

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 30-0 25 - 37225
⁴ Property Code 14576 25203	⁵ Property Name Cone Jalmat Yates Pool Unit	⁶ Well No. 123

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
K	13	22S	35E		2630'	South	2460'	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 3582'
16. Multiple no	17. Proposed Depth 4200'	18. Formation Yates	19. Contractor United Drlg.	20. Spud Date 3-27-05

21. Proposed Casing and Cement Program

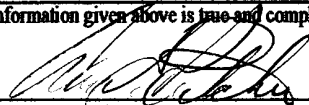
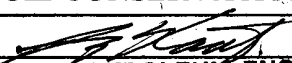
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	350'	250 sx	surface
7 7/8"	5 1/2"	15.5#	4200'	1200 sx	surface

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

NSL 5203

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: 3-8-05		Approval Date: MAY 11 2005 Expiration Date:	
Phone: 432 684-6381		Conditions of Approval: Attached: <input type="checkbox"/>	

DISTRICT I

1625 N. FRENCH DR., HOBBBS, NM 88240

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

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

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-102

Revised JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <i>30-025-37225</i>	Pool Code <i>33820</i>	Pool Name <i>Jalmat (T-Y-7R)</i>
Property Code <i>14576 25203</i>	Property Name <i>CONE Jalmat Yates Unit</i>	Well Number <i>123</i>
OGRID No. <i>184860</i>	Operator Name <i>MELROSE OPERATING COMPANY</i>	Elevation <i>3582'</i>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<i>K</i>	<i>13</i>	<i>22-S</i>	<i>35-E</i>		<i>2630</i>	<i>SOUTH</i>	<i>2460</i>	<i>WEST</i>	<i>LEA</i>

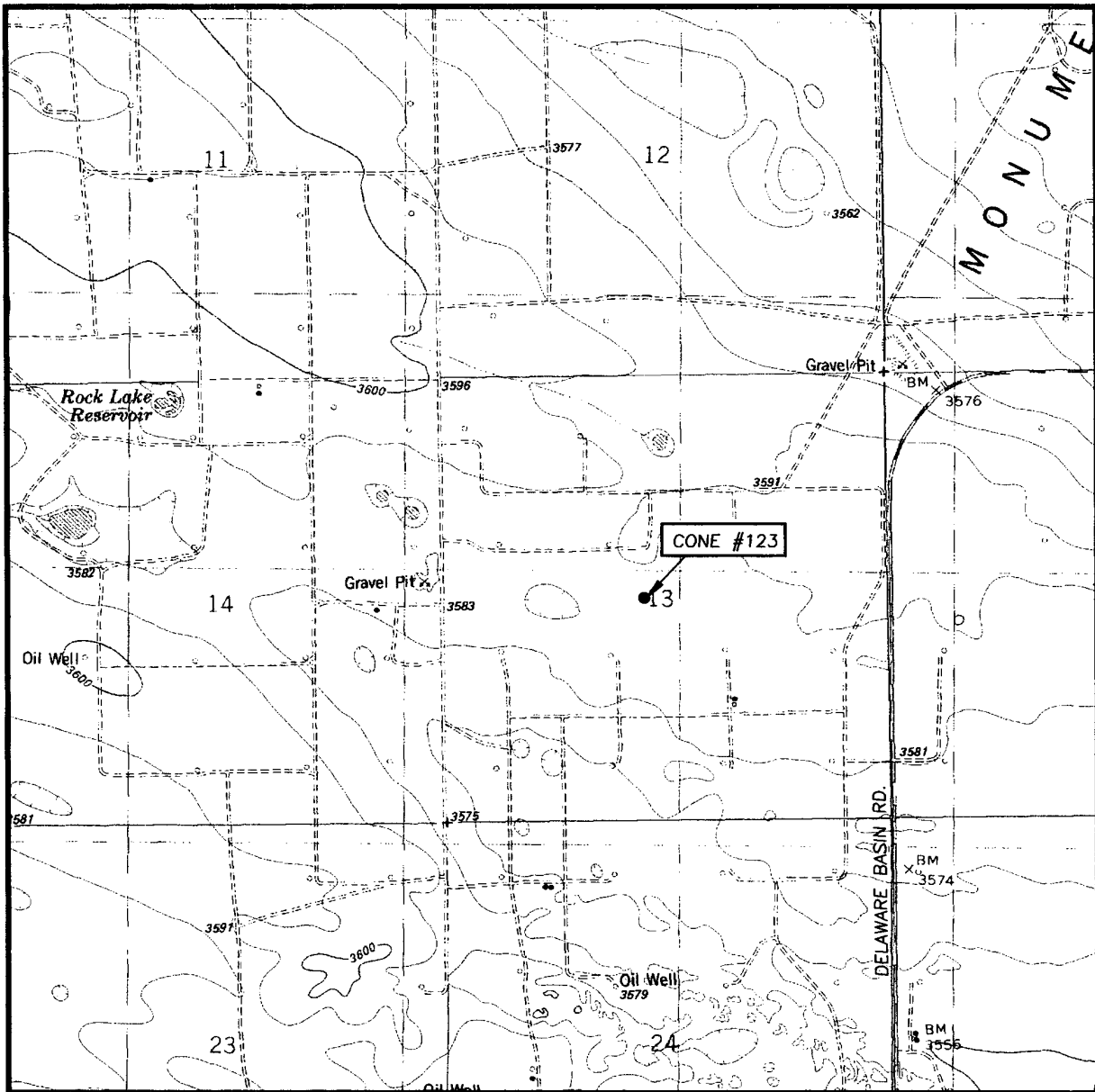
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <i>40</i>	Joint or Infill	Consolidation Code	Order No. <i>Water Flood Unit</i> <i>NSL-5203</i>						

