

Submit 3 Copies To Appropriate District Office
District I
1625 N French Dr., Hobbs, NM 88240
District R
1301 W. Grand Ave., 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

Form C-103
May 27, 2004

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

WELL API NO. 30 025 08615
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name 25791 Jalmat Field Yates Sand Unit
8. Well Number Well #126
9. OGRID Number 184860
10. Pool name or Wildcat Jalmat ; Tan-Yates-7 Rvrs 33820

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)	
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐	
2. Name of Operator Melrose Operating Company	
3. Address of Operator c/o P.O. Box 953, Midland, TX 79702	
4. Well Location Unit Letter C 660 feet from the North line and 2310 feet from the West line Section 14 Township 22S Range 35E NMPM Lea County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	
Pit or Below-grade Tank Application ☐ or Closure ☐	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness _____ mil	Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P & A :: ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
OTHER: ☐		OTHER: ☒	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Step Rate Test Request for Increased Pressure. (WFX-633)

Step rate test attached reflecting Intercept @ 359.7 bbls per day, 3345.8 psia BHP with 1946 surface pressure.

Requesting approval for increased injection pressure to 1500 psia, based on step rate test results.

RECEIVED

APR 18 2008

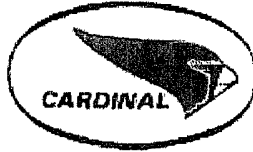
HOBBS OCD

I hereby certify that the information above is true and complete to the best of my knowledge and belief I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐

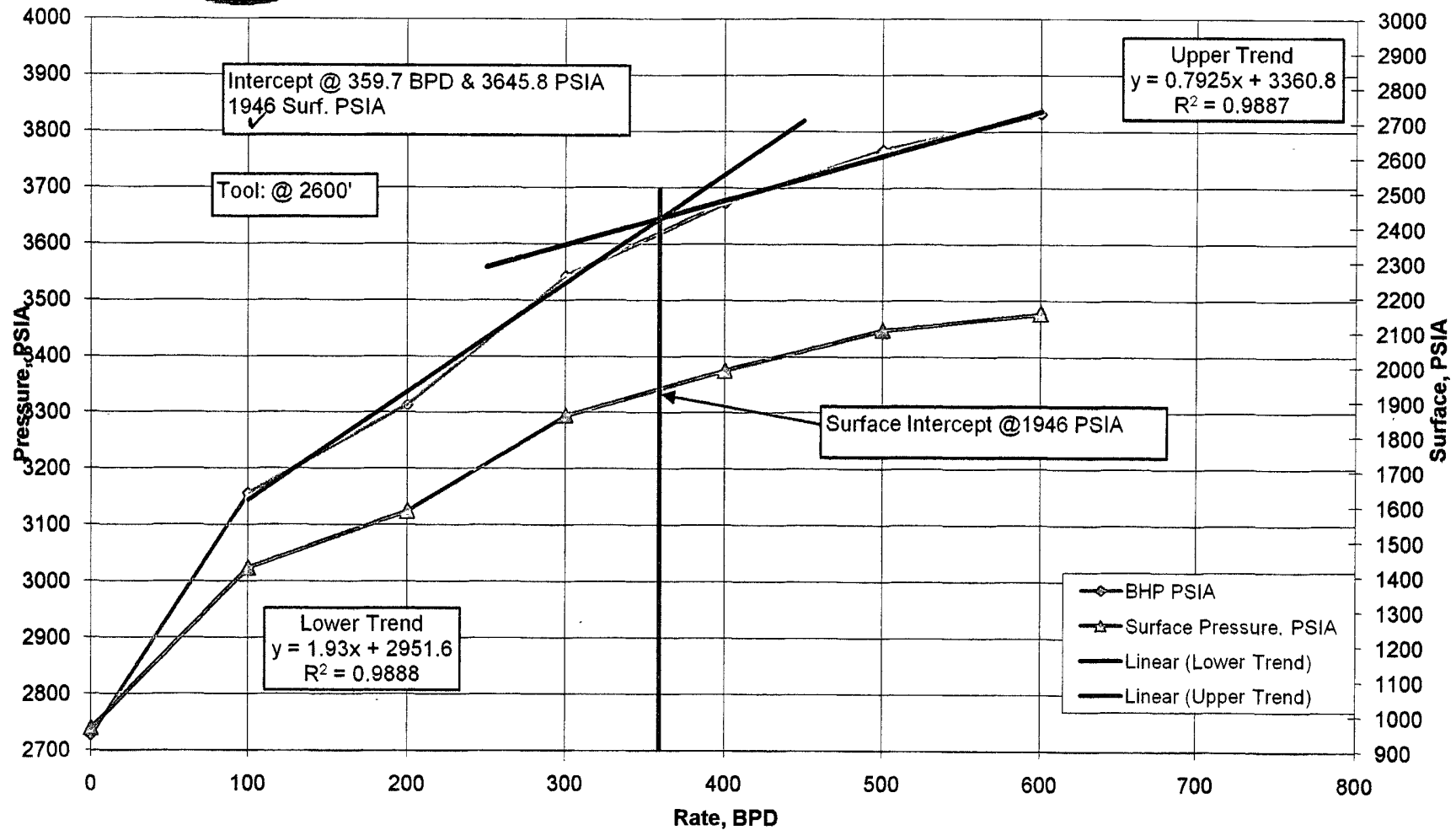
SIGNATURE Ann E. Ritchie TITLE Regulatory Agent DATE 04/09/2008

