District I 1 1625 N. French Dr., Hobbs, NM 88240
District II 1301 W. Grand Avenue, Artesia, NM 88210
District III 1000 Rio Brazos Road, Aztec, NM 87410
District IV

Date: 9-28-05

Phone: 432 684-6381

# State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe. NM 87505 Form C-101 May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT

|  |  |   |  | Operator Name<br>Metrose Oper<br>P.O. Box   | rating Co.,<br>x 953  | s  |  |   |   | 'API                        | Number             | 4860 ~  |  |
|--|--|---|--|---|---|--|--|---|---|-----------------------------|--------------------|---|--|
| 3 D  | Midland, TX 79702  Property Code: 25191  |   |  |   |   |  |  |   | 30-025- <i>37479</i>  |                             |                    | II N/a  |  |
| Property   | Code: 25191  |   |  |   |   | Property   | ۱  |   | *Well No.   |                             |                    |   |  |
|  |  |   | , p  | roposed Pool 1  |   | almat Field Sar  | Y rates Unit   |   | <sup>10</sup> Dow   | posed Pool                  |                    | 19 -  |  |
|  |  |   |  | lmat (T-Y-7R)   |   |  | į  |   | roj   | ,0500 I 001                 | . 4                |   |  |
|  |  |   |  |   |   | <sup>7</sup> Surface   | Location   |   |   |                             |                    |   |  |
| L or lot no.   | Section  | Towns   | dhi  | Range   | Lot k   | T  |  | South line                              | Feet from the   | East/V                      | Vest line          | County  |  |
| В  | 14   | 22S   |  | 35E   | <u> </u>  | 50   | 0 No   | rth                                     | 2360  | E                           | ast                | Lea   |  |
|  |  |   |  | <sup>8</sup> Prop   | sed Botto   | om Hole Locat  | tion If Differen   | t From St                               | ırface  |                             |                    |   |  |
| L or lot no.   | Section  | Townst  | hip  | Range   | Lot k   | in Feet fix  | on the North/S   | South line                              | Feet from the   | East/V                      | Vest line          | County  |  |
|  | 1  | 1   |  |   | Ac  | Iditional We   | all Information  | on .                                    |   | <u> </u>                    |                    | <u> </u>  |  |
|  | Type Code  |   |  | 12 Well Type Co   | de  |  | e/Rotary   | 14 ]                                    | ease Type Code  |                             | 15 Grou            | and Level Elevation   |  |
|  | N  | _   |  | 0   |   | i  | R  | <b></b>                                 | ,   |                             |                    | 3592  |  |
|  | fultiple<br>No   |   |  | <sup>17</sup> Proposed Dep<br>4200'   | in .  |  | mation<br>Ites   | ι                                       | 19 Contractor Juited Drlg.  |                             |                    | <sup>20</sup> Spud Date<br>9-30-05                                |  |
| epth to Grou   |  |   |  |   | Distance  | from nearest fresh   |  |   | Distance from   | n nearest s                 | urface wate        |   |  |
| Closed   | i-Loop Syste   | m 🗍   |  | 2   | <sup>1</sup> Propos   | sed Casing a   | Fresh Water and Cement   |   | Diesel Oil-based  | Gas Ai                      | <u>r []</u>        |   |  |