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>$Y=507675.7\text{ N}$ $X=812375.9\text{ E}$</p> <p>$LAT.=32^{\circ}23'29.95''\text{ N}$ $LONG.=103^{\circ}19'16.86''\text{ W}$</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 <i>Ann E. Ritchie</i> Printed Name <i>Regulatory Agent</i> Title <i>3-8-05</i> 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>FEBRUARY 18, 2005</p> <p>Date Surveyed REV: 3/1/05 JR</p> <p>Signature <i>[Signature]</i> Professional Seal <i>[Seal]</i></p> <p>3/3/05</p> <p>12841</p>	

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
OIL CENTER, N.M. - 10'

SEC. 13 TWP. 22-S RGE. 35-E

SURVEY N.M.P.M.

COUNTY LEA

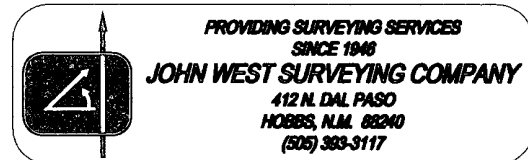
DESCRIPTION 2630' FSL & 2460' FWL

ELEVATION 3582'

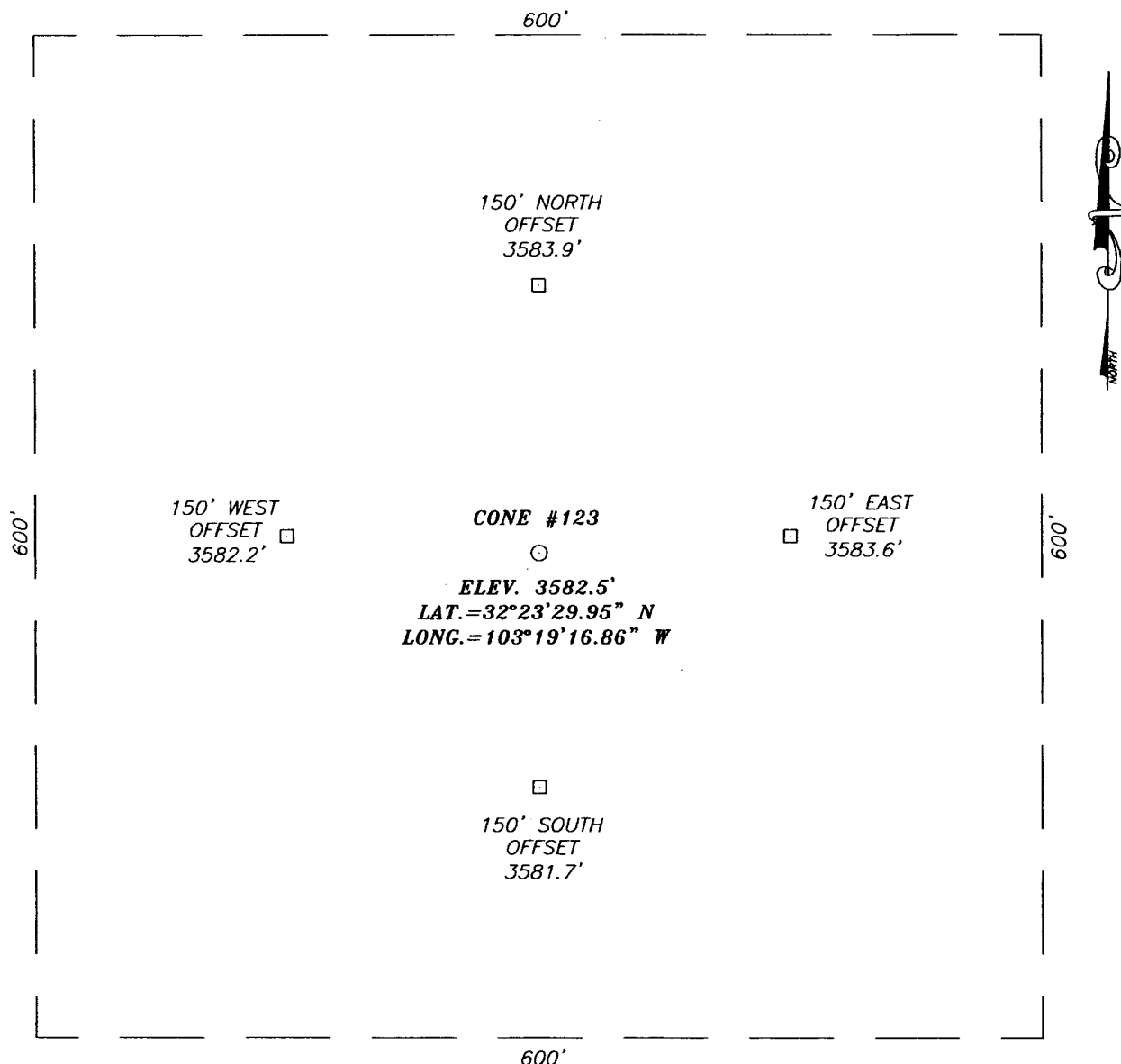
OPERATOR MELROSE
OPERATING COMPANY

LEASE CONE

U.S.G.S. TOPOGRAPHIC MAP
OIL CENTER, N.M.

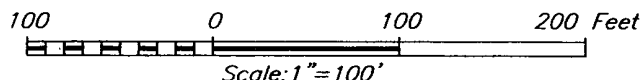


SECTION 13, TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

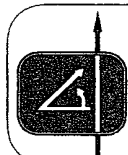
FROM THE INTERSECTION OF CO. RD. #21
 (DELAWARE BASIN RD.) AND WEAVER RD., GO
 WEST CO. RD. #21 FOR APPROX. 1.0 MILES.
 FOLLOW ROAD AND GO SOUTH APPROX. 0.8 MILES
 TO A CALICHE ROAD (LYNX RD.) ON THE RIGHT.
 TURN RIGHT (WEST) AND GO APPROX. 0.1 MILES.
 TURN RIGHT (NORTH) AND GO APPROX. 0.15
 MILES. TURN LEFT (WEST) AND GO APPROX. 0.15
 MILES TO A TWO-TRACK RD.. FOLLOW TWO-TRACK
 ROAD FOR APPROX. 0.1 MILES. THIS LOCATION IS
 APPROX. 800' WEST.