Type print name Ann E. Ritchie E-mail address: ann.ritchie@wtor.net Telephone No. 432 684-6381/214 762-0830
For State Use Only

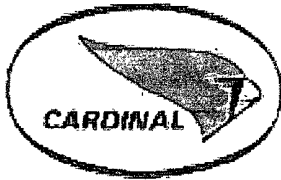
APPROVED BY: Chris Williams OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE APR 25 2008
Conditions of Approval (if any):



Melrose Operating Jal Mat # 126
Step Rate Test 03-10-2008



Step Rate Test



Cardinal Surveys Company

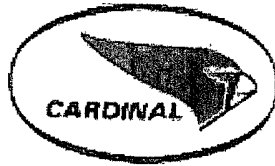
March 10, 2008

Melrose Operating
Jal Mat # 126
Field:
Lea County, NM
SC 56778
File # 18539

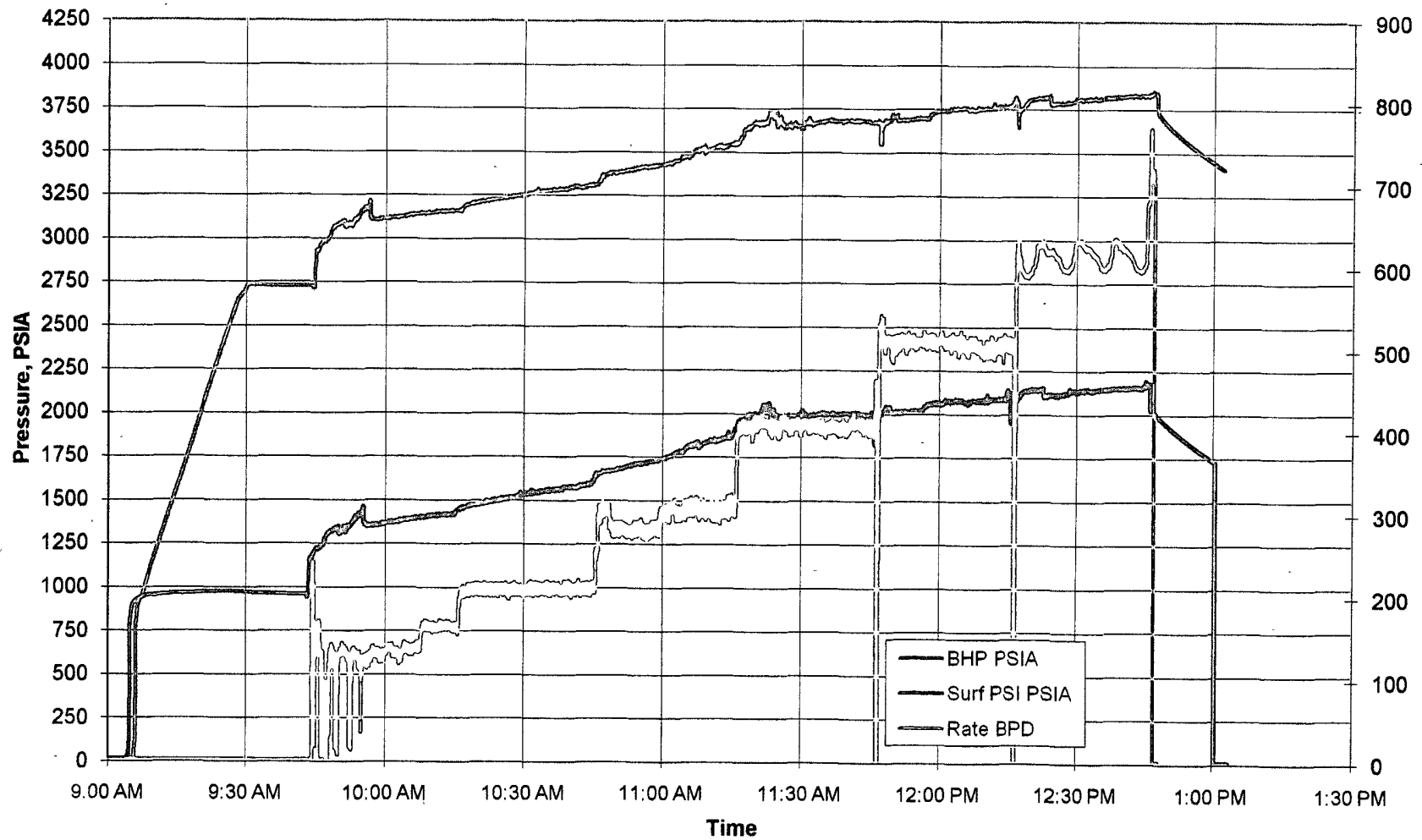
Intercept @ 359.7 BPD
& 3645.8 PSIA, 1946
Surf. PSIA

Downhole PSI Tool Ser. No.
Surface PSI Gauge Ser. No.
Tool @ 3895'

	Start Time	End Time	Rate BPD	Comments
1	8:29 AM	8:45 AM		0 On Bottom
2	8:45 AM	9:15 AM	100	
3	9:15 AM	9:45 AM	200	
4	9:45 AM	10:15 AM	300	
5	10:15 AM	10:45 AM	400	
6	10:45 AM	11:15 AM	500	
7	11:15 AM	11:45 AM	600	
