

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
		³ API Number 30-025-36979
⁴ Property Code 25191	⁵ Property Name Jalmat Field Sand Yates Unit	
		⁶ Well No. 213

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	14	22S	35E		10'	South	330'	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 3583'
16. Multiple no	17. Proposed Depth 4200'	18. Formation Yates	19. Contractor United Drilg.	20. Spud Date 12-20-04

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
CI 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 CI 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:

Printed Name:

Ann E. Ritchie

Title:

Regulatory Agent

Date:

11-8-04

Phone:

432 684-6381

OIL CONSERVATION DIVISION

Approved by:

ORIGINAL SIGNED BY:

Title:

PAUL F. KAUTZ

Approval Date:

PETROLEUM ENGINEER

Expiration Date:

Conditions of Approval:
Attached: ☐ NOV 29 2004

State of New Mexico

DISTRICT I

1630 N. FRANCH DR., BOHNS, NM 87040

Energy, Minerals and Natural Resources Department

Form C-102

Revised JUNE 10, 2003

DISTRICT II

1381 W. GRAND AVENUE, ALBUQUERQUE, NM 87102

OIL CONSERVATION DIVISION

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 2 Copies

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

DISTRICT III

1000 Rio Brason Rd., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-36979	Pool Code 33820	Pool Name Jalmat (Tansil, Yates, Seven Rivers)
Property Code 25191	Property Name JALMAT FIELD YATES SAND UNIT	Well Number 213
OCRD No. 184860	Operator Name MELROSE OPERATING COMPANY	Elevation 3583'

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	14	22-S	35-E		10	SOUTH	330	WEST	LEA

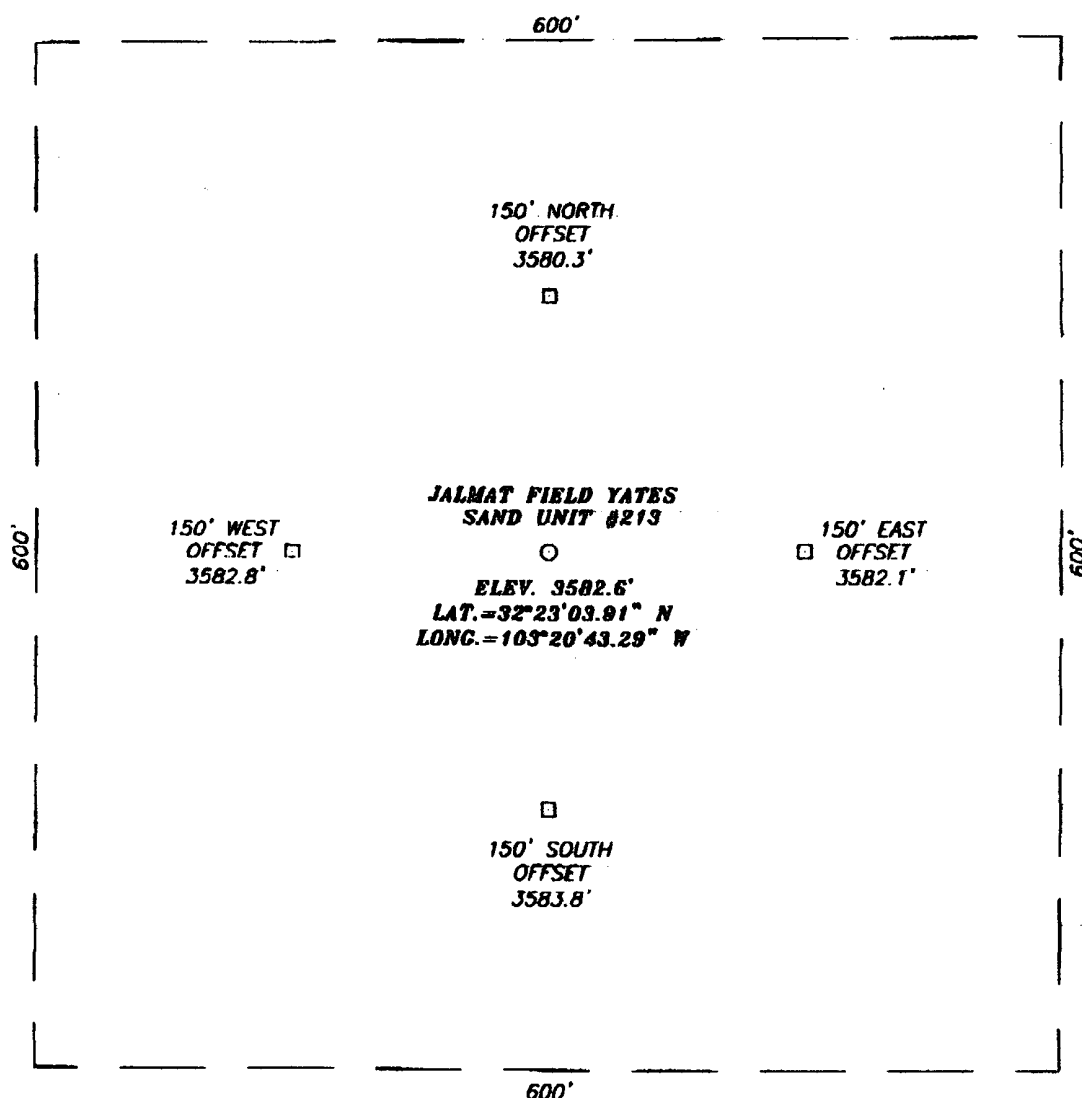
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No. 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