MELROSE OPERATING COMPANY

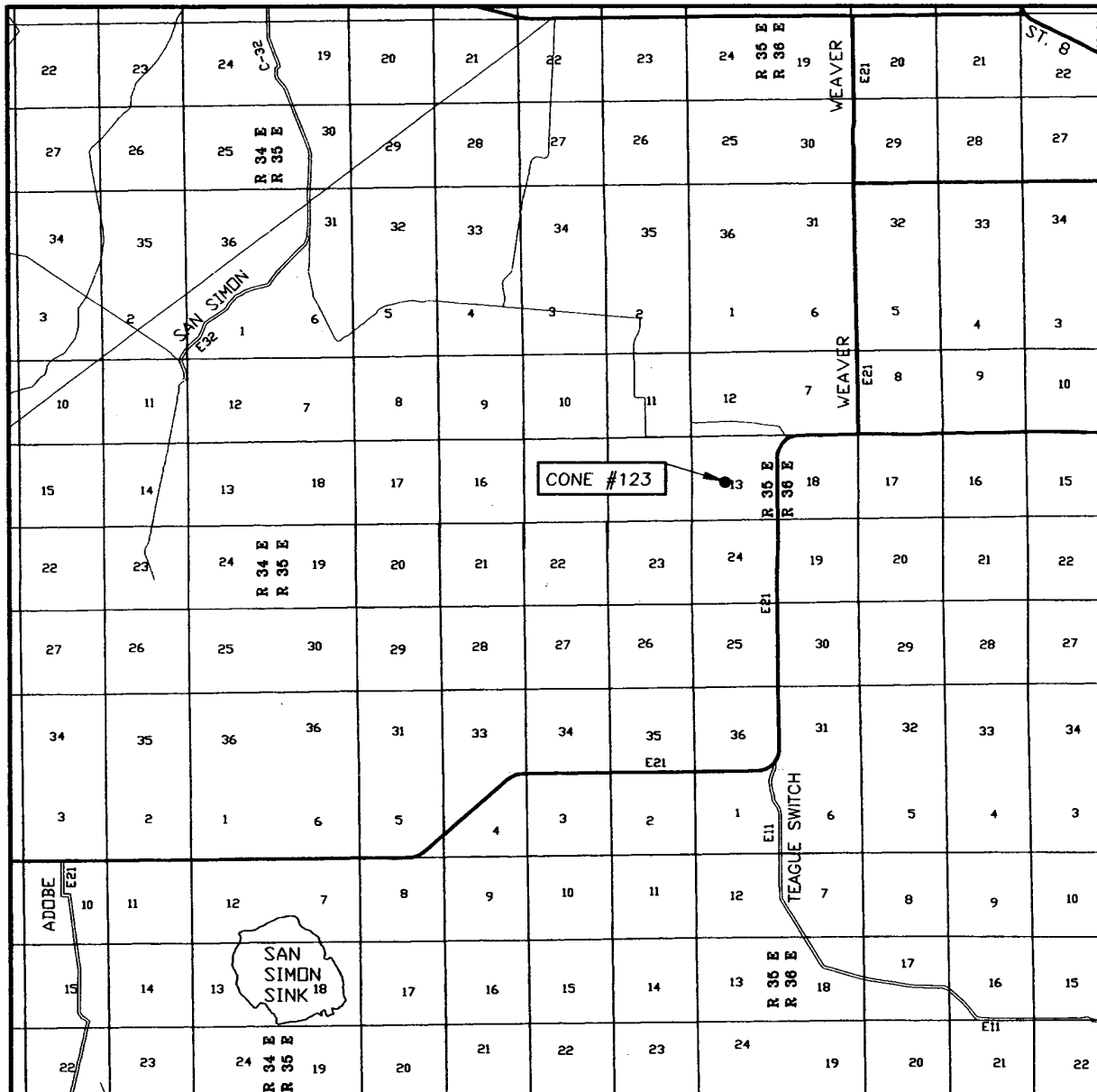
CONE #123 WELL
 LOCATED 2630 FEET FROM THE SOUTH LINE
 AND 2460 FEET FROM THE WEST LINE OF SECTION 13,
 TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO.

