

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 - 36574
⁴ Property Code 25191	⁵ Property Name Jalmat Field Yates Sand Unit	
		⁶ Well No. 198

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
D	13	22S	35E		1310'	North	1157'	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, (Tansill, Yates, Seven Rivers)	¹⁰ Proposed Pool 2
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¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3583'
¹⁶ Multiple no	¹⁷ Proposed Depth 4200'	¹⁸ Formation Yates	¹⁹ Contractor United Drlg.	²⁰ Spud Date 3-13-03

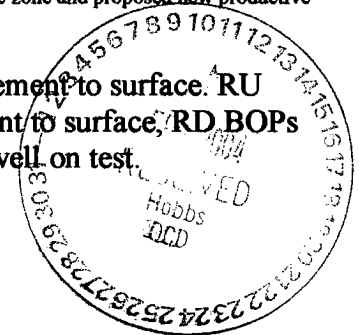
21. Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	350'	250 sx Cl C	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, cement to surface. RU BOPs. Drill 7 7/8" hole to 4200', set 5 1/2" casing, cement to surface, RD BOPs & drilling rig. Perforate Yates formation & frac. Place well on test.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway



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 Approved by:	
Printed Name: Ann E. Ritchie		Title: FEB 17 2004 PETROLEUM ENGINEER	
Title: Regulatory Agent		Approval Date: FEB 17 2004 Expiration Date:	
Date: 2-09-04	Phone: 432 684-6381	Conditions of Approval: Attached: <input type="checkbox"/>	

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30 025-36574	Pool Code 33820	Pool Name Jalmat; T-Y-7R
Property Code 25191	Property Name JALMAT YATES SAND UNIT	Well Number 198
OGRID No. 184860	Operator Name MELROSE OPERATING COMPANY	Elevation 3583'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	13	22-S	35-E		1310	NORTH	1157	WEST	LEA

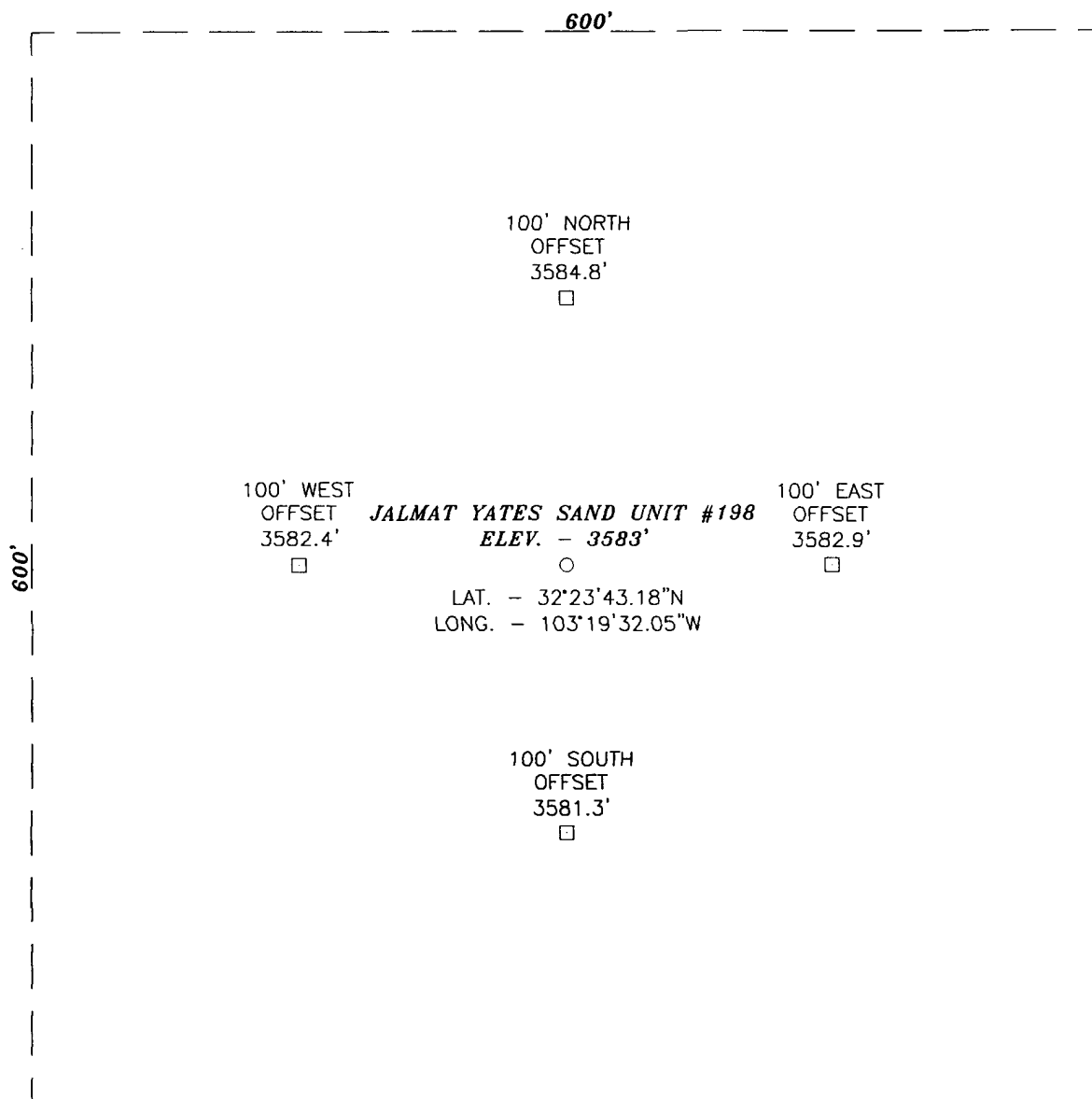
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40		Joint or Infill	Consolidation Code	Order No.					

