

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



*Reopened  
6/13/08  
after data supplied  
and Rule 40 OK.*

*MEP 0806054454  
OPERATION #2  
2008 FEB 29 PM 12 31  
RECEIVED*

**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☒ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
 [B] ☒ Offset Operators, Leaseholders or Surface Owner  
 [C] ☒ Application is One Which Requires Published Legal Notice  
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F] ☐ Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Certification


I hereby certify that I, or personnel under my supervision, have reviewed the applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common.

*I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.*

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

<u>Ann E. Ritchie</u>	<u><i>[Signature]</i></u>	<u>Regulatory Agent</u>	<u>2-19-08</u>
Print or Type Name	Signature	Title	Date
		<u>ann.ritchie@wtor.net</u>	
		e-mail Address	

**APPLICATION FOR AUTHORIZATION TO INJECT**

- I. PURPOSE: ☒ Secondary Recovery ☐ Pressure Maintenance ☐ Disposal ☐ Storage  
Application qualifies for administrative approval? ☒ Yes ☐ No
- II. OPERATOR: Melrose Operating Company \_\_\_\_\_  
ADDRESS: c/o P.O. Box 953, Midland, TX 79702 \_\_\_\_\_  
CONTACT PARTY: Tony Beilman \_\_\_\_\_ PHONE: 214 762 0830 \_\_\_\_\_
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.  
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? ☐ Yes ☒ No Amended filing  
If yes, give the Division order number authorizing the project: \_\_\_\_\_
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
  2. Whether the system is open or closed;
  3. Proposed average and maximum injection pressure;
  4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
  5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- \*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- \*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- \*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Ann E. Ritchie \_\_\_\_\_ TITLE: Regulatory Agent \_\_\_\_\_  
SIGNATURE:  \_\_\_\_\_ DATE: 2-4-08 \_\_\_\_\_  
E-MAIL ADDRESS: ann.ritchie@wtor.net \_\_\_\_\_
- \* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: Updated filing requested by OCD. \_\_\_\_\_

### III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

### XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

**NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.**

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**NOTICE:** Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

## INJECTION WELL DATA SHEET

OPERATOR: \_\_\_\_\_ Melrose Operating Company \_\_\_\_\_

WELL NAME &amp; NUMBER: \_\_\_\_\_ Guajalote State, Well #2

WELL LOCATION: \_\_\_\_\_ 660 FSL and 1980 FEL

UNIT LETTER \_\_\_\_\_ SECTION \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ RANGE \_\_\_\_\_  
O 5 19S 29E

FOOTAGE LOCATION

WELLBORE SCHEMATICWELL CONSTRUCTION DATA  
Surface Casing

Hole Size: \_\_\_\_\_ 12 1/4" \_\_\_\_\_ Casing Size: \_\_\_\_\_ 8 5/8" \_\_\_\_\_

Cemented with: \_\_\_\_\_ sx. \_\_\_\_\_ or \_\_\_\_\_ circulated \_\_\_\_\_ ft<sup>3</sup>

Top of Cement: \_\_\_\_\_ surface \_\_\_\_\_ Method Determined: \_\_\_\_\_ circulated to  
pit as per OCD reporting \_\_\_\_\_

Intermediate Casing

Hole Size: \_\_\_\_\_ 7 7/8" \_\_\_\_\_ Casing Size: \_\_\_\_\_ 4 1/2" \_\_\_\_\_

Cemented with: \_\_\_\_\_ 450 sx \_\_\_\_\_ sx. \_\_\_\_\_ or \_\_\_\_\_ ft<sup>3</sup>

Top of Cement: \_\_\_\_\_ 800' \_\_\_\_\_ Method Determined: \_\_\_\_\_ calculated \_\_\_\_\_

Production Casing/Liner

Hole Size: \_\_\_\_\_ 4 1/2" \_\_\_\_\_ Casing Size: \_\_\_\_\_ 2 7/8" \_\_\_\_\_

Cemented with: \_\_\_\_\_ 110 sx \_\_\_\_\_ sx. \_\_\_\_\_ or \_\_\_\_\_ ft<sup>3</sup>

Top of Cement: \_\_\_\_\_ 800' \_\_\_\_\_ Method Determined: \_\_\_\_\_ calculated \_\_\_\_\_

Total Depth: Initial: 3300', 2 7/8" liner @ 2796'

Injection Interval  
\_\_\_\_\_ 2275' \_\_\_\_\_ feet \_\_\_\_\_ to \_\_\_\_\_ 2820' \_\_\_\_\_

(Perforated or Open Hole; indicate which)

- attached -

**INJECTION WELL DATA SHEET**

Tubing Size: 1 1/4" Lining Material: \_\_\_\_\_

Type of Packer: Baker AD-1 Tension Packer

Packer Setting Depth: 2245'

Other Type of Tubing/Casing Seal (if applicable): \_\_\_\_\_

Additional Data

1. Is this a new well drilled for injection? Yes X No

If no, for what purpose was the well originally drilled? Initially a producing well

C-108 filed to update injection status & interval \_\_\_\_\_

2. Name of the Injection Formation: Queen-Grayburg

3. Name of Field or Pool (if applicable): SWD; Queen-Grayburg

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. \_\_\_\_\_

1271-1331' – squeezed w/100 sx Cl C, tested 1500#. Squeeze required by OCD. \_\_\_\_\_

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Yates – as above in #4.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Melrose Operating Company  
Guajalote State, Well #2  
660 FSL and 1980 FE:  
Section 5, T19S, R29E, Eddy County, NM

Oil Conservation Division Form C-108 "Application for Authorization to Inject"  
Amended Filing

VII:

1. Proposed average daily injection is 200 bbls per day; maximum daily injection rate is 500 bbls per day.
2. System is closed.
3. Average injection pressure is 400 psi, maximum injection pressure is 900 spi. *Need Step Rate Test.*
4. Injection fluid is from the Grayburg San Andres, from Melrose offsetting Conoco State lease.
5. The zone is productive of oil and gas.

VIII: Geologic data attached

IX: No stimulation program

XI: No fresh water wells within one mile

XII & XIII - attachments

# CURRENT WELLBORE DIAGRAM

**Company:** Melrose Operating Company  
**Lease:** Guajalote State **Well No.:** 2 **Field:** SWD; Queen-Grayburg  
**Location:** 660 FSL & 1980 FEL (O) **Sec:** 5 **Blk:** T19S **Survey:** R29E  
**County:** Eddy **St:** NM **Refno:**  **API:** 30 015 24930 **Unique No.:**   
**Current Status:** Shut-in **Dead Man Anchors Test Date:**   
**Directions to Wellsite:**

## **Surface Csg.**

**Size:** 8 5/8"  
**Wt.:** 15.5#  
**Set @:** 350'  
**Csg ID**   
**Csg. Drift**   
**TOC:** surface  
**Hole Size:** 12 1/4"

**KB:**   
**DF:**   
**GL:** 3397'

**Spud Date:** 07/23/84  
**Re-coml Date:** 07/12/07

## **Production Csg.**

**Size:** 4 1/2"  
**WT:** 9.5#  
**Set @:** 3300'  
**Csg ID**   
**Csg. Drift**   
**TOC:** 300'/450 sx  
**Hole Size:** 7 7/8"

## **Liner:**

2 7/8"  
6.5#  
2796'  
2.441"  
800' cal, 110 sx  
4 1/2"

## **Tubing Detail**

## **DATE:**

# Jts.	Size	Footage
1 1/4"	2245'	

**COTD:**   
**PBTD:**   
**TD:** 3300'

**PERFS:**

Perforations: 2275-2820'

3300'

**Remarks:**

**Updated by:**   
**Date:**

**Prepared by:**   
**Date:**

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
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. 30 015 24930
5. Indicate Type of Lease STATE X FEE
6. State Oil & Gas Lease No. L-1022
7. Lease Name or Unit Agreement Name Guajalote State
8. Well Number 2
9. OGRID Number 184860
10. Pool name or Wildcat SWD: Queen-Grayburg

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 X

2. Name of Operator  
Melrose Operating Company

3. Address of Operator  
c/o P.O. Box 953

4. Well Location

Unit Letter O : 660 feet from the South line and 1980 feet from the East line  
Section 5 Township 19S Range 29E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3397' GR

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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK X ALTERING CASING ☐  
COMMENCE DRILLING OPNS P AND A ☐  
CASING/CEMENT JOB X

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.

7-20-06: RBP @ 1032'; dumped 2 sx sand on RBP. BJ pumped 180 sx thix-o-tropic cement & 200 sx Cl C, 2% CaCl. WOC.

7-21-06: Top of cement @ 238', drilled solid cmt to 425'. Testing casing - determine need for liner.

9-13-06: Rigged up BJ Services, ran 2 7/8" casing string set @ 2796' in 4 1/2" cased hole. Pumped 110 sx Cl C, 2% CaCl, 20% excess.

Pumped 16 bbls displacement. Pressured up to 1000 psi for 30 minutes. Rigged down BJ.

6-27-07: Rigged up Weatherford Wireline. Perforated 2 7/8" from 2275 - 2820'.

6-29-07: Acidized well w/5000 gals 15% HCL., 1 1/4" tubing string to 2250', tension packer set @ 2245'.

7-12-07: Tested 2 7/8" casing to 500 psi for 30 minutes. OCD witnessed test and took chart.