| Hole S   | Size   |   | Casir  | ng Size   | Casing  | weight/foot  | Setting D  |   | gtcc  |                             | 1                  | Estimated TOC   |  |
|  |  |   |  | D   |   | , weight loot  | Setting D  | epth                                    | Sacks of Co   | ement                       |                    | Estimated TOC   |  |
| 12.1/  | <b>/4</b> "  |   |  | 5/8"  |   | 24#  | 350  |   | 250 s   |                             |                    | Surface   |  |
| 12.1/<br>7.7/  |  |   | 8 4  |   |   |  | <del>                                     </del>   | )                                       | <del>                                      </del>                       | x                           |                    |   |  |
|  |  |   | 8 4  | 5/8"  |   | 24#  | 350  | )                                       | 250 s   | x                           |                    | Surface   |  |
| 7 7/   | 8"   | program   | 8.4<br>51  | 5/8"<br>1/2"  |   | 24#<br> 5.5#   | 350<br>4200  | )'                                      | 250 s<br>1200   | SX                          | osed new p         | Surface<br>Surface  |  |
| Describe the lescribe the lescr | he proposed<br>blowout pre<br>drill 12 13" hole to<br>g cement<br>rate, stim   | vention p<br>1/4" ho<br>4200',<br>to surfa<br>tulate &                                  | 8 4 5 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1  | is application is<br>m, if any. Use a<br>350', set 8 3<br>open hole lo  | to DEEPEr<br>dditional sh<br>5/8" casin<br>9gs, set pr  | 24# 5 5#  N or PLUG BAC eets if necessary.  ng to 350', ce roduction cas   | 350<br>4200<br>K, give the data o  | n the present                           | 250 s<br>1200   | SX and propo                | surface            | Surface Surface oroductive zone.                                  |  |
| Describe the later than the propose to Drill 7 7/8 irculating Vill performed to the propose to Drill 7 6/8 irculating Vill performed to the propose to Drill 7 7/8 irculating Vill Performed to the propose to Drill 7 7/8 irculating Vill Performed to the propose to Drill 7 7/8 irculating Vill Performed to Transfer Vill Performed to Tra | he proposed<br>blowout pre<br>drill 12 13" hole to<br>g cement<br>rate, stime<br>anticipat   | vention p  I/4" hoi  4200', to surfa  ulate & te enco                                   | 8.4<br>5]<br>1. If the program of the prog | is application is in, if any. Use a 350', set 8 3 open hole to t well. ring any H2:   | to DEEPER dditional sh 5/8" casin ogs, set pr 6 interval  | 24# 15 5#  Nor PLUG BAC Lects if necessary.  Ing to 350', ce reduction cas  as during the  | 350<br>4200<br>K, give the data of<br>ment w/250 sing string to a  | n the present x Cl C                    | 250 s<br>1200<br>productive zone s<br>circulating cerately 4200°, ce    | and propo                   | surface<br>ng with | Surface Surface  oroductive zone.  c. WOC. 1200 sx Cl C –         |  |
