

District I  
1625 N. French Dr., Hobbs. N.M. 88240  
District II  
1301 W. Grand Ave., Artesia, N.M. 88210  
District III  
1000 Rio Brazos Rd., Aztec, N.M. 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, N.M. 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

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

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

APPLICATION FOR PERMIT TO DRILL, RE - ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address <b>Melrose Operating Co.</b> <b>c/o P.O. Box 953</b> <b>Midland, TX 79702</b>		<sup>2</sup> OGRID Number <b>184860</b>
		<sup>3</sup> API Number <b>30-025 - 36862</b>
<sup>4</sup> Property Code <b>25203</b>	<sup>5</sup> Property Name <b>Cone Jalmat Yates Pool Unit</b>	
	<sup>6</sup> Well No. <b>200</b>	

7 Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	13	22S	35E		1310'	South	10'	West	Lea

8. Proposed Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

9. Proposed Pool 1  
Jalmat, T-Y-7R

10. Proposed Pool 2

11. Work Type Code N	12. Well Type Code O	13. Cable/Rotary R	14. Lease Type Code S	15. Ground Level Elevation 3566'
16. Multiple no	17. Proposed Depth 4200'	18. Formation Yates	19. Contractor United Drig.	20. Spud Date 10-1-04

21. Proposed Casing and Cement Program

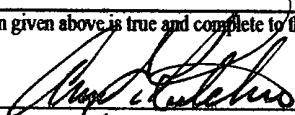
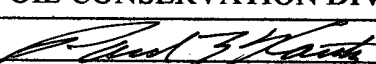
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	350'	250 sx	surface
7 7/8"	5 1/2"	15.5#	4200'	1200 sx	surface

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, cement to surface. RU BOPs. Drill 7 7/8" hole to 4200', set 5 1/2" casing, cement to surface, RD BOPs & drilling rig. Perforate Yates formation & frac. Place well on test.

Non-Standard approval dated 8-18-04, Administrative Order NSL-5098

RECEIVED  
Hobbs  
OCD

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: 		<b>OIL CONSERVATION DIVISION</b>	
Printed Name: <b>Ann E. Ritchie</b>		Approved by: 	
Title: <b>Regulatory Agent</b>		Title: <b>PETROLEUM ENGINEER</b>	
Date: <b>8-23-04</b>		Approval Date: _____ Expiration Date: _____	
Phone: <b>432 684-6381</b>		Conditions of Approval: <b>SEP 2004</b>	

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway

RICT I

Box 1980, Hobbs, NM 88241-1980

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-025-36822</b>	Pool Code <b>33820</b>	Pool Name <b>Jalmat; T-Y-7R</b>
Property Code <b>25191</b>	Property Name <b>YATES SAND UNIT</b>	Well Number <b>200</b>
OGRID No. <b>184860</b>	Operator Name <b>MELROSE OPERATING COMPANY</b>	Elevation <b>3566'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	13	22-S	35-E		1310	SOUTH	10	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres <b>40</b>	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>GEODETTIC COORDINATES NAD 1927 NME Y = 506322.7 N X = 809939.5 E LAT. - 32°23'16.79"N LONG. - 103°19'45.42"W</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>[Signature]</i> Signature <b>Ann E. Ritchie</b> Printed Name <b>Regulatory Agent</b> Title <b>2-9-04</b> Date</p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p><b>JANUARY 29, 2004</b></p> <p>Date Surveyed</p> <p><i>[Signature]</i> Signature &amp; Seal of Professional Surveyor <b>2/3/04</b> 04.11.0092</p> <p>Certificate No. <b>CARY EIDSON</b> 12641</p>

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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C- 144  
March 12, 2004

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

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: **Melrose Operating Company** Telephone: **(432) 684-6381** e-mail address: **ann.ritchie@utor.net**  
Address: **PO Box 953 Midland, TX 79702**  
Facility or well name: **Jalmat # 200** API #: **30-025-36867** U/L or Qtr/Qtr **M** Sec **13** T22S R35E  
County: **Lea** Latitude **32°23'16.79"N** Longitude **103°19'45.42"W** NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☒ tridian ☐

<b>Pit</b> Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <b>10</b> mil Clay <input type="checkbox"/> Volume <b>8000</b> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of groundwater.) <b>185'</b>	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) <b>100 feet or more</b> (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) <b>No</b> (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) <b>1000 feet or more</b> (0 points)
<b>Ranking Score (Total Points)</b> <b>0 points</b>	

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☐ offsite ☐ If offsite, name of facility \_\_\_\_\_ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

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 guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐  
Date: **5/21/04**

Printed Name/Title **Ann E. Ritchie Regulatory Agent** Signature \_\_\_\_\_

Your certification and NMOCD approval of this application/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 of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: \_\_\_\_\_

Printed Name/Title \_\_\_\_\_

ORIGINAL SIGNED BY  
PAUL F. KAUTZ  
Signature  
PETROLEUM ENGINEER

**Melrose Operating Company  
Drilling Rig Pad Schematic  
Jalmat # 200 - Sec 13, T22S, R35E,M  
Lea County, New Mexico  
Wellbore is 40' North of the pit**