Survey Date: 2/18/05	Sheet 1 of 1 Sheets
W.O. Number: 05.11.0270	Dr By: J.R.
Date: 2/22/05	Disk: CD#5
05110270	Rev 1:3/1/05
Scale: 1"=100'	



PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBBS, N.M. 88240
 (505) 393-3117

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 13 TWP. 22-S RGE. 35-E

SURVEY N.M.P.M.

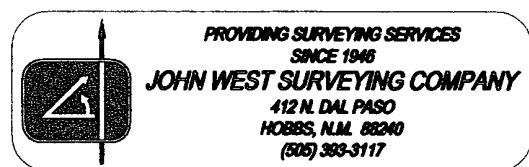
COUNTY LEA

DESCRIPTION 2630' FSL & 2460' FWL

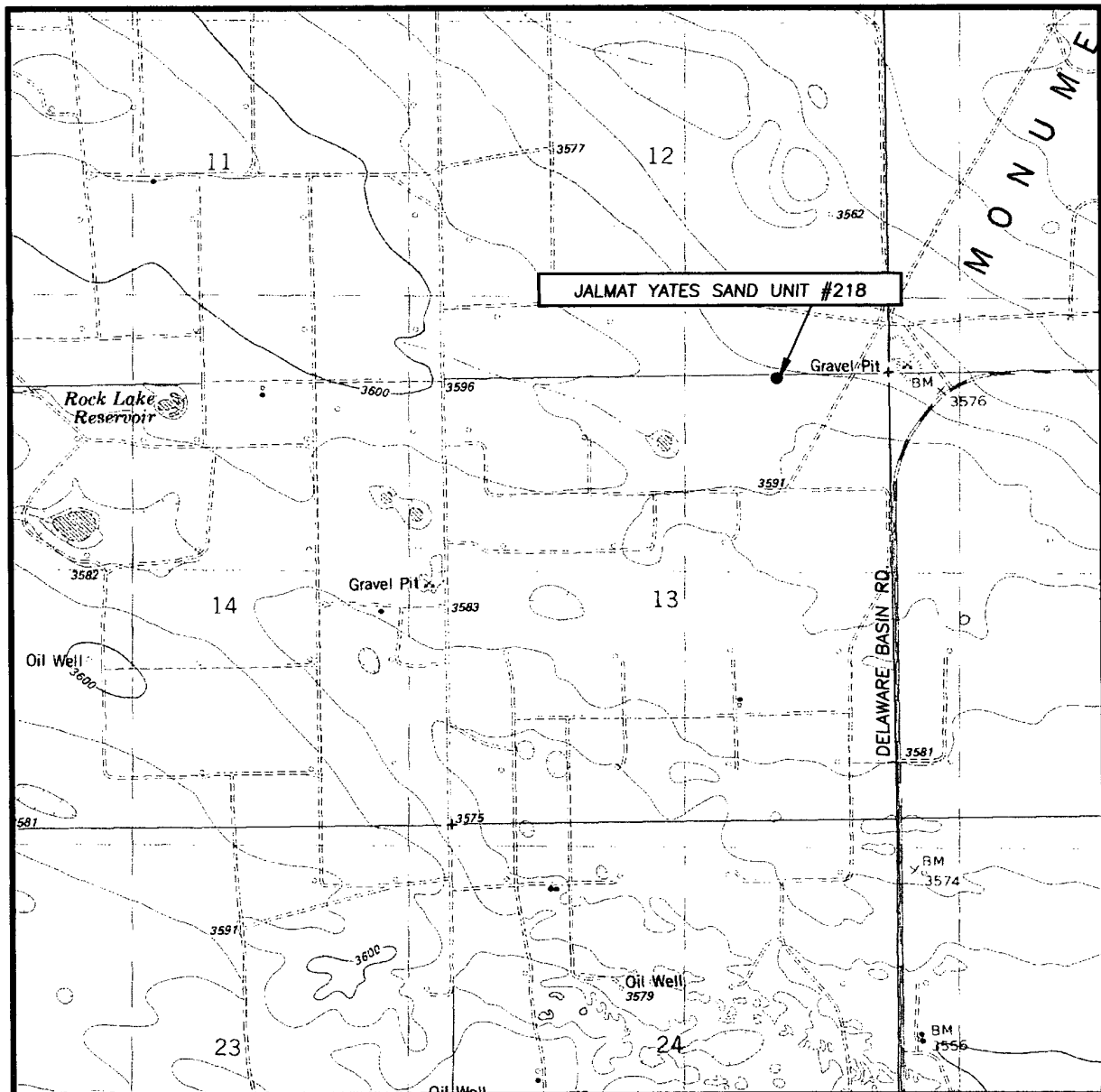
ELEVATION 3582'