| Describe the later than the propose to Drill 7 7/8 irculating Vill performed to not  | he proposed blowout prediction of the prediction of the proposed blowout prediction of the p | Vention p  I/4" hoi  4200', to surfa  ulate & te enco                                   | 8.4<br>5]<br>1. If the program of the prog | is application is m, if any. Use a 350', set 8 3 open hole to t well. ring any H2:  | to DEEPEr dditional sh 5/8" casin ogs, set pr S interval  | 24# 5 5#  Nor PLUG BAC eets if necessary.  Ing to 350', ceroduction cas  as during the case  as during the | 350<br>4200<br>K, give the data of<br>ment w/250 sing string to a  | n the present x Cl C                    | 250 s<br>1200   | and propo                   | surface<br>ng with | Surface Surface Surface  Productive zone.  2. WOC. 1200 sx Cl C – |  |
| Describe the lescribe the lescr | he proposed blowout prediction of the prediction of the proposed blowout prediction of the predicti | vention p  I/4" ho  4200', to surfa  ulate & te enco  in 1068  informa ief. I furto NMO | 8.4<br>5]<br>1. If the program of the control of the cont | is application is in, if any. Use a 350°, set 8 5 open hole lot twell. ring any H2; iven above is the certify that the utdeltine X, a g | to DEEPEr dditional shows the post of the | 24# 15 5#  Nor PLUG BAC leets if necessary.  Ing to 350', ce roduction cas les during the cas less during the cas less during the cas less to the best will be   | 350<br>4200<br>K, give the data of<br>ment w/250 sing string to a  | n the present x Cl C                    | 250 s 1200 1 productive zone s circulating cer ately 4200', ce          | and proportion to comenting | DIVIS              | Surface Surface Surface  PAUL F. KAUTOLEUM FNO.                   |  |
| Describe the secribe the lescribe the lescri | he proposed blowout pre drill 12 in hole to g cement rate, stime anticipate the control of the c | vention p  I/4" ho  4200', to surfa  ulate & ie enco  informa ief. I furto NMO  CD-app  | 8.4<br>5]<br>1. If the program of the control of the cont | is application is in, if any. Use a 350°, set 8 5 open hole lot twell. ring any H2; iven above is the certify that the utdeltine X, a g | to DEEPEr dditional shows the post of the | 24# 15 5#  Nor PLUG BAC leets if necessary.  Ing to 350', ce roduction cas les during the cas less during the cas less during the cas less to the best will be   | 350<br>4200<br>K, give the data of<br>ment w/250 sting string to a<br>drilling of this   | n the present x Cl C                    | 250 s 1200 1 productive zone s circulating cer ately 4200', ce          | and proportion to comenting | DIVIS              | Surface Surface Surface  PAUL F. KAUTOLEUM FNO.                   |  |
| Describe the scribe th | he proposed blowout pre drill 12 in hole to g cement rate, stime anticipate the control of the c | vention p  I/4" ho  4200', to surfa  ulate & ie enco  informa ief. I furto NMO  CD-app  | 8.4<br>5]<br>1. If the program of the control of the cont | is application is in, if any. Use a 350°, set 8 5 open hole lot twell. ring any H2; iven above is the certify that the utdeltine X, a g | to DEEPEr dditional shows the post of the | 24# 15 5#  Nor PLUG BAC leets if necessary.  Ing to 350', ce roduction cas les during the cas less during the cas less during the cas less to the best will be   | 350 4200 K, give the data of t | n the present x Cl C approximates well. | 250 s 1200 1 productive zone s circulating centely 4200', centely 4200' | and proportion to comenting | DIVIS  PETR  LEUM  | Surface Surface Surface  Productive zone.  2. WOC. 1200 sx Cl C - |  |