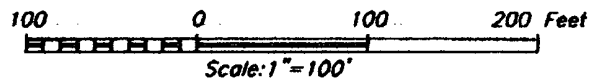
	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=504975.5 N X=804988.7 E</p> <p>LAT.=32°23'03.91" N LONG.=103°20'43.29" W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p></p> <p>Signature Ann E. Ritchie</p> <p>Printed Name Regulatory Agent</p> <p>Title 11-5-04</p> <p>Date</p>
	<p>SECTION 14 SECTION 23</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 28, 2004</p> <p>Date Surveyed G. EIDSON</p> <p>Signature </p> <p>Professional Surveyor NEW MEXICO</p> <p>04-11-1422</p> <p>Certification No. 04-11-1422</p> <p>12841</p>

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



DIRECTIONS TO LOCATION

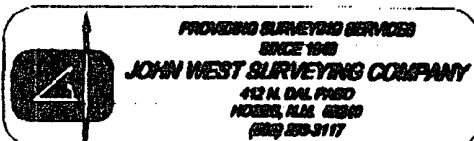
FROM THE INTERSECTION OF CO. RD. #21 (DELAWARE BASIN RD.) AND WEAVER RD., GO WEST CO. RD. #21 FOR APPROX. 0.9 MILES TO A ROAD ON THE RIGHT (SDX 1). TURN RIGHT (NW) AND FOLLOW ROAD FOR APPROX. 1.2 MILES TO A ROAD "T". GO SOUTH FOR APPROX. 800' TO A ROAD ON THE RIGHT. TURN RIGHT (WEST) AND GO APPROX. 0.3 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. 0.5 MILES. PROPOSED LOCATION IS APPROX. 1056' SW.



MELROSE OPERATING COMPANY

JALMAT FIELD YATES SAND UNIT #213 WELL
LOCATED 10 FEET FROM THE SOUTH LINE
AND 330 FEET FROM THE WEST LINE OF SECTION 14,
TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

Survey Date: 10/28/04	Sheet 1 of 1 Sheets
W.O. Number: 04.11.1422	Dr By: J.R. Rev 1:N/A
Date: 11/3/04	Disk: CD#10 04111422 Scale: 1"=100'



District I

162-; N. French Dr. I I obbs. NM 5N240
District II
130 I W. Grand Ax couc. Arte,ia. NNI I;N2 I O
District III
1000 Rio Brazos Road. Aztec, N'VI S7410
District IV
1220 S. St. Francis Dr., Santa Fe. NX4 87iO-;

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 ann.ritchie@wtor.net
Address: c/o P.O. Box 953, Midland, TX 79702 3D-025-36978
Facility or well name: Jalmat Field Sand Yates Unit #213 API 4 pending U/L or Qir/Qtr/M Sec 14 T223 R35e
County: Lea Latitude Longitude NAD: 1927 ☐ 1983 ☐ Surface Owner Federal State ☐ Private ☒ Indian ☐

Pit 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"/> Linc type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> <u>all</u> <input type="checkbox"/> Clay <input type="checkbox"/> Pit Volume <u>8000</u> bbl		Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If not, explain why not.	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) <u>185'</u>		Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more 100 ft. (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 (20 points) No (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 (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more 1000 ft or more (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 ☒ 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 X a general permit, or an (attached) alternative OCD-approved plan

Date: 11-8-04

Printed Name/Title Ann E. Ritchie, Regulatory Agent

Signature [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 _____

Signature _____

Date: _____

ORIGINAL SIGNED BY
PAUL F. KAUTZ
PETROLEUM ENGINEER

NOV 29 2004

Melrose Operating Company
Drilling Rig Pad Schematic
Jalmar Field Yates Sand Unit #213
Lea County, New Mexico
Wellbore is 40' North of the pit