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 NMOCD guidelines X, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE [Signature] TITLE Regulatory Agent DATE 2-7-08

Type or print name  
For State Use Only

E-mail address:

Telephone No.

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):



This form is to be filed with the proper District Office of the Commission not later than 30 days after the completion of any newly-drilled or deepened well. It shall be completed and a copy of all observations and test results submitted on the well and a summary of all special tests conducted, to be made by the owner. All depths reported of all boreholes are to be in the case of horizontally drilled wells, true vertical depth shall also be reported. In the case of completion, it must be reported for each zone. This form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 116b.

*Bajaalote State #2*

*Log on file with OCO*

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anker	T. Canyon	T. Ojo Alamo	T. Pena "B"
T. Salt	T. Strawn	T. Earlham-Fruitland	T. Pena "C"
B. Salt 804	T. Anoka	T. Pictured Cliffs	T. Pena "D"
T. Yates 1020	T. Moss	T. Cliff House	T. Leadville
T. 7 River 1404	T. Devonian	T. Menefee	T. Madison
T. Queen 1948	T. Silurian	T. Point Lookout	T. Elbert
T. Graham 2099	T. Montana	T. Mancos	T. McCracken
T. San Andres 2350	T. Simpson	T. Galloway	T. Ignacio Quartz
T. Glorietta	T. McKee	T. House Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Elkhorn	T. Gr. Wash	T. Morrison	T.
T. Tule	T. Granite	T. Todah	T.
T. Drinkard	T. Delaware Sand	T. Enracho	T.
T. Abo	T. Bear Springs	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn.	T.	T. Permian	T.
T. Tison (Bough C)	T.	T. Penn. GAB	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....	No. 4, from.....to.....
No. 2, from.....to.....	No. 5, from.....to.....
No. 3, from.....to.....	No. 6, from.....to.....

IMPORTANT WATER SANDS

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

No. 1, from.....to.....	feet.....
No. 2, from.....to.....	feet.....
No. 3, from.....to.....	feet.....
No. 4, from.....to.....	feet.....

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
Surf.	350		Anhydrite				
350	1525		Anhydrite				
1525	2020		Dolomite				
2020	2877		Dolomite				

# Affidavit of Publication

NO.

20020

STATE OF NEW MEXICO

County of Eddy:

**GARY D. SCOTT**

being duly

sworn,says: That he is the

PUBLISHER

of The

Artesia Daily Press, a daily newspaper of general

circulation, published in English at Artesia, said county

and county and state, and that the here to attached

## Legal Notice

was published in a regular and entire issue of the said

Artesia Daily Press,a daily newspaper duly qualified

for that purpose within the meaning of Chapter 167 of

the 1937 Session Laws of the state of New Mexico for

1 Consecutive week/days on the same

day as follows:

First Publication

January 6, 2008

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Subscribed and sworn to before me this

30th Day

January

2008

*Amanda K. Lamb*

Notary Public, Eddy County, New Mexico

My Commission expires

April 5, 2011

# Copy of Publication:

## LEGAL NOTICE

Melrose Operating Company, c/o P.O. Box 953, Midland, TX 79702 will file the New Mexico Oil Conservation Division Form C-108, Application for Authorization to Inject, with the NMOCD seeking administrative approval for water injection into their Guajalote State, well #2, located 660' FSL & 1980' FEL of Sec 5, T19S, R29E, Eddy County, NM. The proposed injection interval is from 2275' to 2820'. The proposed maximum surface pressure is 450 psi., with a maximum injection rate of 3000 bbls water per day. The injection water will be sourced from the Queen-Grayburg formation, Melrose operated produced water.

All interested parties opposing the application must file objection with the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, NM 87505 within 15 days of this notice. Additional information can be obtained by contacting Ann Ritchie, Regulatory Agent, Melrose Operating Company, c/o P.O. Box 953, Midland, TX 79702, (432)684-6381.

Published in the Artesia Daily Press, Artesia, N.M. January 6, 2008.

Legal 20020

Melrose Operating Company  
Guajalote State, Well #2  
660 FSL and 1980 FE:  
Section 5, T19S, R29E, Eddy County, NM

Oil Conservation Division Form C-108 "Application for Authorization to Inject"  
Amended Filing

The geologic and engineering data for the Guajalote State, Well #2 have been examined and I find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.



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Tony Beilman, Engineer  
Melrose Operating Company

Formation Tops:

Salt: 804'  
Yates: 1020'  
7 Rivers: 1404'  
Queen: 1948'  
Grayburg: 2099'  
San Andres: 2350'

Melrose Operating Company  
Guajalote State, Well #2  
660 FSL & 1980 FEL  
Section 5, T19S, R29E, Eddy County, NM

Oil Conservation Division, Form C-108 "Application for Authorization to Inject"  
Amended Filing as requested by Oil Conservation Division

Operators/Leasehold within 1/2 mile radius:

ConocoPhillips, Box 2197, Houston, TX 77252

Chesapeake Exploration, LLC, Box 18496, Oklahoma City, OK 73154

Hogg Partnership, LP 5950 Cedar Spring Rd, Ste 242, Dallas, TX 75235

OXY USA, Inc., Box 4294, Houston, TX 77210

Threshold Development Co., 777 Taylor St., Penthouse II, Ft Worth, TX 76102

Bold Energy, LP, 415 W. Wall, Ste 500, Midland, TX 79701 (2-26-08)

Copies of the Form C-108 and map have been submitted to the above stated parties on  
the 11<sup>th</sup> day of February 2008.



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Ann E. Ritchie, Regulatory Agent  
Melrose Operating Company  
c/o P.O. Box 953  
Midland, TX 79702

7005 0390 0000 6027 720C

**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$ .41
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.06

Sent To: **Threshold Development Co.**  
Street, Apt. No., or PO Box No.: **777 Taylor St. Penthouse II**  
City, State, ZIP+4: **Fort Worth, TX 76102**

PS Form 3800, June 2002 See Reverse for Instructions

7005 0390 0000 6027 7149

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$ .41
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.06

Sent To: **Dagger Draw Ranch, Inc.**  
Street, Apt. No., or PO Box No.: **Box 1061**  
City, State, ZIP+4: **Carlsbad, NM 88220**

PS Form 3800, June 2002 See Reverse for Instructions

7005 0390 0000 6027 7187

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$ .41
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.06

Sent To: **Conoco Phillips**  
Street, Apt. No., or PO Box No.: **Box 2197**  
City, State, ZIP+4: **Houston, TX 77252**

PS Form 3800, June 2002 See Reverse for Instructions

7005 0390 0000 6027 715E

**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$ .41
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.06

Sent To: **Oxy USA, Inc.**  
Street, Apt. No., or PO Box No.: **Box 4294**  
City, State, ZIP+4: **Houston, TX 77210**

PS Form 3800, June 2002 See Reverse for Instructions

7005 0390 0000 6027 7163

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
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For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$ .41
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	\$0.00
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 3.06

Sent To: **Hogg Partnership, LP**  
Street, Apt. No., or PO Box No.: **5950 Cedar Spring Rd. Ste 242**  
City, State, ZIP+4: **DALLAS TX 75235**

PS Form 3800, June 2002 See Reverse for Instructions

7005 0390 0000 6027 7170

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only, No Insurance Coverage Provided)

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**OFFICIAL USE**

Postage	\$ .41
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.06

Sent To: **Chesapeake Exploration, LLC**  
Street, Apt. No., or PO Box No.: **Box 18496**  
City, State, ZIP+4: **OKLAHOMA CITY, OK 73154**

PS Form 3800, June 2002 See Reverse for Instructions

7099 3400 0016 0187 2607

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only, No Insurance Coverage Provided)

