

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

¹ Operator Name and Address Melrose Operating Co. c/o P.O. Box 953 Midland, TX 79702		² OGRID Number 184860
⁴ Property Code 25191	⁵ Property Name Jalmat Field Sand Yates Unit	³ API Number 30-025-36971
		⁶ Well No. 206

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
N	14	22S	35E		1310'	South	1650'	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 3599'
16. Multiple no	17. Proposed Depth 4200'	18. Formation Yates	19. Contractor United Drlg.	20. Spud Date 11-25-04

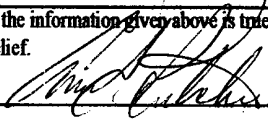

21. Proposed Casing and Cement Program

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 to 350', cement w/250 sx
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 given above is true and complete to the best of my knowledge and belief. Signature: 		OIL CONSERVATION DIVISION	
Printed Name: Ann E. Ritchie		Approved by: 	
Title: Regulatory Agent		Title: PETROLEUM ENGINEER	
Date: 11-8-04		Approval Date: NOV 29 2004	
Phone: 432 684-6381		Expiration Date:	
		Conditions of Approval: Attached: <input type="checkbox"/>	

State of New Mexico

DISTRICT I

1025 N. FERNOW BL., CLOVIS, NM 88301

Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II

1201 W. GRAND AVENUE, ALBUQUERQUE, NM 87102

OIL CONSERVATION DIVISION

Revised JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

DISTRICT III

1000 Rio Branco Rd., Aztec, NM 87410

DISTRICT IV

1020 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-36471	Pool Code 33820	Pool Name Jalmat (Tansil, Yates, Seven Rivers)
Property Code 25191	Property Name JALMAT FIELD YATES SAND UNIT	
OCRID No. 184860	Operator Name MELROSE OPERATING COMPANY	Well Number 206
		Elevation 3599'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	14	22-S	35-E		1310	SOUTH	1650	WEST	LEA

Bottom Hole Location If Different From Surface

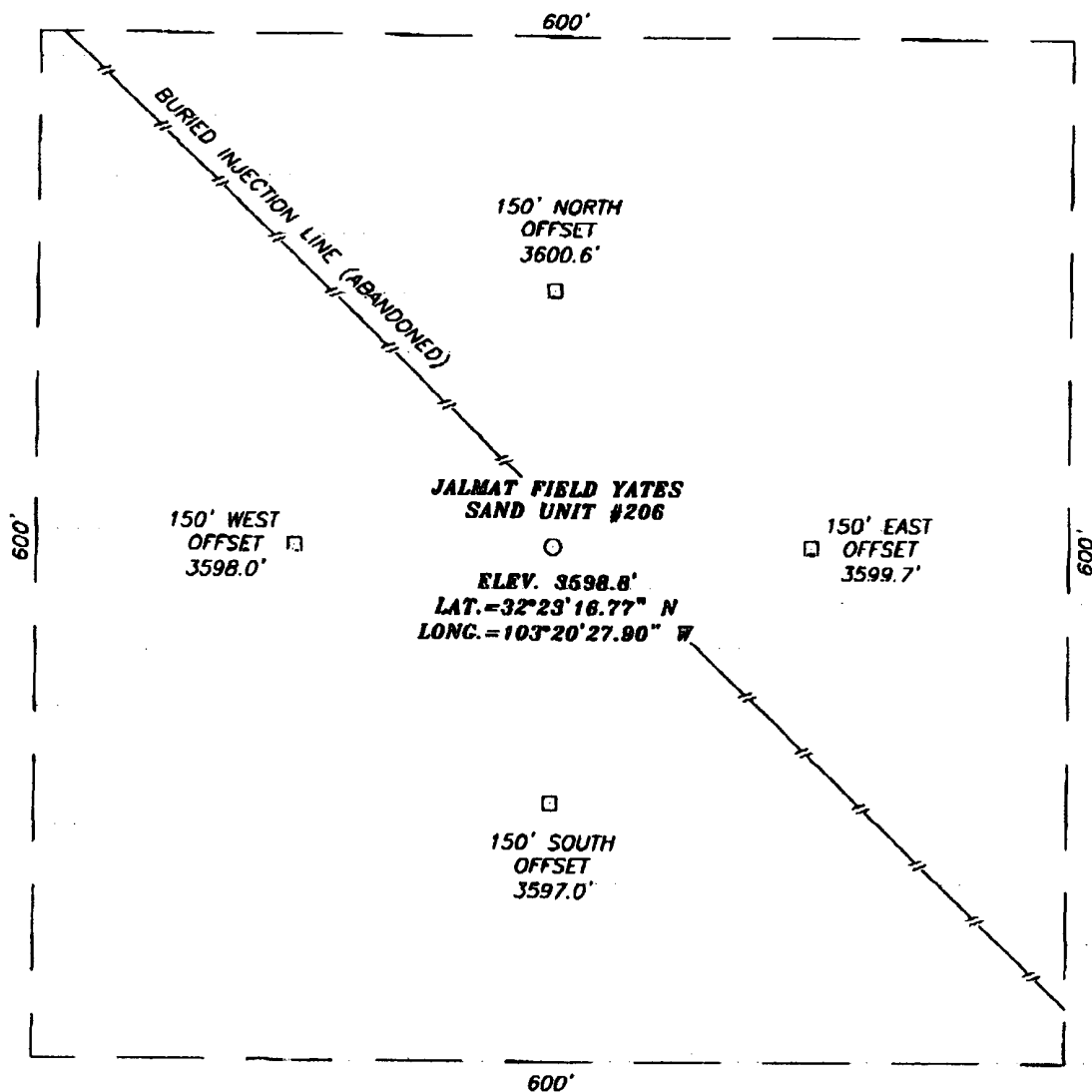
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			Waterflood Unit