Conditions of Approval Attached

DISTRICT I 1625 M. PRENCH DR., EUBBS, MM 88240

State of New Mexico Suergy, Minerals and Natural Resources Bepartment

DISTRICT II

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

DISTRICT III 1000 Rio Brazon Rd., Axtee. NM 87410 OIL CONSERVATION DIVISION

Form C-102 Revised JUNE 10, 2003 bmit to Appropriate District Office State Lease - 4 Copies Pee Lease - 3 Copies

| DISTRICT IV 1220 S. ST. PRANCIS DR., SANTA PR. NW 87505 | WELL LOCATION AND | ACREAGE DEDICATION | PLAT AND AMENDED REPOR |
|---|-------------------|--------------------|------------------------|
| API Number  | Pool Code         |                    | Pool Name              |
| 30-025-37479  | 33820             | Jalmat (T- Y-      | 7R)                    |
| Property Code   |                   | erty Name          | Well Number            |
| 25191   |                   | YSU                | 219                    |
| OGRID No.   | Oper              | ator Name          | Elevation              |
| 184860  | MELROSE OPE       | RATING COMPANY     | 3592'                  |

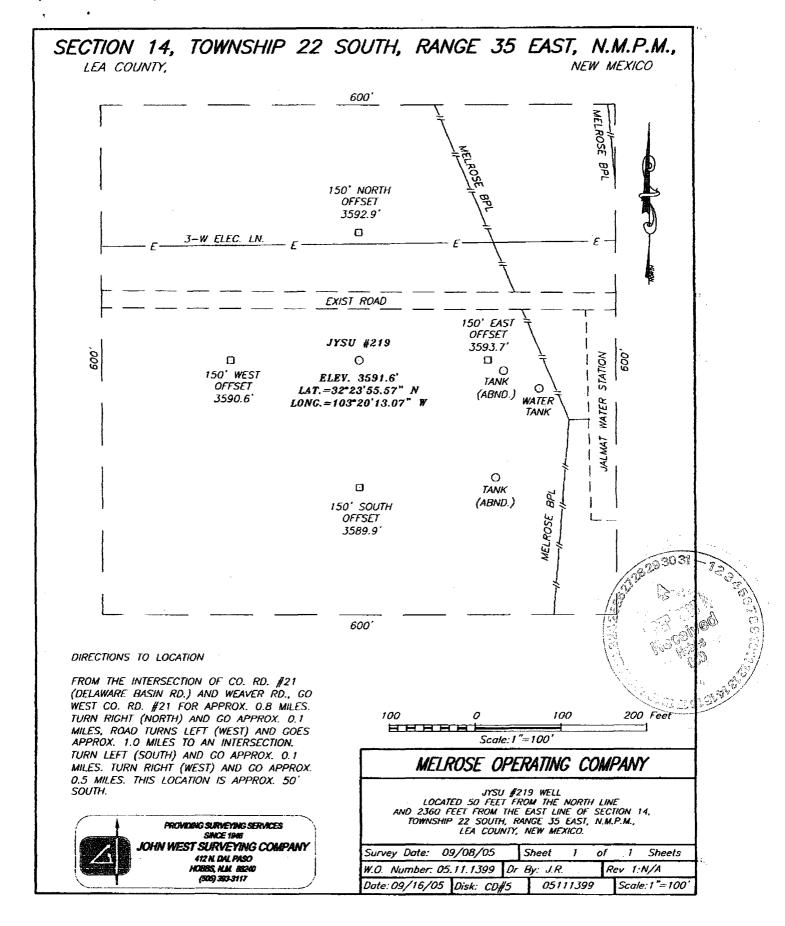
#### Surface Location UL or lot No. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line В **EAST LEA** 14 22-S 35-E 50 NORTH 2360 Bottom Hole Location If Different From Surface

| UL or lot No.   | Section | Township    | Range         | Lot ldn | Feet from the        | North/South line | Feet from the | East/West line | County |
|-----------------|---------|-------------|---------------|---------|----------------------|------------------|---------------|----------------|--------|
| Dedicated Acres | Joint o | r Infill Co | nsolidation ( | Code Or | der No.<br>Waterfloo | od 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

|            |                       | OPERATOR CERTIFICATION   |
|------------|-----------------------|--|
|            | 1                     | I hereby certify the the information.  |
|            |                       | best of my knowledge and belief,   |
|            |                       | and the  |
|            |                       | Signature  |
|            | ates                  | Hon E. Ritchie   |
|            | %                     | Regulatory Agent   |
|            |                       | 9-28-05  |
|            | 2                     | Date   |
| SECTION 11 |                       | SURVEYOR CERTIFICATION   |
| SECTION 14 | 2360                  | I hereby certify that the well location shown  |
|            | 1 /1 1                | on this plat was plotted from field notes of   |
|            |                       | actual surveys made by me or under my<br>supervison and that the same is true and  |
|            |                       | correct to the best of my belief.  |
|            |                       | SEPTEMBER 8, 2005  |
|            | 1 1 13                | Date Surveyed JR   |
|            | <u> </u>              | Signature & Seal of  |
|            | GEODETIC COORDINATES  | Professional Surveyor  |
|            | NAD 27 NME            |  |
|            | Y=510220.1 N          | Dary & Welson 9/13/05  |
|            | X=807532.0 E          |  |
|            | LAT.=32°23'55.57" N   | Certificate No. GARY BIDSON 12641  |
|            | LONG.=103'20'13.07" W | The second secon |
|            |                       |  |