Postage	\$ .41
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.06

Postmark Here

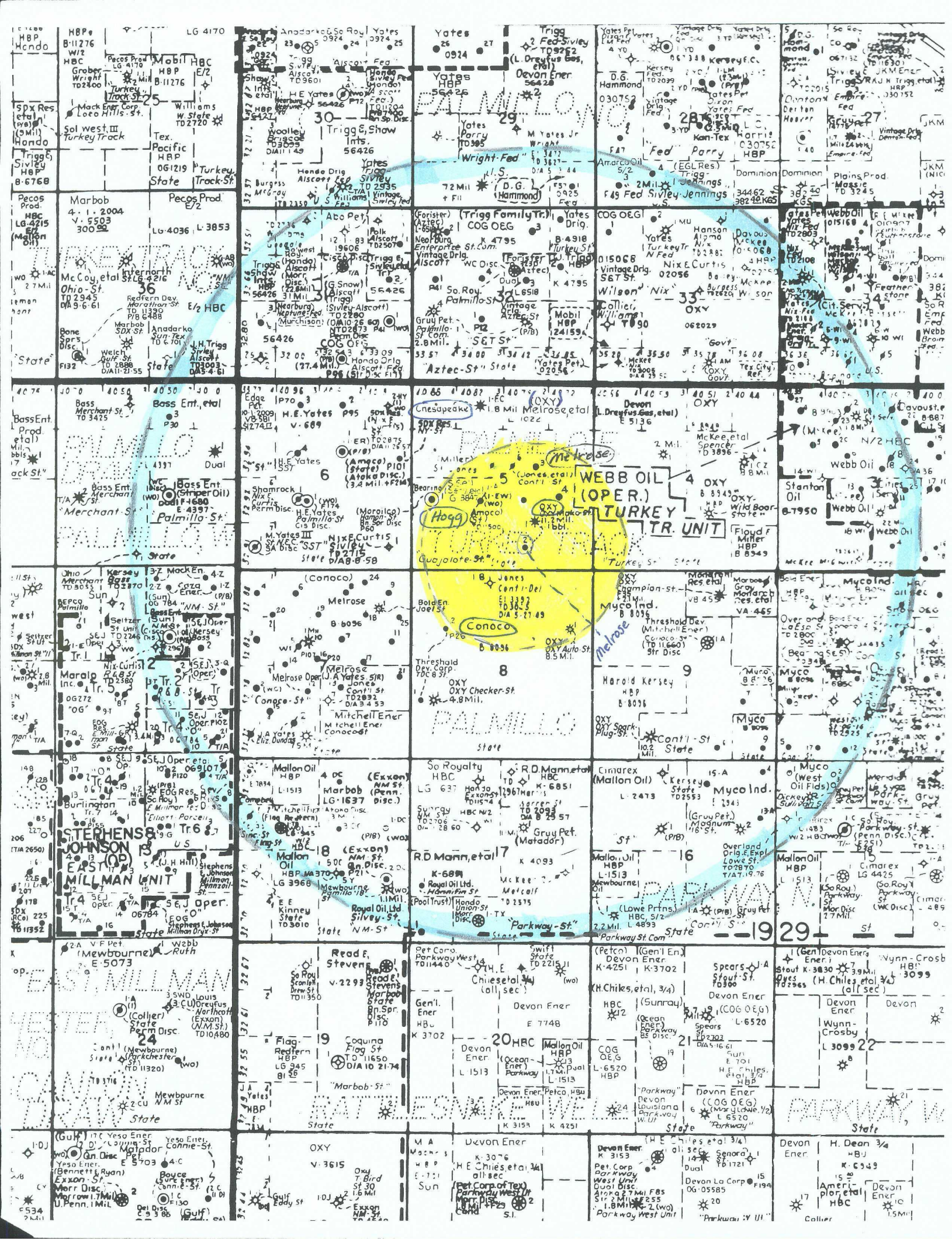
226-08

Recipient's Name (Please Print Clearly) (to be completed by mailer)  
**Bold Energy, LP**  
Street, Apt. No., or PO Box No.: **415 W. Wall #500**  
City, State, ZIP+4: **Midland, TX 79701**

PS Form 3800, February 2000 See Reverse for Instructions

709 W. INDIANA  
MIDLAND, TEXAS 79701  
FAX (432) 682-8819






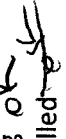







MELROSE OPERATING COMPANY  
 GUAJALOTE STATE, WELL #2  
 660' FSL AND 1980' FEL, Section 5, T19S, R29E  
 Eddy County, New Mexico

1/2 MILE RADIUS WELLS:

Section 5	Location	Operator	Status
30 015 03562	G-5-19S-29E	Lubbock Machine Co., West Turkey Track Well #1	P&A (attached)
30 015 03563	F-5-19S-29E	Miller Bros. Oil Co., Turkey Track #1	P&A (attached)
30 015 22422	K-5-19S-29E	Melrose Operating Co., Guajalote A #1	Producing 
30 015 24806	J-5-19S-29E	Melrose Operating Co., Guajalote #1	Producing 
30 015 25074	G-5-19S-29E	Melrose Operating Co., Guajalote #3	Producing 
30 015 25292	I-5-19S-29E	Melrose Operating Co., Guajalote #4	Producing 
30 015 29337	J-5-19S-29E	OXY USA, Oxy Mako State #1	Producing 
30 025 29867	L-5-19S-29E	SDX Resources, Guajalote A #3	Never Drilled 
Section 8			
30 015 03567	C-8-19S-29E	Continental, State 8, Well #1	P & A (attached)
30 015 29464	H-8-19S-29E	Oxy USA, Auto State #1	SI
30 015 33289	E-8-19S-29E	Bold Energy, TDC 8 State #2	Producing 



RECEIVED

March 4, 2008  
2008 MAR 10 PM 2 09

Oil Conservation Division  
Engineering Department ✓  
1220 S. St. Francis Drive  
Santa Fe, NM 87504

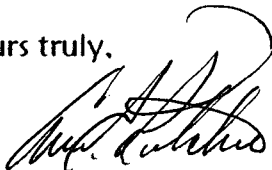
RE: Melrose Operating Company, Guajalote State, Well #2, 660 FSL & 1980 FEL,  
O-5-19S-29E, Eddy County, New Mexico

(PVA)

Please see attached the wellbore diagrams for the three wells within the 1/2 mile radius of the above referenced well. Also, please see attached the water analysis for the produced formation water for offsetting wells.

We submitted the Form C-108 on February 19, 2008. Thank you.

Yours truly,



Ann E. Ritchie, Regulatory Agent  
Melrose Operating Company  
c/o P.O. Box 953  
Midland, TX 79702  
432 684-6381  
ann.ritchie@wtor.net

NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

03562

MISCELLANEOUS REPORTS ON WELLS

Submit this report in TRIPLICATE to the District Office, Oil Conservation Commission, within 10 days after the work specified is completed. It should be signed and filed as a report on Beginning Drilling Operations, Results of test of casing shut-off, result of plugging of well, result of well repair, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Report by Checking Below

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON RESULT OF TEST OF CASING SHUT-OFF		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF PLUGGING WELL	X	REPORT ON RECOMPLETION OPERATION		REPORT ON (Other)	

(Date) June 23, 1955 (Place) Artesia, N. M.

Following is a report on the work done and the results obtained under the heading noted above at the

Lubbock Machine Co. Inc. (Company or Operator) Continental State (Lease)

C. O. Fulton (Contractor), Well No. 1 in the SW  $\frac{1}{4}$  NE  $\frac{1}{4}$  of Sec. 5

T. 19S, R. 29E, NMPM, West Turkey Track Pool, E42 County.

The Dates of this work were as follows: 4-10-54

Notice of intention to do the work (was) (was not) submitted on Form C-102 on 3-29-54, 1954  
(Cross out incorrect words)

and approval of the proposed plan (was) (was not) obtained.

DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Hole filled with mud to 2440', cement plug run 2440' to 2400', 10 sack plug set on stub of 7" casing at 1375'. 5 sack cement plug set at base of salt @ 725'. 10 sack cement plug set top of salt @ 385'. Pulled 175' of 5 5/8" csg. REGULATION MARKER SET.

Witnessed by \_\_\_\_\_ (Name) \_\_\_\_\_ (Company) \_\_\_\_\_ (Title)

Approved: \_\_\_\_\_ OIL CONSERVATION COMMISSION

C. O. Fulton (Name)

(Title) (Date)

I hereby certify that the information given above is true and complete to the best of my knowledge.

X  
Name C. O. Fulton

Position Agent

Representing Lubbock Machine Co. Inc.

Address P.O. Box 1569, Lubbock, Texas

## NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

## MISCELLANEOUS NOTICES

Submit this notice in TRIPLICATE to the District Office, Oil Conservation Commission, before the work specified is to begin. A copy will be returned to the sender on which will be given the approval, with any modifications considered advisable, or the rejection by the Commission or agent, of the plan submitted. The plan as approved should be followed, and work should not begin until approval is obtained. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Notice by Checking Below

NOTICE OF INTENTION TO CHANGE PLANS		NOTICE OF INTENTION TO TEMPORARILY ABANDON WELL		NOTICE OF INTENTION TO DRILL DEEPER	
NOTICE OF INTENTION TO PLUG WELL	X	NOTICE OF INTENTION TO PLUG BACK		NOTICE OF INTENTION TO SET LINER	
NOTICE OF INTENTION TO SQUEEZE		NOTICE OF INTENTION TO ACIDIZE		NOTICE OF INTENTION TO SHOOT (Nitro)	
NOTICE OF INTENTION TO GUN PERFORATE		NOTICE OF INTENTION (OTHER)		NOTICE OF INTENTION (OTHER)	

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICOArtesia New Mex  
(Place)3-29-54  
(Date)

Gentlemen:

Following is a Notice of Intention to do certain work as described below at the

Lubbock Mch Co. Inc. - State Well No. I in G  
(Company or Operator) (Unit)  
SW 1/4 NE 1/4 of Sec. 5, T. 19 S, R. 29 E, NMPM, West Turkey Track Pool  
(40-acre Subdivision)  
Eddy County.

FULL DETAILS OF PROPOSED PLAN OF WORK  
(FOLLOW INSTRUCTIONS IN THE RULES AND REGULATIONS)

T D = 3007 ft. Plugged back 2713 ft.  
Set cement plug 2440-2400  
Cement plug at top of 7" stub  
5' Sx at base of salt @ 725  
10 Sx @ Base of 8 5/8" top salt.

Well was plugged in  
April 1954 by  
COP Fulton

Approved....., 19.....  
Except as follows:

Company or Operator

By.....

Position.....

Send Communications regarding well to:

Approved  
OIL CONSERVATION COMMISSION

By.....

Name.....

Title.....

Address.....

NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

## MISCELLANEOUS REPORTS ON WELLS

Submit this report in TRIPLICATE to the District Office, Oil Conservation Commission, within 10 days after the work specified is completed. It should be signed and filed as a report on Beginning Drilling Operations, Results of test of casing shut-off, result of plugging of well, result of well repair, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Report by Checking Below

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON RESULT OF TEST OF CASING SHUT-OFF		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF PLUGGING WELL	X	REPORT ON RECOMPLETION OPERATION		REPORT ON (Other)	

June 18, 1954  
(Date)Artesia, N. M.  
(Place)

Following is a report on the work done and the results obtained under the heading noted above at the

Miller Bros. Oil Co.  
(Company or Operator)

Jones &amp; Watkins

State  
(Lease)

(Contractor)

Well No. 1 in the SE 1/4 NW 1/4 of Sec. 5

T 19, R 29, NMPM, Turkey Track Pool, Eddy County.

The Dates of this work were as follows: March, 1954

Notice of intention to do the work (was) (~~was not~~) submitted on Form C-102 on January 9, 1954, 19\_\_\_\_,  
(Cross out incorrect words)

and approval of the proposed plan (was) (~~was not~~) obtained.

## DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

15' cement 2733 to 2748

Cut 7" casing at 1750'.

Set 5 sacks cement on bridge @ 1700

Set 5 " " " @ 800'

Set 10 " " " @ 400'

Pulled 8 5/8 casing

Mudded hole to surface and set marker

P.O.W.

Witnessed by: CHARLES V. MILLER, MILLER BROS. OIL CO., Partner  
(Name) (Company) (Title)

Approved: OIL CONSERVATION COMMISSION

L. A. Hanson  
(Name)

(Title)

(Date)

I hereby certify that the information given above is true and complete to the best of my knowledge.

Name: C. V. Miller

Position: Partner

Representing: MILLER BROS. OIL CO.

Address: 805 S. Fifth St.  
Artesia, N. M.

New Mexico  
OIL CONSERVATION COMMISSION

GOVERNOR EDWIN L. MECHEM  
CHAIRMAN  
LAND COMMISSIONER E.S. WALKER  
MEMBER  
STATE GEOLOGIST R.R. SPURRIER  
SECRETARY AND DIRECTOR



P. O. BOX 871  
SANTA FE, NEW MEXICO

July 8 1954

Dear Sir:

Miller Bros. Oil Co., \$5,000.00 one-well  
Re: bond; SE NW 3-198-29E; Amer. Employers'; 1-17-51

Our records show that the well drilled under coverage of the above-captioned one-well plugging bond has been satisfactorily plugged for abandonment in accordance with requirements of this Commission.

The plugging bond may therefore be cancelled. Formal cancellation will be issued upon your application as principal. If you so desire, please indicate below and return this letter to us, and cancellation will be approved, with notification going to your surety company.

Very truly yours,

R. R. SPURRIER,  
Secretary - Director

RRS:nr

OPERATOR'S REQUEST FOR CANCELLATION

Please consider this my request for cancellation of the above-described one-well plugging bond.

To: Miller Bros. Oil Co.  
805 Fifth St  
ARTESIA N M

\_\_\_\_\_  
Operator's Signature

Date: \_\_\_\_\_

(File in Well Folder)

22422

Form O-105  
Revised 10-84

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LAND OFFICE ☒

OPERATOR *Bjm* ☒

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1. In Name Type of Lease  
State ☒ Free ☐

2. State of Lease No.  
L-1022

3. Term of Lease (Date)

4. Name of Lessee (Company)  
Guajalote "A" State

5. Well No.  
#1

6. Locality  
Loco Hills Q-G-SA

7. Type of Well  
Oil ☒ Gas ☐ Other ☐

8. Type of Completion  
New ☐ Re-entered ☒ Other ☐

9. Operator  
MorOilCo, Inc.

10. P.O. Drawer I Artesia, NM 88210

RECEIVED BY  
JUN 18 1984  
O. C. D.  
ARTESIA, OFFICE

11. Well No. K LOCATED 1980 FEET FROM South 1980 FEET FROM

12. West Line Section 5 Twp. 19 R. 29 E. 19  
13. Re-entered 5/24/84 5/28/84 6/1/84 3406' GL  
14. Depth 3000'  
15. Directional Survey Made  
Reverse Unit

16. Correlation Tie-in Log, Cement Bond Log  
2586 - 2670 Grayburg  
27. Was Well Cased No

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	36#	3000'	12 1/4"	1615 sx. HOWCO Lite, 200 sx. C1 H Cement	No

1. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

2. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2 3/8"	2500'	

3. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
2586 - 2670	2000 gal 20% DS - 30 6000 gal gel water, 110,000# 20-40 Sand

4. PRODUCTION

5/1/84 Pumping

5/1/84 24

70 TSTM 25

70 TSTM 25

6. List of Attachments

Log

The undersigned certifies that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

Signed *Frank L. Morgan* TITLE Operator DATE June 15, 1984

to Appropriate  
District Office

Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

**OIL CONSERVATION DIVISION**  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

WELL API NO.	30-015-22422
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	L-1022
7. Lease Name or Unit Agreement Name	Guajalote A State
8. Well No.	1
9. Pool name or Wildcat	Loco Hills-QN-GR-SA
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	
GR 3406'	

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	2. Name of Operator SDX Resources, Inc.
3. Address of Operator P. O. Box 5061, Midland, TX 79704	4. Well Location Unit Letter <u>K</u> : <u>1980</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>West</u> Line Section <u>5</u> Township <u>19</u> Range <u>29</u> NMPM <u>Eddy</u> County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) GR 3406'	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: Added perfs in GR 2283-2409' & treatment. <input checked="" type="checkbox"/>

12. 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.

3/17/97- RU Real W/S unit & TOH w/rods, pump & tbg. TIH w/Halliburton 9-5/8" RTBP & 82  
3/18/97 jts 2-7/8" tbg & set RTBP @ 2543'. Test RTBP, csg, & BOP to 300 psi, tested good.  
TOH w/tbg. RU Computalog & perf as follows: 2283', 88', 2300', 13', 15', 22',  
26', 27', 82', 84', 97', 2419', 30', 32', 47', 53', 68', 76', 78', 82', 90', 92',  
94', 96', and 98', 1 spf, total 25 holes. TIH w/Halliburton RTTS pkr & 71 jts  
tbg & set @ 2198'.  
3/19/97 Unset pkr & TIH to 2505'. PU to 2197' & set pkr. Broke down perfs w/4000 gals  
15% NEFE w/L55 clay stabilizer & MSR agent & 65 ball sealers.  
3/20/97- RU BJ Hughes & frac'd down 2-7/8" tbg w/35,994 gals Spectra Frac gel & 89,980#  
3/22/97 16/30 Brady sd. Ran pump & rods. LD 3 jts of tbg, SN @ 2686'.  
3/23/97 Put on pump test. Rate established @ 13 BO & 30 BW.  
3/31/97

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Janice Courtney TITLE Regulatory Tech DATE 4/9/97  
TYPE OR PRINT NAME Janice Courtney TELEPHONE NO. 915/685-1761

(This space for State Use)

ORIGINAL SIGNED BY TIM W. GUM  
DISTRICT II SUPERVISOR

APR 17 1997

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

30-015-24806

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NEW MEXICO OIL CONSERVATION COMMISSION

RECEIVED BY

NOV 26 1984

O. C. D.  
ARTESIA, OFFICEForm C-103  
Supersedes Old  
C-102 and C-103  
Effective 1-1-65

## SUNDRY NOTICES AND REPORTS ON WELLS

DO NOT USE THIS FORM FOR NOTICES TO WELL OR TO REPORT ON WELL DATA TO A DIFFERENT RESERVOIR.  
USE PARTICULATE FOR PERMITS, IN PROGRESS, OR FOR OTHER PURPOSES.OIL WELL ☒ GAS WELL ☐ OTHER ☐

Name of Operator

for Oil Co., Inc. ✓  
Address of OperatorP.O. Drawer 1, Artesia, NM 88210  
Location of Well

UNIT LETTER J, 1980 FEET FROM THE South LINE AND 1980 FEET FROM

THE East T10E, SECTION 5, TOWNSHIP 19S, RANGE 29E, NEPA.

13. Elevation (Show whether DF, RT, CR, etc.)

3403.1 GL

5a. Indicates Type of Lease

State ☒Fee ☐

5. State Oil &amp; Gas Lease No.

1-1022

7. Unit Agreement Name

6. Form of Lease Name

Guajalote State

9. Well No.

#1

10. Field and Pool, or Wildcat

S. Iago Hills O-G-SA

12. County

Eddy

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data  
NOTICE OF INTENTION TO:FORM REMEDIAL WORK ☐PERMANENTLY ABANDON ☐OR ALTER CASING ☐OTHER ☐PLUG AND ABANDON ☐CHANGE PLANS ☐OTHER ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐COMMENCE DRILLING OPS. ☐CASING TEST AND CEMENT JOB ☐OTHER ☐ALTERING CASING ☐PLUG AND ABANDONMENT ☐OTHER ☐

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.