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

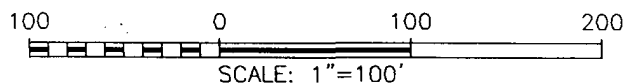
	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>[Signature]</i></p> <p>Signature Ann E. Ritchie</p> <p>Printed Name Regulatory Agent</p> <p>Title 2-9-04</p> <p>Date</p>
	<p>SURVEYOR CERTIFICATION</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>JANUARY 27, 2004</p> <p>Date Surveyed</p> <p>Signature & Seal of Professional Surveyor <i>[Signature]</i></p> <p>NEW MEXICO 04.11.0090</p> <p>Certificate No. GARY EIDSON 12641</p>

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



DIRECTIONS TO LOCATION:

FROM THE INTERSECTION OF ST. HWY. #207 AND DELAWARE BASIN ROAD GO 8.8 MILES WEST TO A CALICHE ROAD. GO 0.1 MILES NORTHWEST TO A CALICHE ROAD TO THE LEFT. GO 0.9 MILES WEST TO A CALICHE ROAD TO THE LEFT. GO 0.3 MILES SOUTH TO A CALICHE ROAD TO THE LEFT. GO 0.1 MILES EAST, ROAD BENDS TO THE RIGHT. GO 0.1 MILES SOUTH, ROAD BENDS TO THE LEFT. GO 500' EAST. THIS LOCATION IS APPROX. 72' NORTH FROM THIS POINT.



MELROSE OPERATING CO.