p.3

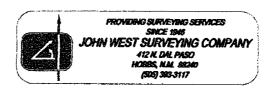


### VICINITY MAP

| 1            |     |                       |   |    |        |     |           |                         |                         |              |     |    |
|--------------|-----|-----------------------|---|----|--------|-----|-----------|-------------------------|-------------------------|--------------|-----|----|
| 22           | 27  | დ<br>24 ე             | ,19   | 20 | aı     | 22  | ટર        | 24 82<br>24 82<br>24 82 | . R 36 B<br>G<br>WEAVER | 원<br>왕       | 21  | 22 |
| 27           | 26  | 25 g<br>K             | 88 30<br>82 20  | 29 | 29     | 27  | 26        | ස                       | 30                      | સ્ત          | 28  | 27 |
| 34           | 35  | 36 /                  | Ja.   | 32 | 33     | 34  | J5        | 36                      | 31                      | 32           | 33  | 34 |
| 3            | 2 4 | STREET.               | 6   | 5  | -, ]   | -3- | Ĵ         |                         | 6                       | 5            | 4   | 3  |
| 10           | n ) | 12                    | 7   | 8  | 9      | LC  | <u></u>   | 12                      | vEAVER                  | <sub>ຄ</sub> | 9   | 10 |
| ıs           | 14  | 13                    | 18  | 17 | 16     | 15  | ".        | 13 eg                   | R 36 E                  | 17           | 16  | ι5 |
| 22           | 23  | 54 \$6<br>34 36       | 8<br>20<br>20<br>20<br>20<br>20<br>20<br>20<br>20<br>20<br>20<br>20<br>20<br>20 | 50 | JYSU A | 219 | 53        | 24                      | 19                      | 20           | SI  | 55 |
| 27           | 26  | 25                    | 310   | 29 | 29     | 27  | ટક        | 25                      | 30                      | 29           | 28  | 27 |
| 34           | 35  | 36                    | 36  | 31 | 33     | 34  | 35<br>E21 | 36                      | 31                      | 32           | 33  | 34 |
| 3            | s   | ı                     | 6   | 3  |        | 3   | 2         |                         | (v)                     | 5            | 4   | 3  |
| ADDBE<br>EZI | 11  | 12                    | ,   | 8  | 9      | iā  | 11        | 15                      | TEAGUE                  | 8            | 9   | 10 |
| A            | 14  | 2<br>2<br>2<br>3<br>3 | AN IMON INK 18  | 17 | 16     | 15  | 14        | 13 8                    | R 38 E                  | 17           | 16  | 12 |
| 22           | 23  | 24 %                  | ಜ<br>ಬ 13<br>ल  | 26 | 2t     | 22  | 23        | 24                      | 19                      | 50           | E11 | 22 |

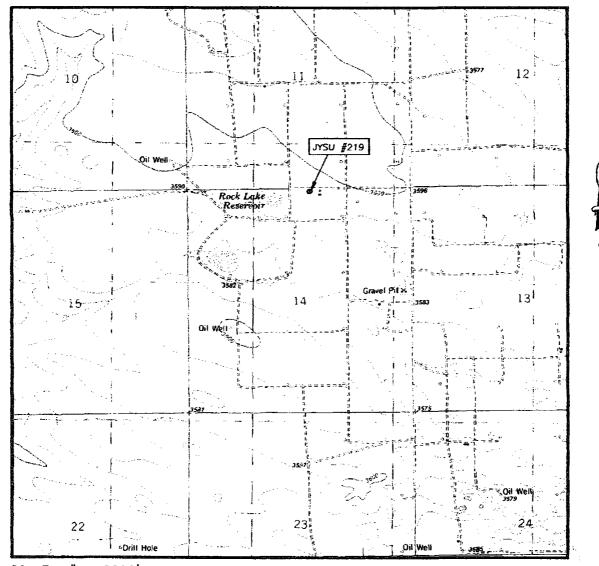
| JUALL F - Z MILLJ | SCA | LE: | 1" | = | 2 | MIL | ES |
|-------------------|-----|-----|----|---|---|-----|----|
|-------------------|-----|-----|----|---|---|-----|----|

| SEC. 14 T   | WP. <u>22-S</u> RGE. <u>35-E</u> |
|-------------|----------------------------------|
| SURVEY      | N.M.P.M.                         |
| COUNTY      | LEA                              |
| DESCRIPTION | 50' FNL & 2360' FEL              |
| ELEVATION_  | 3592'                            |
| OPERATOR_   | MELROSE<br>OPERATING COMPANY     |
| LEACE       | 20014                            |