OPERATOR MELROSE OPERATING COMPANY

LEASE CONE



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
OIL CENTER, N.M. - 10'

SEC. 13 TWP. 22-S RGE. 35-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 10' FNL & 1330' FEL

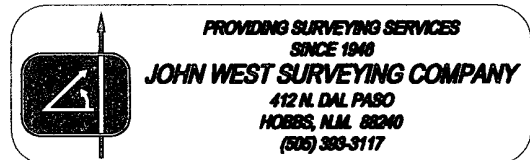
ELEVATION 3582'

OPERATOR MELROSE
OPERATING COMPANY

LEASE JALMAT YATES SAND UNIT

U.S.G.S. TOPOGRAPHIC MAP

OIL CENTER, N.M.



District I
1625 W. French Dr., 11 obbs. NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87504-

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 ☒ Closures of a pit or below-grade tank ☐

Operator: <u>Melrose Operating Company</u> Telephone: <u>432 6846381</u> e-mail address: <u>ann.ritchie@wtor.net</u>		
Address: <u>c/o P.O. Box 953, Midland, TX 79702</u> <u>30-025-37225</u>		
Facility or well name: <u>Cone Jalmat Yates Unit</u> API# <u>pending</u> U/L or Qtr/Qtr <u>M/N</u> Sec <u>22</u> T <u>R</u> <u>35E</u>		
County: <u>Lea</u>	Latitude	Longitude
NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/> Surface Owner Federal State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
Wells # <u>120, 121 & 122</u> , Section 13, T22S, R35E (<u>4 #123</u>)		
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"/>		
Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mm 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 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>350'</u>	Less than 100 feet 100 feet or more, build less than 100 feet 100 feet or more <u>100 ft.</u>	(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 <u>No</u>	(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 <u>1000 ft or more</u>	(20 points) (10 points) (0 points) 0
Ranking Score (Total Points)		0 Points

Is this an 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 ☒ a general permit, ☐ or an (attached) alternative OCD approved plan.

Date: 2-25-05

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:

PETROLEUM ENGINEER

Printed Name/Title PAUL F. KAUTZ

Signature [Signature]

Date: MAY 11 2005

Melrose Operating Company
Drilling Rig Pad Schematic
Cone Talmat Yates Unit #120, 121, 122 & 123
County, New Mexico
Wellbore is 40' North of the pit