8	11:45 AM	12:00 PM		0 Fall Off

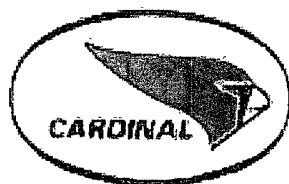


Melrose Operating Jal Mat # 126
Step Rate Test 03-10-2008



Step Rate Test

Melrose Operating
Jal Mat # 126
Field:
Lea County, NM



	S Time	E Time	D Time Min	Last Rate BPD	Step B. H. Pressure BPD	Pressure PSIA	Surf PSIA	Cum BBL	Delta BBL	Avg. BPD	Lower Trend	Upper Trend
1	8:29 AM	8:45 AM	16	0	0	2726.9	964.5	0	0	0		
2	8:45 AM	9:15 AM	30	100	100	3156.5	1423.9	2.9	2.9	139	3156.5	
3	9:15 AM	9:45 AM	30	200	100	3313.9	1587.2	7.1	4.2	202	3313.9	
4	9:45 AM	10:15 AM	30	300	100	3542.5	1861	13.3	6.2	298	3542.5	
5	10:15 AM	10:45 AM	30	400	100	3672.9	1991.6	21.7	8.4	403		3672.9
6	10:45 AM	11:15 AM	30	500	100	3766.8	2107.1	32.3	10.6	509		3766.8
7	11:15 AM	11:45 AM	30	600	100	3831.4	2155.2	44.6	12.3	590		3831.4
8	11:45 AM	12:00 PM	15	0	-600	3431.6	1733	44.6	0	0		

1.93 2951.6
0.7925 3360.8

int point: 359.73626 BPD
3645.891 Psia