Perforate .5 holes as follows: 2283, 84, 89, 90, 91, 2320, 21, 2392, 93, 95, 97, 2412, 2447, 48, 52, 53, 54. Acidize with 2500 gal. DS-30 acid. Frac with 40,000 gal. gelled 2% KCl & 70,000# 20/40 sand.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Leslie A. Clements  
Original Signed By  
Leslie A. Clements  
Supervisor District II

TITLE Operator

DATE 11/7/84

NOV 29 1984

APPROVED BY \_\_\_\_\_ DATE \_\_\_\_\_

NOTATIONS OF APPROVAL, IF ANY:



25074

Form O-105  
Revised 10-84

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LAND OFFICE	<input checked="" type="checkbox"/>
OPERATOR	<input checked="" type="checkbox"/>

**RECEIVED BY**  
 NEW MEXICO OIL CONSERVATION COMMISSION  
 WELL COMPLETION OR RECOMPLETION REPORT AND LOG  
**JAN 8 1985**  
**O. C. D.**  
**ARTESIA, OFFICE**

5a. Initial Type of Lease	
State <input checked="" type="checkbox"/>	For <input type="checkbox"/>
b. State of N.G. Lease No.	
L-1022	

1a. TYPE OF WELL

OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐

1. TYPE OF COMPLETION

NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ REFR. ☐ OTHER ☐

2. Name of Operator

MorOilCo, Inc. ✓

3. Address of Operator

P.O. Drawer I Artesia, NM 88210

4. Location of Well

5. Initial Present Lease

6. Date of Initial Lease

Guajalote State

#3

7. Production Interval or Interval

S. Loco Hills O-G-SA

UNIT LETTER G LOCATED 2310 FEET FROM THE North CORNER 1650 FEET FROM

THE East LINE OF SEC. 5 TWP. 19S RGE. 29E NMPM

8. County

Eddy

15. Date Spudded	16. Date Test Reached	17. Date Completed (Ready to Prod.)	18. Elevation (DT, RKB, RT, GR, etc.)	19. Elev. Casinghead
11/8/84	11/14/84	11/21/84	3394.7 GR	

20. Total Depth

2830'

21. Plug Back To

2827'

22. If Multiple Completions, How Many

23. Interval, Rotary Tools

Rotary

24. Preparing Intervals, of this completion - Top, Bottom, None

2352' - 2715' (Grayburg)

2026' - 2223' (Penrose)

25. Was Directional Survey Made

Yes

26. Type Electric and Other Logs Run

Litho Density - CN - GR

27. Was Well Cased

No

28. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	345'	12-3/4"	270 sx. C1 "C" 2% CaCl	
4-1/2"	9.5#	2827'	7-7/8"	450 sx. C1 "C" 5% CF-1, 2% AFS 2% KCl	

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	2760'	None

31. Perforation Records (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
2026 - 43 (6)	2501 - 99 (7)	40 - .42 shots		DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
2172 - 98 (8)	2609 - 93 (12)			2599 - 2715	Acidize with 1000 gal. 10% DS-30
2209 - 23 (5)	2714 - 15 (2)			2352 - 2523	Acidize with 1000 gal. 10% DS-30
				2352 - 2715	Frac with 60,000 gal. gel 20#, 1% KCl + 100,000# 20/40 sand.

33. PRODUCTION							
Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)				Well Status (Prod. or Shut-in)	
12/20/84		Pumping				Producing	
Date of Test	Hours Tested	Choke Size	Production For Test Period	Oil - bbl.	Gas - MCF	Water - bbl.	Oil - Gas Ratio
12/20/84	24			20 bbl.		50 bbl.	
Flow Tubing Press.	Casing Pressure	Calculated 14- Hour Rate	Oil - bbl.	Gas - MCF	Water - bbl.	Oil Gravity - API (Corr.)	

34. Disposition of Gas (Sold, used for fuel, vented, etc.)

Test Witnessed By

35. List of Attachments

36. 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.

SIGNED Frank A. Mayes TITLE Operator DATE 1/7/85

NO. OF COPIES RECEIVED  
DISTRIBUTION  
SAN AFE  
FILE  
U.S.G.L.  
LAND OFFICE  
Bjm

RECEIVED BY  
JUL 1 1985  
NEW MEXICO OIL CONSERVATION COMMISSION  
WELL COMPLETION OR RECOMPLETION REPORT AND LOG  
O. C. D.  
ARTESIA, OFFICE

25292  
FORM O-122  
Rev. 10-1-84

Well Name  
L-1022  
County  
Guajalote State  
#4  
S. Loco Hills 0-G-SA

10. TYPE OF WELL  
11. TYPE OF COMPLETION  
NEW ☒ WORK OVER ☐  
12. DRILLER  
McOilCo, Inc.

13. ADDRESS  
P.O. Drawer I Artesia, NM 88210

14. LOCATION  
1 LOCATED 2100 FEET FROM THE South 990

15. THE East 5 19S 29E  
16. DATE OF LOG  
6/14/85 5/18/85 6/12/85 3395.6 GL

17. DEPTH OF WELL  
2873' 2845' 3395.6 GL  
18. TYPE OF LOG  
Rotary

19. LOCATION OF WELL  
2045' - 2680' Crayburg

20. LITHO DENSITY - CN - GR - DLL - Micro - SFL  
Yes No

CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB. FT	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	370.14	12-1/4"	300 sx. Cl "C" 2% CaCl	
4-1/2"	9.5#	2873.9	7-7/8"	Circ. 26 Sx. to pit	
2-3/8"	J-55	2840		480 sx. Cl "C" & add.	

LINER RECORD					TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	2840'	NONE

31. Cementation Record (Interval, size and number)			32. ACID, SHOT, FRACTURE, CEMENT SOLGEL, ETC.	
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED			
2045' - 80', 2599' - 2623', 2573' - 80,				
2045' - 47'				
	750 gal. 7 1/2% DS-30			
	1500 gal. 20% DS-30			
	Frac 50,000 gal. 20# gel 2%			
	KC3, 90,000#'s 20/40 sand.			

33. PRODUCTION  
Date of first production 6/11/85  
Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping  
Well status (Prod. or shut-in) Producing

Date of Test	Hours Tested	Choke Size	Flowing Pressure	IL - Inlet	IL - Outlet	Water - Inlet	Water - Outlet
7/1/85	24	NONE	65	N/A	75		
Flowing Pressure	Flowing Temperature	Flowing Pressure	Flowing Pressure	Flowing Pressure	Flowing Pressure	Flowing Pressure	Flowing Pressure
	80#'s		65	N/A	75		

34. Location of Gas (Solid, used for fuel, vented, etc.)  
Vented  
Test conducted by Frank Morgan

35. Deviation Survey  
Deviation Survey

36. 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.  
SIGNED Frank Morgan TITLE Operator DATE July 1, 1985

[illegible]

### Northwestern New Mexico

T. Adams	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Adirondack 774'	T. Stratton	T. Railroad-Fruitland	T. Penn. "C"
T. Afton	T. Tuckahoe	T. Pictured Cliffs	T. Penn. "D"
T. Albany 962'	T. Moccasin	T. Cliff House	T. Leadvale
T. Allegany 1352'	T. Devonian	T. Menefee	T. Madison
T. Allegheny 1874'	T. Silurian	T. Point Lookout	T. Elbert
T. Ancon 2206'	T. Montevideo	T. Macon	T. M. Cracked
T. Ansonia 2684'	T. Niagara	T. Gallup	T. Jewett Quartz
T. Antrim	T. Niagara	T. Greenhorn	T. Granite
T. Appleton	T. Elkhart	T. Dakota	T. _____
T. Ashland	T. Elkhart	T. Morrison	T. _____
T. Astoria	T. Elkhart	T. Tiedito	T. _____
T. Auburn	T. Elkhart	T. Entrada	T. _____
T. Aurora	T. Elkhart	T. Winnetka	T. _____
T. Avoca	T. Elkhart	T. Chino	T. _____
T. Avon	T. Elkhart	T. Permian	T. _____
T. Avon	T. Elkhart	T. Penn. "A"	T. _____

No. 1 from ..... to ..... No. 4, from ..... to .....  
 No. 2, from ..... to ..... No. 5, from ..... to .....  
 No. 3 from ..... to ..... No. 6, from ..... to .....

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

No. 1 from.....to.....feet. ....

No. 2 from.....to.....feet. ....

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

No. 4 from.....to.....feet. ....

From	To	Thickness in Feet	Formation
Surf.	375'		Anhydrite
375	1420		" "
1420	1965		Dolomite
1965	2873		" "



LESLIE K. EVERTSON - ROSWELL  
KENNETH D. REYNOLDS - ARTESIA

DRILLING CO., INC. - OIL WELL DRILLING CONTRACTORS

P. O. Box 1498 ROSWELL, NEW MEXICO 88201  
TELEPHONES: ARTESIA 505/746-6757  
ROSWELL 505/623-5070

May 23, 1985

MorOilCo., Inc.  
Drawer I  
Artesia, NM 88210

Ref: Guajalote State #4

Gentlemen:

The following is a Deviation Survey on the above well located in Eddy  
County, New Mexico.

382' - 1/4°  
887' - 1/2°  
1330' - 3/4°  
1603' - 3/4°

1843' - 3/4°  
2174' - 1/2°  
2635' - 1/2°  
2850' - 1/4° T.D.

Yours very truly,

WEK DRILLING CO., INC.

*Arnold Newkirk*  
Arnold Newkirk

STATE OF NEW MEXICO)  
COUNTY OF CHAVES )

The foregoing was acknowledged before me this 23RD day  
of MAY 1985 by Arnold Newkirk.

