AND GO Scale: 1 "= 100" APPROX. 0.3 MILES TO A ROAD ON THE LEFT. TURN LEFT (SOUTH) AND GO APPROX. 0.9 MILES MELROSE OPERATING COMPANY TO A ROAD ON THE RIGHT. TURN RIGHT (WEST) AND GO APPROX. 0.2 MILES TO A ROAD ON THE JALMAT FILED YATES SAND UNIT #210 WELL LOCATED 10 FEET FROM THE SOUTH LINE AND 2310 FEET FROM THE EAST LINE OF SECTION 14, TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M., LEFT. TURN LEFT (SOUTH) AND GO APPROX. 600'. PROPOSED LOCATION IS APPROX. 250' EAST PROVIDENO BURNEYING SERVICES EDDY COUNTY, NEW MEXICO. NCE 1949 JOHN WEST SURVEYING COMPANY 10/28/04 Survey Date: Sheet of Shoets 412 N. DAL PARO HORBO, N.M. 68949 W.O. Number: 04.11.1420 | Dr. By: J.R. Rev 1.N/A

Date: 11/2/04

Disk: CD#10

04111420

Scale: 1"=100

Dkinct I 162~; N. French Dr.. I I obbs. NM SN240 Ditticl 11 130 I W. Grand Ax coue. Arte,ia. NNI I;N2 I 0 Ditticl III 1000 Rio Brazos Road. Aztec, NVI S7410 Dittict IV 1220 S. St. Francis Dr., Santa Fc. NX4 87i()~,

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 For drilling and production facilities, submit to appropriate NMOCD District Office. For downstream facilities, submit to Santa Fe office.

Form C-144

June 1, 2004

Pit or Below-Grade Tank Registration or Closure

Is pit below-grade tank covered by a "general plan" Yes No X

Type of action: Registration of a pit or below-grade tank Cloures of a pit of below-grade tank Operator: Melrose Operating Company Telephone: 432 6846381 - mail address ann.ritchie@wtor.net Address: c/o P.O. Box 953, Midland, TX 79702 U/L or Q.:/QtrU See 14 T225 R 35 E Facility or well name: Jalmat Field Sand Yates Unit #210 NAD: 1927 1983 Surface Owner Federal State Private X Indian Longitude Latitude Lea Below-grade tank Type: DrillingX Production Disposal Volume: ____bbI Type of fluid: _ Workover Emergency Construction material: Double-walled, with leak detection? Yes 0 If not, explain why not. Lined Unlined Liner type: Synthetic X Thickness M Mail Clav Pit Volume 8000 bbl Less than SO feet (20 points) Depth to ground water (vertical distance from bottom of pit to sessonal ghig po feel or more, bui less than I 00 feet (10 points) water elevation of ground water.) 185 100 feet or more (0 points) 100 ft. Ves (20 points) Wellhead protection area: (Less than 200 feet from a private domestic No water source, or less than 1000 feet from all other water sources.) No Less than 200 feet (20 points) Distance to surface water: (horizontal distance to all wetlands, playas, 200 feet or more, but less flum 1000 feet (10 points) irrigation canals, ditches, and perennial and ephemeral watercourses.) (0 points) I 000 feet or more 1000 ft or more 0 Points Ranking Score (Total Points) Iffbis is a oil closure, (I) anach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box ifyou are burying in place) onsite: offsite O If offsite,name of facility (3) Attach a generall description of remedial action taken including, remediation start date and end date (4) Groundwater encountered: No $0\,$ Yess \sqcap If yes, show depth below ground surface I'L and attach .ample results. (:,) Attach soil sample results and a diagram of sample locations and excavations Additional Comments: I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidefines X . a general pemit, or an (attached) effer native OCD-approved plan Date: Printed Name title Ann E. Ritchie, Regulatory Agent Signature Your certification and NMOCD approval of thisapplication/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator offits responsibility for compliance with any other federal, state, or local laws and/or regulations. Approval: PETROLEUM ENGINEER Printed Name/Title

Melrose Operating Company
Drilling Rig Pad Schematic

Talmat Field Yates Sand Unit # 210
Lea County, New Mexico
Wellbore is 40' North of the pit

