

Melrose Operating Company
Jalmat Field Yates Sand Unit No. 249
API No. 30-025-38922
2030' FSL & 330' FEL (Unit I)
Section 11, T-22 South, R-35 East, NMPM
Lea County, New Mexico

Date Drilled: February, 2009

12 1/4" Hole; Set 8 5/8" 24# J-55 Csg. @ 413'
Cemented w/ 375 Sx. Class C. Cement
circulated to surface.

Note: At the time of the original waterflood expansion filing, the JFYSU No. 249 was designated to be an injection well. At that time, the well had not yet been drilled. Subsequent to the issuance of Order No. WFX-850, Melrose requested and received Division approval to change the injection pattern whereby the JFYSU No. 249 would be utilized as a producing well instead of an injection well.

Perforations: 3,700'-4,200' (Estimated)

7 7/8" Hole; Set 5 1/2" 15.5# J-55 Csg. @ 4,165'
Cemented w/700 Sx. Class C. Calculated TOC
@ surface.

T.D. - 4,165'