MY COMMISSION EXPIRES:

*Birgitta Michelle Betancur*  
Notary Public

5-4-87

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

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-105  
Revised 1-1-89

NSL - 3758

WELL API NO.  
30-015-29337

5. Indicate Type of Lease  
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.  
L-1022

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐

b. Type of Completion: NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DEEP RESER ☐ OTHER ☐

2. Name of Operator  
OXY USA Inc.

3. Address of Operator  
P.O. Box 50250 Midland, TX 79710-0250

4. Well Location  
Unit Letter J: 1370 Feet From The South Line and 1650 Feet From The East Line  
Section 5 Township 19S Range 29E NMPM Eddy County

10. Date Spudded 1/24/97 11. Date T.D. Reached 2/23/97 12. Date Compl. (Ready to Prod.) 4/9/97 13. Elevations (DF& REB, RT, GR, etc.) 3399' 14. Elev. Casingshead

15. Total Depth 11370' 16. Plug Back T.D. 11313' 17. If Multiple Compl. How Many Zones? 1 18. Intervals Drilled By Rotary Tools ☒ Cable Tools ☐

19. Producing Interval(s), of this completion - Top, Bottom, Name  
11226 - 11236' Morrow

20. Was Directional Survey Made  
NO

21. Type Electric and Other Logs Run  
Platform Express - ALL-MCFL-GR-TDD-CNL

22. Was Well Cored  
NO

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 7/8"	48#	392'	17 1/2"	6205K - Circulated	
8 3/8"	24-32#	3000'	11"	13205K - Circulated	
5 1/2"	17-20#	11370'	7 7/8"	4205K - CBL-8700'	

LINER RECORD				TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8"	11023	11023

26. Perforation record (interval, size, and number)  
11226 - 11236'

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.  
DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED

PRODUCTION

28. Date First Production 4/9/97 Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing Well Status (Prod. or Shut-in) Prod.

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
5/12/97	24	11/64		26	2219	0	85346
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)	
2325			26	2219	0	56.2	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold Test Witnessed By J. Stinson

30. List Attachments  
C103, C104, Deviation Sur, Logs

31. 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 David Stewart Printed Name David Stewart Title Reg. Analyst Date 5/21/97

# INSTRUCTIONS

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 or deepened well. It shall be accompanied by one 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 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

### Southeastern New Mexico

### Northwestern New Mexico

T. Anhy _____	T. Canyon <u>9906'</u>	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn <u>10142'</u>	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka <u>10926'</u>	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinberry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs <u>3727'</u>	T. Entrada _____	T. _____
T. Abo _____	T. <u>1st</u> " " <u>6772'</u>	T. Wingate _____	T. _____
T. Wolfcamp <u>8900'</u>	T. <u>Morrow</u> <u>10638'</u>	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) <u>9672'</u>	T. _____	T. Penn "A" _____	T. _____

### OIL OR GAS SANDS OR ZONES

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 \_\_\_\_\_ to \_\_\_\_\_ feet  
 No. 2, from \_\_\_\_\_ to \_\_\_\_\_ feet  
 No. 3, from \_\_\_\_\_ to \_\_\_\_\_ feet

### LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology
0	956	956	Surface Rock				
956	4592	3636	Anhydrite				
4592	2070	478	Dolomite, Lime				
2070	6473	1403	Lime				
6473	7688	1215	Lime, Shale				
7688	8234	548	Sand, Lime, Shale				
8234	10206	1970	Lime, Shale				
10206	10789	583	Lime, Shale, Sand				
10789	10932	143	Lime, Shale, Chert				
10932	11320	438	Sand, Shale, Lime				

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
811 South First, Artesia, NM 88210

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

District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-101  
Revised October 18, 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

Operator Name and Address SDX Resources, Inc. P. O. Box 5061 Midland, TX 79704		OGRID Number 020451
		API Number 30-015-29867
Property Code 016759	Property Name Guajalote "A" State	Well No. 3

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
L	5	19S	29E		2310	South	990	West	Eddy

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
Proposed Pool 1 Loco Hills, QN-GB-SA (39520)					Proposed Pool 2				

Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3397
Multiple No	Proposed Depth 3200	Formation QN-GB-SA	Contractor United Drilg Co	Spud Date 11-10-97

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#	300	350 sxs CI C	surface
7-7/8"	5-1/2"	14#	3200	350 sxs Poz +	surface
				400 sxs Lite	

Describe the proposed program. If this application 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.

Drill 12-1/4" hole to approximatey 350'. Set 8-5/8" casing @ 350' and cement w/350 sxs Class C cement. Circulate to surface. Drill 7-7/8" hole to TD (3200'). Run open-hole logs. Set 5-1/2" casing @ T.D. Cement w/350 sxs Poz + 400 sxs Lite. Circulate to surface. Will perforate GN-GB-SA and stimulate as necessary for optimum production.

Part ID-1  
10-18-97  
API & Loc

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Janice Courtney</i>		OIL CONSERVATION DIVISION	
Printed name: Janice Courtney 9/29/97		Approved By: ORIGINAL SIGNED BY TIM W. GUM	
Title: Regulatory Tech 915/685-1761		Title: DISTRICT II SUPERVISOR	
		Approval Date: OCT 2 1997	Expiration Date: 10-2-98

30-015-03567

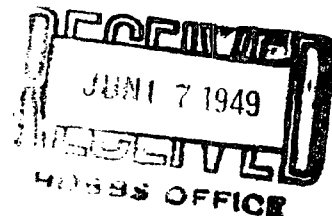
Form C-102

DUPLICATE

## OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

## MISCELLANEOUS REPORTS ON WELLS



Submit this report in triplicate to the Oil Conservation Commission or its proper agent within ten days after the work specified is completed. It should be signed and sworn to before a notary public for reports on beginning drilling operations, results of shooting well, results of test of casing shut off, result of plugging of well, and other important operations, even though the work was witnessed by an agent of the Commission. Reports on minor operations need not be signed and sworn to before a notary public. See additional instructions in the Rules and Regulations of the Commission.

Indicate nature of report by checking below.

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF SHOOTING OR CHEMICAL TREATMENT OF WELL		REPORT ON PULLING OR OTHERWISE ALTERING CASING	
REPORT ON RESULT OF TEST OF CASING SHUT-OFF		REPORT ON DEEPENING WELL	
REPORT ON RESULT OF PLUGGING OF WELL	X		

June 16, 1949

Date

Hobbs, New Mexico

Place

OIL CONSERVATION COMMISSION,  
SANTA FE, NEW MEXICO

Gentlemen:

Following is a report on the work done and the results obtained under the heading noted above at the \_\_\_\_\_

~~Continental Oil Company~~ State NM Well No. 1 in the \_\_\_\_\_  
Company or Operator Lease  
W4/A of Sec. 8, T. 19 S, R. 29 E, N. M. P. M.,  
~~Widest~~ Field, Kddy County.

The dates of this work were as follows: 5-26-49 to 5-27-49Notice of intention to do the work was (~~was not~~) submitted on Form C-102 on May 25, 19 49

and approval of the proposed plan was (was not) obtained. (Cross out incorrect words.)

## DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Subject well was plugged and abandoned in the following manner:

12# mud was placed from total depth of 3045' to 820'. Cement plug was placed from 820' to 720', base of salt. 12# mud was placed from 720' to 365', top of salt section. Cement plug was placed from 365' to 255'. 12# mud was placed from 255' to within 50' of surface. Top 50' of hole was filled with cement, 4' marker was erected and location restored to original condition. 15-3/8" casing was set and cemented in this well at 305' and was left in hole.

Witnessed by \_\_\_\_\_

Name	Company	Title
Subscribed and sworn before me this _____	I hereby swear or affirm that the information given above is true and correct.	
16th day of <u>June</u> , 19 <u>49</u>	Name <u>[Signature]</u>	
<u>J. P. McConrath</u>	Position <u>District Superintendent</u>	
Notary Public	Representing <u>Continental Oil Company</u>	
	Company or Operator	
My commission expires <u>5-17-53</u>	Address <u>Box CC, Hobbs, New Mexico</u>	

Remarks:

APPROVED

Date \_\_\_\_\_

[Signature]  
Name  
ARTESIA REPRESENTATIVE  
Title



Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 87240  
District II  
811 South First, Artesia, NM 87210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised March 25, 1999

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

WELL API NO. 30-015-29464
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: OXY Auto State
8. Well No. 1
9. Pool name or Wildcat Turkey Track Morrow

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  
OXY USA Inc. 16696

3. Address of Operator  
P.O. BOX 50250 MIDLAND, TX 79710-0250

4. Well Location  
Unit Letter H : 1650 feet from the North line and 660 feet from the East line  
Section 8 Township 19S Range 29E NMPM County EDDY

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: Gas Well Shut-In Pressure Exemption <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

12. 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.

OXY USA INC. RESPECTFULLY REQUESTS AN EXEMPTION TO RULE 402 (A) FOR THE ANNUAL SHUT-IN PRESSURE TEST. THE NEED FOR THIS EXCEPTION IS TO AVOID POTENTIAL FORMATION DAMAGE IN THE FLUID SENSITIVE SANDS AND POSSIBLE PERMANENT LOSS OF PRODUCTIVITY. SHOULD THIS WELL BE SHUT-IN FOR ANY REASON, A SHUT-IN PRESSURE TEST WOULD BE CONDUCTED AT THE TIME.