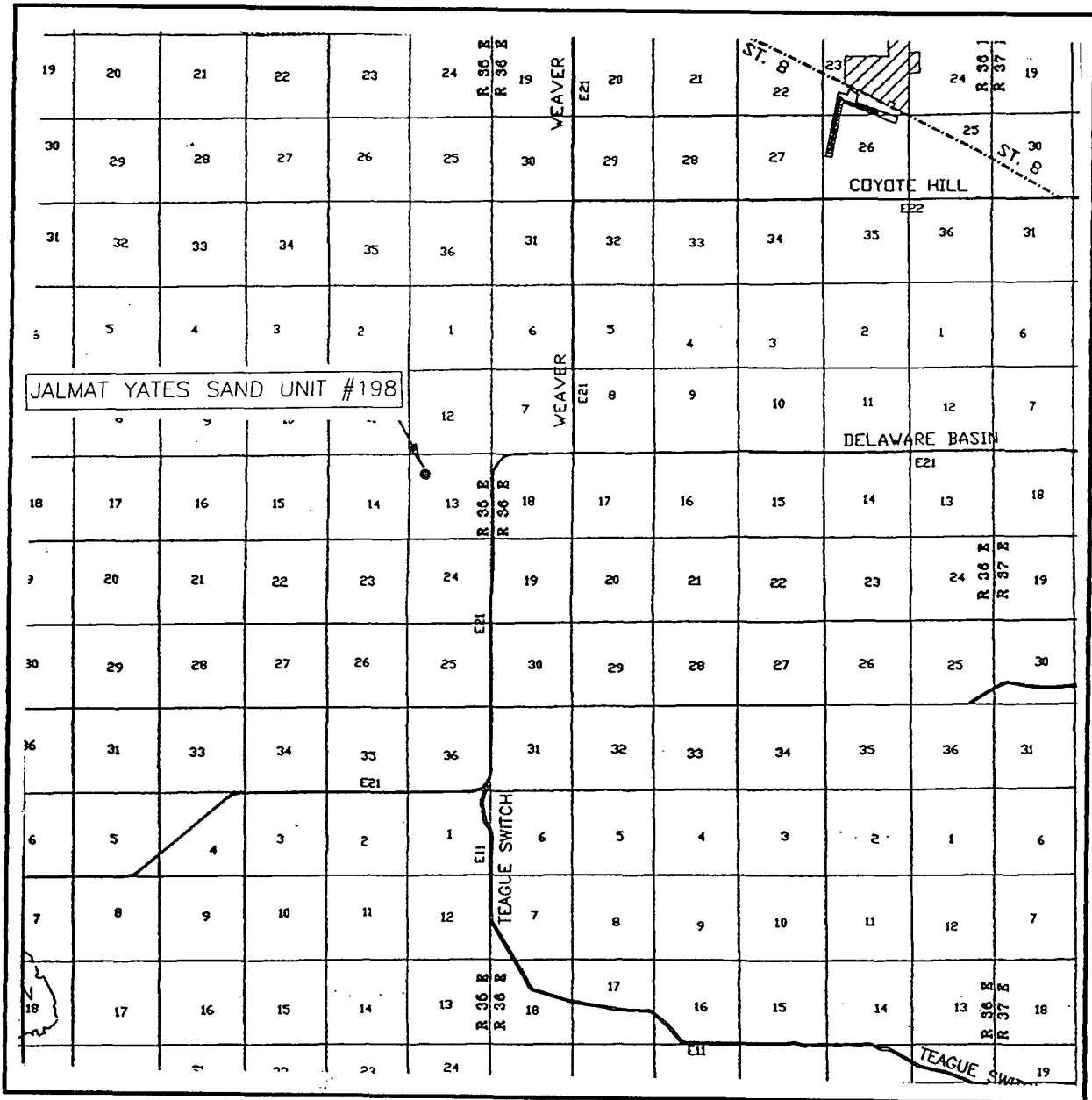
THE JALMAT YATES SAND UNIT #198 LOCATED 1310 FEET
FROM THE NORTH LINE AND 1157 FEET FROM THE WEST LINE
SECTION 13, TOWNSHIP 22 SOUTH, RANGE 35 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 1/27/04	Sheet 1 of 1 Sheets
W.O. Number: 04.11.0090	Drawn By: L.A.
Date: 1/29/04	DISK:CD#3
	04110090

