

|   |                 |   |   |                                      |              |  |                       |  |          |               |
|---|-----------------|---|---|--------------------------------------|--------------|--|-----------------------|--|----------|---------------|
| Submit To Appropriate District Office<br>Two Copies<br><b>District I</b><br>1625 N. French Dr., Hobbs, NM 88240<br><b>District II</b><br>1301 W. Grand Avenue, Artesia, NM 88210<br><b>District III</b><br>1000 Rio Brazos Rd., Aztec, NM 87410<br><b>District IV</b><br>1220 S. St. Francis Dr., Santa Fe, NM 87505  |                 | <b>State of New Mexico</b><br><b>Energy, Minerals and Natural Resources</b><br><br><b>Oil Conservation Division</b><br><b>1220 South St. Francis Dr.</b><br><b>Santa Fe, NM 87505</b> |   | Form C-10<br>Ma 03, 20               |              |  |                       |  |          |               |
| <b>WELL COMPLETION OR RECOMPLETION REPORT AND LOG</b>   |                 |   |   |                                      |              |  |                       |  |          |               |
| 4. Reason for filing:<br><input checked="" type="checkbox"/> <b>COMPLETION REPORT</b> (Fill in boxes #1 through #31 for State and Fee wells only)<br><input type="checkbox"/> <b>C-144 CLOSURE ATTACHMENT</b> (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC) |                 |   | 1. WELL API NO.<br>30-025-38868<br>2. Type of Lease<br><input checked="" type="checkbox"/> STATE <input type="checkbox"/> FFE <input type="checkbox"/> FED/INDIAN<br>3. State Oil & Gas Lease No. |                                      |              |  |                       |  |          |               |
| 7. Type of Completion:<br><input type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input checked="" type="checkbox"/> OTHER <u>Conv to Injector</u>   |                 |   | 5. Lease Name or Unit Agreement Name:<br>Jalmat Field Yates Sand Unit<br>6. Well Number: 159  |                                      |              |  |                       |  |          |               |
| 8. Name of Operator<br>Melrose Operating Company<br>10. Address of Operator<br>20333 State Highway 249, STE 310, Houston, Texas, 77070  |                 |   | 9. OGRID<br>184860<br>11. Pool name or Wildcat<br>Jalmat (T-Y-7 Rvrs)   |                                      |              |  |                       |  |          |               |
| 12. Location  | Unit Ltr        | Section   | Township  | Range                                | Lot          | Feet from the  | N/S Line              | Feet from the                                  | E/W Line | County        |
| Surface:  | F               | 13  | 22-S  | 35-E                                 |              | 2026   | North                 | 1860   | West     | Lincoln       |
| BH:   |                 |   |   |                                      |              |  |                       |  |          |               |
| 13. Date Spudded<br>06/30/08  |                 | 14. Date T.D. Reached<br>07/05/08   |   | 15. Date Rig Released<br>08/05/08    |              | 16. Date Completed (Ready to Produce)<br>07/29/08  |                       | 17. Elevations 3588 G                          |          |               |
| 18. Total Measured Depth of Well<br>4160  |                 |   |   | 19. Plug Back Measured Depth<br>4126 |              | 20. Was Directional Survey Made?   |                       | 21. Type Electric and Other Logs Run<br>GR/CCL |          |               |
| 22. Producing Interval(s), of this completion - Top, Bottom, Name<br>3768', 3952', Yates  |                 |   |   |                                      |              |  |                       |  |          |               |
| <b>CASING RECORD (Report all strings set in well)</b>   |                 |   |   |                                      |              |  |                       |  |          |               |
| 23. CASING SIZE   |                 | WEIGHT LB./FT.  |   | DEPTH SET                            |              | HOLE SIZE  |                       | CEMENTING RECORD                               |          | AMOUNT PULLED |
| 8 5/8"  |                 | 24#   |   | 380'                                 |              | 12 1/4"  |                       | 350sx to surface                               |          | NONE          |
| 5 1/2"  |                 | 15.5#   |   | 4156'                                |              | 7 7/8"   |                       | 750 sx Cl C poz                                |          | NONE          |
|   |                 |   |   |                                      |              |  |                       |  |          |               |
|   |                 |   |   |                                      |              |  |                       |  |          |               |
|   |                 |   |   |                                      |              |  |                       |  |          |               |
| 24. LINER RECORD  |                 |   |   |                                      |              | 25. TUBING RECORD  |                       |  |          |               |
| SIZE  | TOP             | BOTTOM  | SACKS CEMENT  | SCREEN                               |              | SIZE   | DEPTH SET             | PACKER SET                                     |          |               |
|   |                 |   |   |                                      |              | 2 3/8"   | 3700'                 | 3700'  |          |               |
| 26. Perforation record (interval, size, and number)<br>Perforated from 3768' - 3952' w/2 spf  |                 |   |   |                                      |              | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.<br>DEPTH INTERVAL      AMOUNT AND KIND MATERIAL USED<br>3768' - 3952'      4000 gal NFFE HCL acid<br>3768' - 3952'      1933bbl frac w/ 117060# 12/20 sand |                       |  |          |               |
| <b>PRODUCTION</b>   |                 |   |   |                                      |              |  |                       |  |          |               |
| Date First Production   |                 | Production Method (Flowing, gas lift, pumping - Size and type pump)   |   |                                      |              | Well Status (Prod. or Shut-in)<br>Injector   |                       |  |          |               |
| Date of Test  | Hours Tested    | Choke Size  | Prod'n For Test Period  | Oil - Bbl                            | Gas - MCF    | Water - Bbl.   | Gas - Oil Ratio       |  |          |               |
| Flow Tubing Press.  | Casing Pressure | Calculated 24-Hour Rate   | Oil - Bbl.  | Gas - MCF                            | Water - Bbl. | Oil Gravity - API - (Corr.)  |                       |  |          |               |
| 29. Disposition of Gas (Sold, used for fuel, vented, etc.)  |                 |   |   |                                      |              |  | 30. Test Witnessed By |  |          |               |
| 31. List Attachments  |                 |   |   |                                      |              |  |                       |  |          |               |
| 32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.  |                 |   |   |                                      |              |  |                       |  |          |               |
| 33. If an on-site burial was used at the well, report the exact location of the on-site burial:   |                 |   |   |                                      |              |  |                       |  |          |               |
| Latitude  |                 |   |   | Longitude                            |              |  |                       | NAD 927 198                                    |          |               |
| I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief  |                 |   |   |                                      |              |  |                       |  |          |               |
| Signature   |                 | Printed   |   | Name: Barry Archer                   |              | Title: Vice President  |                       | Date: 05/04/10                                 |          |               |
| E-mail Address: barcher@melroseenergy.com   |                 |   |   |                                      |              |  |                       |  |          |               |