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

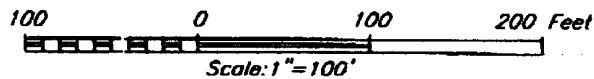
<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=506286.7 N X=806296.7 E</p> <p>LAT.=32°23'16.77" N LONG.=103°20'27.90" W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>[Signature]</i> Signature Ann E. Ritchie Printed Name Regulatory Agent Title 11-5-04 Date</p>	
	<p>SURVEYOR CERTIFICATION</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>OCTOBER 29, 2004</p> <p>Date Surveyed Signature of Professional Surveyor <i>[Signature]</i> Professional Surveyor 04-11-1417 Certification No. CARY, BRISON 12041</p>	
	<p>NEW MEXICO</p> <p>PROFESSIONAL SURVEYOR</p>	
	<p>1650'</p> <p>1310'</p>	

SECTION 14, TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO



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 ROAD "T". GO SOUTH FOR APPROX. 800' TO A ROAD ON THE RIGHT. TURN RIGHT (WEST) AND GO APPROX. 0.3 MILES TO A ROAD ON THE LEFT. TURN LEFT (SOUTH) AND GO APPROX. 0.9 MILES TO A ROAD ON THE RIGHT. TURN RIGHT (WEST) AND GO APPROX. 0.4 MILES. PROPOSED LOCATION IS APPROX. 700' NORTH.



MELROSE OPERATING COMPANY

JALMAT FIELD YATES SAND UNIT #206 WELL
LOCATED 1310 FEET FROM THE SOUTH LINE
AND 1650 FEET FROM THE WEST LINE OF SECTION 14,
TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



PROVIDING SURVEYING SERVICES
SINCE 1940

JOHN WEST SURVEYING COMPANY

112 N. DALLAS
HOUSTON, TEXAS 77002
(281) 300-9117

Survey Date: 10/29/04 Sheet 1 of 1 Sheets

W.O. Number: 04.11.1417 Dr By: J.R. Rev 1:N/A

Date: 11/2/04 Disk: GD#10 04111417 Scale: 1"=100'

District I
162-1, N. French Dr., I Iobbs, NM 87240
District II
1301 W. Grand Ave. Arto, NNI 1, N2 I 0
District III
1000 Rio Brazos Road, Aztec, N'VI 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 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 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 6846381 e-mail address: **ann.ritchie@wtor.net**
Address: **c/o P.O. Box 953, Midland, TX 79702**
Facility or well name: **Jalmat Field Sand Yates Unit #206** API 4- **30-D25-36971** U/L or Qtr/Qtr **N** Sec **14** T **22S** R **35E**
County: **Lea** Latitude Longitude NAD: 1927 ☐ 1983 ☐ Surface Owner Federal State ☐ Private ☒ Indian ☐

Pit
Type: Drilling ☒ Production ☐ Disposal ☐
Workover ☐ Emergency ☐
Lined ☒ Unlined ☐
Liner type: Synthetic ☒ Thickness **10** mil Clay ☐
Pit Volume **8000** bbl

Below-grade tank
Volume: _____ bbl Type of fluid: _____
Construction material: _____
Double-walled, with leak detection? Yes **0** If not, explain why not.

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) 185'	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more 100 ft.	(20 points) (10 points) (0 points) 0
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No No	(20 points) (0 points) 0
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more 1000 ft or more	(20 points) (10 points) (0 points) 0
Ranking Score (Total Points)		0 Points

If this is a oil closure, (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) 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 **0** Yes ☐ If yes, show depth below ground surface FL and attach sample 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 guidelines ☒ a general permit, or an (attached) alternative OCD-approved plan

Date: **11-8-04**

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:

Printed Name/Title

PETROLEUM ENGINEER

Signature

Date:

NOV 29 2004

Melrose Operating Company
Drilling Rig Pad Schematic
Jalmar Field Yates Unit #206
Lea County, New Mexico
Wellbore is 40' North of the pit