JOHN WEST SURVEYING COMPANY

412 N. DAL PASO - HOBBS, NEW MEXICO - 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 1310' FNL & 1157' FWL

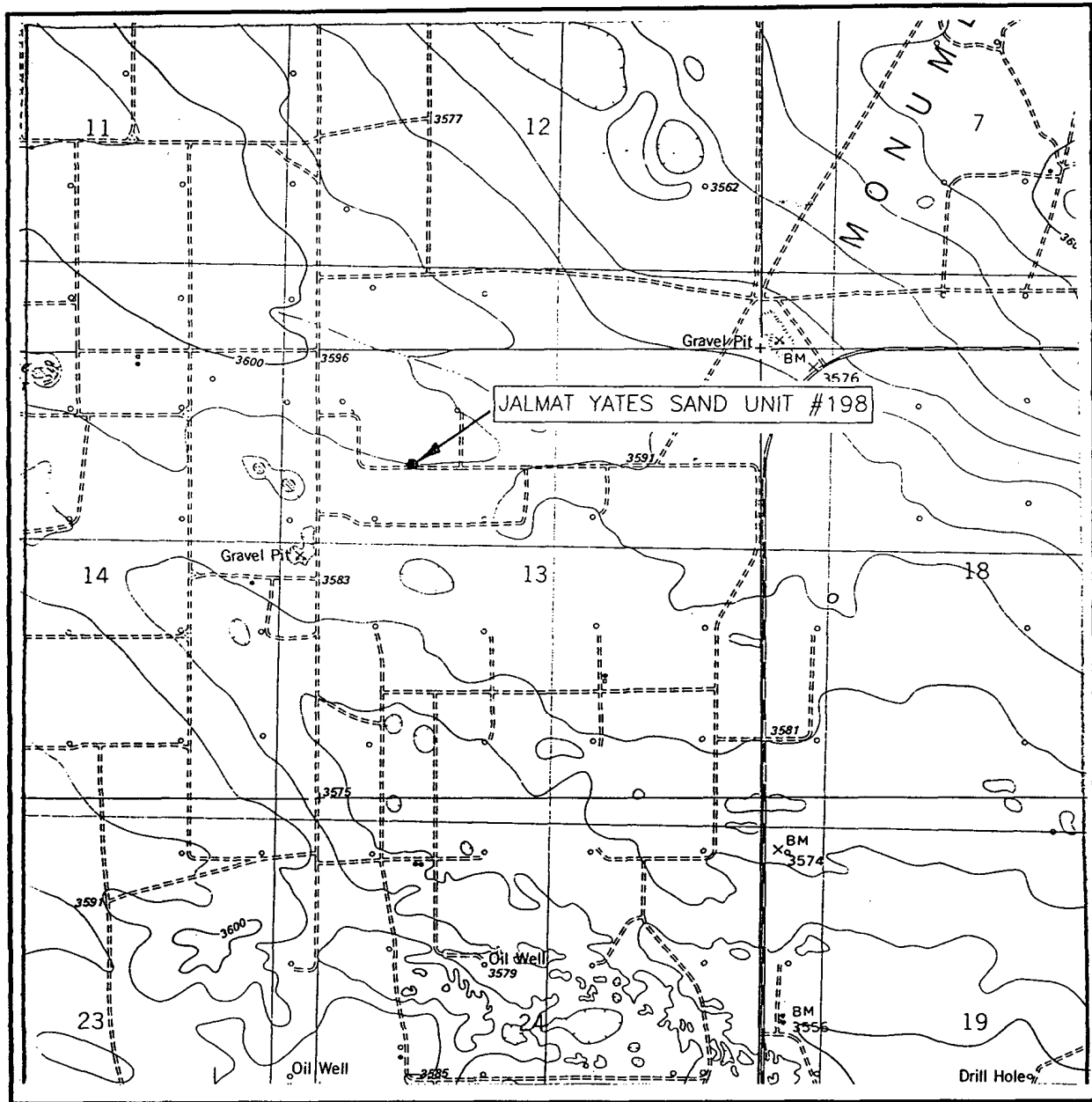
ELEVATION 3583'

OPERATOR MELROSE OPERATING CO.

LEASE JALMAT YATES SAND UNIT

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

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

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

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1310' FNL & 1157' FWL

ELEVATION 3583'

OPERATOR MELROSE OPERATING CO.

LEASE JALMAT YATES SAND UNIT

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

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117