#### LOCATION VERIFICATION MAP

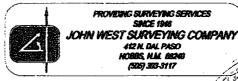
John West Surveying



SCALE: 1'' = 2000'

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

| SEC. <u>14</u> TWP. <u>22-S</u> RGE. <u>35-E</u> |
|--|
| SURVEY N.M.P.M.                                  |
| COUNTY LEA                                       |
| DESCRIPTION 50' FNL & 2360' FEL                  |
| ELEVATION 3592'                                  |
| MELROSE OPERATOR OPERATING COMPANY               |
| LEASE JYSU                                       |
| U.S.G.S. TOPOGRAPHIC MAP<br>OIL CENTER: N.M.     |





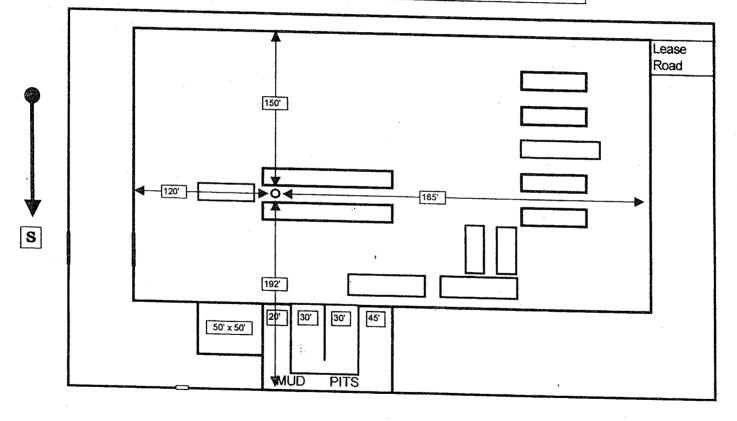


Drilling Rig Pad Schematic

Melrose Operating Lea, JF Y5U, Well # 219

Lea County, New Mexico

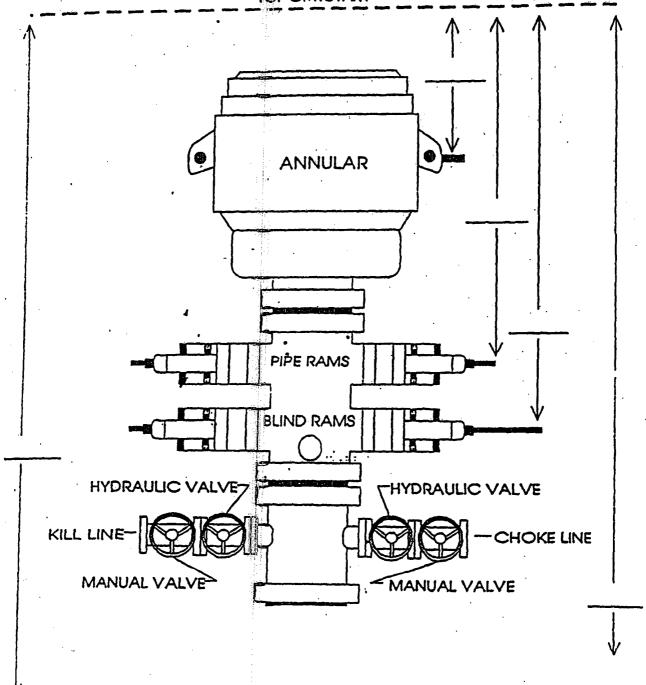
Wellbore is 40' North of the pit



## EXHIBIT A

B.O.P. STACK SPACING SIZE: 3000#

TOP OF ROTARY



WELL HEAD

WELL Jalmat Unit #219 CONTRACTOR United Drig