INSTRUCTIONS

WFX-852

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

| Southeastern New Mexico |                  | Northwestern New Mexico |                  |
|-------------------------|------------------|-------------------------|------------------|
| T. Anhy                 | T. Canyon        | T. Ojo Alamo            | T. Penn A"       |
| T. Salt                 | T. Strawn        | T. Kirtland             | T. Penn. "B"     |
| B. Salt                 | T. Atoka         | T. Fruitland            | T. Penn. "C"     |
| T. Yates 3768           | T. Miss          | T. Pictured Cliffs      | T. Penn. "D"     |
| T. 7 Rivers             | T. Devonian      | T. Cliff House          | T. Leadville     |
| T. Queen                | T. Silurian      | T. Menefee              | T. Madison       |
| T. Grayburg             | T. Montoya       | T. Point Lookout        | T. Elbert        |
| T. San Andres           | T. Simpson       | T. Mancos               | T. McCracken     |
| T. Glorieta             | T. McKee         | T. Gallup               | T. Ignacio Otzte |
| T. Paddock              | T. Ellenburger   | Base Greenhorn          | T. Granite       |
| T. Blinbry              | T. Gr. Wash      | T. Dakota               |                  |
| T. Tubb                 | T. Delaware Sand | T. Morrison             |                  |
| T. Drinkard             | T. Bone Springs  | T. Todilto              |                  |
| T. Abo                  | T.               | T. Entrada              |                  |
| T. Wolfcamp             | T.               | T. Wingate              |                  |
| T. Penn                 | T.               | T. Chinle               |                  |
| T. Cisco (Bough C)      | T.               | T. Permian              |                  |

**OIL OR GAS  
SANDS OR ZON**

No. 1, from.....to.....

No. 3, from.....to.....

No. 2, from.....to.....

No. 4, from..... to.....

## IMPORTANT WATER SANDS

**Include data on rate of water inflow and elevation to which water rose in hole.**

No. 1, from.....None observed.....to.....feet.....

No. 2, from ..... to ..... feel .....

No. 3, from ..... to ..... feet.

## LITHOLOGY RECORD (Attach additional sheet if necessary)

| From | To | Thickness<br>In Feet | Lithology |
|------|----|----------------------|-----------|
|      |    |                      |           |