FTP 120 GAS 146 MCFD OIL 0 BPD WATER 0 BPD

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE David Stewart TITLE REGULATORY ANALYST DATE 7/12/99

Type or print name DAVID STEWART Telephone No. 915-685-5717  
(This space for State use)

APPROVED BY Jim W. Green TITLE District Supervisor DATE 7-12-99  
Conditions of approval, if any:

Submit To Appropriate District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, 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

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-105  
Revised March 25, 1999

WELL API NO.  
30-015-332899 33289  
5. Indicate Type of Lease  
STATE ☒ FEE ☐  
State Oil & Gas Lease No.  
B-8096

RECEIVED

JUN 9 2004

OCD-ARTESIA

WELL COMPLETION OR RECOMPLETION REPORT AND LOG									
1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>					7. Lease Name or Unit Agreement Name TDC 8 State				
b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESVR. <input type="checkbox"/> OTHER <input type="checkbox"/>					8. Well No. 2				
2. Name of Operator Threshold Development Company					9. Pool name or Wildcat Millman Yates-SR-0-GB-SA, East				
3. Address of Operator 777 Taylor St. - Penthouse II - Fort Worth, TX 76102									
4. Well Location Unit Letter E 1650 Feet From The North Line and 990 Feet From The West Line Section 8 Township 19S Range 29E NMPM Eddy County									
10. Date Spudded 3-15-2004		11. Date T.D. Reached 3-23-2004		12. Date Compl. (Ready to Prod.) 4-27-2004		13. Elevations (DF& RKB, RT, GR, etc.) 3378' GR		14. Elev. Casinghead	
15. Total Depth 3100'		16. Plug Back T.D. 3050'		17. If Multiple Compl. How Many Zones?		18. Intervals Drilled By 0-3100'		19. Producing Interval(s), of this completion - Top, Bottom, Name 1222-2624' Yates-Seven Rivers-Queen-Grayburg-San Andres	
20. Was Directional Survey Made No					21. Type Electric and Other Logs Run CNL/LDC & DLL				
22. Was Well Cored No					23. CASING RECORD (Report all strings set in well)				
CASING SIZE		WEIGHT LB./FT.		DEPTH SET		HOLE SIZE		CEMENTING RECORD	
8-5/8"		24#		327'		12-1/4"		480 sx - circ	
5-1/2"		15.5#		3100'		7-7/8"		725 sx - circ	
24. LINER RECORD					25. TUBING RECORD				
SIZE		TOP		BOTTOM		SACKS CEMENT		SCREEN	
26. Perforation record (interval, size, and number) 1222-1244' w/44 .50" holes 2614-2624' w/20 .50" holes					27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED SEE ATTACHED SHEET				
28. PRODUCTION									
Date First Production 4-28-2004		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping				Well Status (Prod. or Shut-in) Producing			
Date of Test 5-18-2004		Hours Tested 242		Choke Size		Prod'n For Test Period		Oil - Bbl 26	
								Gas - MCF 31	
								Water - Bbl. 252	
								Gas - Oil Ratio 1192:1	
Flow Tubing Press.		Casing Pressure		Calculated 24-Hour Rate		Oil - Bbl 266		Gas - MCF 31	
								Water - Bbl. 252	
								Oil Gravity - API - (Corr.) N/A	
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Will be sold					Test Witnessed By Ray Selby				
30. List Attachments Deviation Survey & Logs									
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief									
Signature Rusty Klein		Printed Name Rusty Klein		Title Agent		Date 6-9-2004			

# INSTRUCTIONS

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 or deepened well. It shall be accompanied by one 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 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

### Southeastern New Mexico

T. Anhy	
T. Salt	
B. Salt	745'
T. Yates	
T. 7 Rivers	1196'
T. Queen	1880'
T. Grayburg	2262'
T. San Andres	
T. Glorieta	
T. Paddock	
T. Blinebry	
T. Tubb	
T. Drinkard	
T. Abo	
T. Wolfcamp	
T. Penn	
T. Cisco (Bough C)	

T. Canyon \_\_\_\_\_  
T. Strawn \_\_\_\_\_  
T. Atoka \_\_\_\_\_  
T. Miss \_\_\_\_\_  
T. Devonian \_\_\_\_\_  
T. Silurian \_\_\_\_\_  
T. Montoya \_\_\_\_\_  
T. Simpson \_\_\_\_\_  
T. McKee \_\_\_\_\_  
T. Ellenburger \_\_\_\_\_  
T. Gr. Wash \_\_\_\_\_  
T. Delaware Sand \_\_\_\_\_  
T. Bone Springs \_\_\_\_\_  
T. \_\_\_\_\_  
T. \_\_\_\_\_  
T. \_\_\_\_\_  
T. \_\_\_\_\_

## Northwestern New Mexico

T. Ojo Alamo \_\_\_\_\_  
T. Kirtland-Fruitland \_\_\_\_\_  
T. Pictured Cliffs \_\_\_\_\_  
T. Cliff House \_\_\_\_\_  
T. Menefee \_\_\_\_\_  
T. Point Lookout \_\_\_\_\_  
T. Mancos \_\_\_\_\_  
T. Gallup \_\_\_\_\_  
Base Greenhorn \_\_\_\_\_  
T. Dakota \_\_\_\_\_  
T. Morrison \_\_\_\_\_  
T. Todillo \_\_\_\_\_  
T. Entrada \_\_\_\_\_  
T. Wingate \_\_\_\_\_  
T. Chinle \_\_\_\_\_  
T. Permian \_\_\_\_\_  
T. Penn "A" \_\_\_\_\_

T. Penn. "B" \_\_\_\_\_  
T. Penn. "C" \_\_\_\_\_  
T. Penn. "D" \_\_\_\_\_  
T. Leadville \_\_\_\_\_  
T. Madison \_\_\_\_\_  
T. Elbert \_\_\_\_\_  
T. McCracken \_\_\_\_\_  
T. Ignacio Otzte \_\_\_\_\_  
T. Granite \_\_\_\_\_  
T. \_\_\_\_\_  
T. \_\_\_\_\_  
T. \_\_\_\_\_  
T. \_\_\_\_\_  
T. \_\_\_\_\_  
T. \_\_\_\_\_  
T. \_\_\_\_\_  
T. \_\_\_\_\_

## OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....  
No. 2, from.....to.....

No. 3, 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.....to.....feet.....  
 No. 2, from.....to.....feet.....  
 No. 3, from.....to.....feet.....

# LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

From	To	Thickness In Feet	Lithology

THRESHOLD DEVELOPMENT COMPANY  
TDC 8 State #2  
Section 8-T19S-R28E  
Eddy County, New Mexico

#27: ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETCE

DEPTH INTERVAL

TREATMENT

1222-1244'

Acidized with 2000 gallons 15% IC HCL acid and  
ball sealers

2614-2624'

Acidized with 2000 gallons 15% IC HCL acid and  
ball sealers. Flushed with 2% KCL water.

Frac'd with 18000 gallons 30# borate crosslinked  
treated water and 40000# 16-30 Ottawa sand.  
Flushed with treated water.

WELL NAME AND NUMBER TDC State "8" No. 2

RECEIVED

LOCATION Section 8, T19S, R29E, Eddy County NM

JUN 10 2004

OPERATOR Threshold Development Company

OOD-ARTE91A

DRILLING CONTRACTOR United Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation tests and obtained the following results:

Degrees @ DepthDegrees @ DepthDegrees @ Depth1/2° 866'1/2° 1502'1/2° 1997'1/2° 2490'\_Drilling Contractor United Drilling, Inc.By: George A. Aho

George A. Aho

Title: Business Manager

Subscribed and sworn to before me this 30<sup>th</sup> day of March,  
2004.

Carlene Martin  
Notary PublicMy Commission Expires: 10-04-04Chaves New Mexico  
County State

## NEW MEXICO OIL CONSERVATION COMMISSION

## MISCELLANEOUS REPORTS ON WELLS

Submit this report in triplicate to the Oil Conservation Commission District Office within ten days after the work specified is completed. It should be signed and filed as a report on beginning drilling operations, results of shooting well, results of test of casing shut off, result of plugging of well, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate nature of report by checking below.

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF SHOOTING OR CHEMICAL TREATMENT OF WELL		REPORT ON PULLING OR OTHERWISE ALTERING CASING	
REPORT ON RESULT OF TEST OF CASING SHUT-OFF		REPORT ON DEEPENING WELL	
REPORT ON RESULT OF PLUGGING OF WELL		Report on casing & cementing	<b>X</b>

October 25, 1951

Artesia, New Mexico

Date

Place

Following is a report on the work done and the results obtained under the heading noted above at the

**Jones & Watkins** State **6** Well No. **6** in the  
 Company or Operator Lease  
**SW NE/4** of Sec. **5**, T. **19S**, R. **29E**, N. M. P. M.,  
~~Miller Wildcat~~ Pool **Eddy** County.

The dates of this work were as follows:

Notice of intention to do the work ~~was~~ (was not) submitted on Form C-102 on \_\_\_\_\_, 19\_\_\_\_,  
 and approval of the proposed plan was (was not) obtained. (Cross out incorrect words.)

## DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

385 ft. 8 5/8" pipe -- cemented to surface with 50 sacks of cement  
 shut off water completely.  
 3000 ft. ~~12~~ 7" pipe -- set with 85 sacks of cements.

Witnessed by \_\_\_\_\_ Name \_\_\_\_\_ Company \_\_\_\_\_ Title \_\_\_\_\_

APPROVED: OIL CONSERVATION COMMISSION

Name

Title

OCT 26 1951

Date

I hereby swear or affirm that the information given above is true and correct.

Name

Position

Partner

Representing

Jones &amp; Watkins

Company or Operator

Address

Box 464, Artesia, New Mexico

County Eddy Depth 30' Pool Wildcat

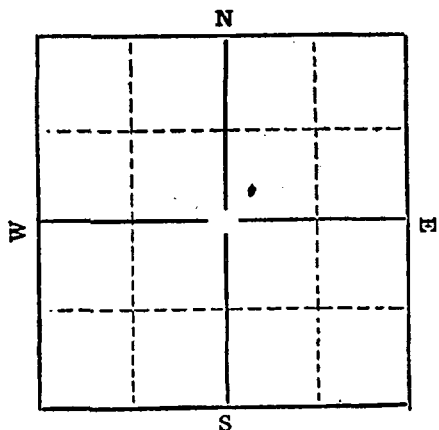
# SCOUT REPORT

## New Mexico Oil Conservation Commission

Company Jones & Watkins Well No. 6 Farm Name Continental - State

2310 Feet from N Line 2 310 Feet from E Line Sec. 5 Twp. 19S Range 29E

C 101 Approved: 4-10-51 Land State Contractor



### AMOUNT CASING & CEMENTING RECORD

Size	Feet	Sax Cement
10"	220	20
8	394	40
4	300	100

Elevation	Spudded <u>4/16/51</u>	Completed <u>14/17/51</u>
TA <u>285</u>	Total Depth <u>743007</u>	P. B. <u>2713</u>
TX <u>385</u>	Top Pay <u>2425</u>	District <u>7</u>
BX <u>725</u>	I. P. <u>P 25</u>	BOPD <u>C</u>
TY	Base <u>BO</u>	Hrs.
TSR <u>1860 AS</u>	Choke: <u>2700</u>	Inch
TQ	Tubing: <u>25 @ 240</u>	Feet
TGB <u>2402</u>	Pressures: Tubing	Casing
TSA	GOR	Gravity <u>37°</u>
TGlo	Effective Perfs.	
TDr		
T. Tubbs		
T. Abo		
T. Penn		
T. Miss.	Acid & Shooting Record	
T. Dev.	From	To
T. Sil.	From	To
T. Mont.	<u>1000</u>	From <u>2800</u> To <u>2815</u>
T. Simp.	<u>1000</u>	From <u>2750</u> To <u>2765</u>
T. Mck.	<u>5000</u>	From <u>0-1000</u>
TEll	<u>2425</u>	<u>45</u>
TGr W		
TGr	SHOWS	
T.	S/	<u>1000</u>
T.	S/	<u>S.O. 2411 1830</u>
T.	S/	<u>in 8 h</u>
T.	S/	
T.	S/	

Apr. 11	Location	JUN 27	<u>7 1/2</u>
APR 18	<u>R. 100</u>	JUL 3	<u>✓</u>
APR 25	<u>0 100</u>	JUL 11	<u>✓</u>
MAY 2	<u>7R. 240 only</u>	JUL 18	<u>✓</u>
MAY 9	<u>0 380 only</u>	JUL 25	<u>25 1000</u>
MAY 16	<u>TD 465 salt</u>	AUG 1	
MAY 23	<u>✓</u>	AUG 8	<u>TD 1075 only. WOC</u>
	<u>TD 540X - S.O.O</u>	AUG 11	<u>0 100</u>
6-20	<u>0 785</u>	AUG 22	

111

**OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico**

Form C-104

**REQUEST FOR (OIL)-(GAS) ALLOWABLE**

It is necessary that this form be submitted by the operator before an initial allowable will be assigned to any completed oil or gas well. Form C-110 (Certificate of Compliance and Authorization to Transport Oil) will not be approved until Form C-104 is filed with the Commission. Form C-104 is to be submitted in triplicate to the office to which Form C-101 was sent. Two copies will be retained there and the other submitted to the Proration Office, Hobbs, New Mexico. The allowable will be assigned effective 7:00 a.m. on date of completion, provided completion report is filed during month of completion. The completion date shall be that date in the case of an oil well when oil is delivered into the stock tanks. Gas must be reported on 15.025 P.B. at 60° Fahrenheit.

Artesia, New Mexico  
Place

October 23, 1951  
Date

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

Durbach Mch. & Supply Inc.

Jones & Watkins  
Company or Operator

Stage  
Lease

Well No. 6 in SW 1/4 NE 2310/E 1/4

section 5, T. 19S, R. 29E, N.M.P.M. Miller Pool Eddy County

Please indicate location: Elevation \_\_\_\_\_ Spudded April 10, '51 Completed Oct. 20, 1951


Total Depth 3007' P.B. 2713'

Top Oil/Gas Pay 2411' Top Water Pay 2605'

Initial Production Test: Pump 20 Flow 3000 (GAS PER DAY)

Based on 1 1/2 Bbls. Oil in 1 Hrs. \_\_\_\_\_ Mins.

Method of Test (Pitot, gauge, prover, meter run): \_\_\_\_\_

Size of choke in inches no choke

Tubing (Size) 2 1/2 EUE @ 2700 Feet

Pressures: Tubing \_\_\_\_\_ Casing 100 lbs

Gas/Oil Ratio \_\_\_\_\_ Gravity 36

Casing Perforations:  
2425' to 2435'

Unit letter: G

Casing & Cementing Record

Size	Feet	Sax
8 5/8"	385'	50
7"	3000'	85

Acid Record:

1000 Gals	2790'	to	2805'
1000 Gals	2750'	to	2760'
5000 Gals	2425'	to	2435'

Show of Oil, Gas and water

S/	oil & water
S/	oil & water
S/	free oil

Shooting Record.

_____ Qts	to	_____	S/
_____ Qts	to	_____	S/
_____ Qts	to	_____	S/

Natural Production Test: 5 bbls Pumping \_\_\_\_\_ Flowing \_\_\_\_\_

Test after acid or shot: 35 bbls Pumping \_\_\_\_\_ Flowing \_\_\_\_\_

Please indicate below Formation Tops (in conformance with geographical section of state):

Southeastern New Mexico

Northwestern New Mexico

T. Anhy _____	T. Devonian _____	T. Ojo Alamo _____
T. Salt <u>385'</u>	T. Silurian _____	T. Kirtland-Fruitland _____
B. Salt <u>725'</u>	T. Montoya _____	T. Farmington _____
T. Yates _____	T. Simpson _____	T. Pictured Cliffs _____
T. 7 Rivers _____	T. McKee _____	T. Cliff House _____
T. Queen _____	T. Ellenburger _____	T. Menefee _____
T. Grayburg _____	T. Gr. Wash _____	T. Point Lookout _____
T. San Andres _____	T. Granite _____	T. Mancos _____
T. Glorieta _____	T. _____	T. Dakota _____
T. Drinkard _____	T. _____	T. Morrison _____
T. Tubbs _____	T. _____	T. Penn _____
T. Abo _____	T. _____	T. _____
T. Penn _____	T. _____	T. _____
T. Miss _____	T. _____	T. _____

(Please supply required information on reverse side of form)



## NEW MEXICO OIL CONSERVATION COMMISSION

## MISCELLANEOUS REPORTS ON WELLS

Submit this report in triplicate to the Oil Conservation Commission District Office within ten days after the work specified is completed. It should be signed and filed as a report on beginning drilling operations, results of shooting well, results of test of casing shut off, result of plugging of well, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate nature of report by checking below.

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF SHOOTING OR CHEMICAL TREATMENT OF WELL		REPORT ON PULLING OR OTHERWISE ALTERING CASING	
REPORT ON RESULT OF TEST OF CASING SHUT-OFF	X	REPORT ON DEEPENING WELL	
REPORT ON RESULT OF PLUGGING OF WELL			

January 3, 1952

Artesia, New Mex.

Date

Place

Following is a report on the work done and the results obtained under the heading noted above at the

Lubbock Machine Co., Inc. Continental State Well No. 1 in the  
 Company or Operator Lease  
 SW NE of Sec. 5, T. 19S, R. 29E, N. M. P. M.,  
 Wildcat Pool Eddy County.

The dates of this work were as follows:

Notice of intention to do the work was (was not) submitted on Form C-102 on 19\_\_\_\_, and approval of the proposed plan was (was not) obtained. (Cross out incorrect words.)

## DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Squeezed Perforations at 2865' and 2875' with 25 sacks of cement, water shut off. Will put well back on pump.

Witnessed by \_\_\_\_\_ Name \_\_\_\_\_ Company \_\_\_\_\_ Title \_\_\_\_\_

APPROVED:  
OIL CONSERVATION COMMISSION

*R. S. Blynn*  
 Name  
 Engineer  
 Title  
 1-4 19 52  
 Date

I hereby swear or affirm that the information given above is true and correct.

Name *Sam D. Ares*  
 Position Agent  
 Representing Lubbock Machine Co., Inc.  
 Company or Operator  
 Address 205 W. Mo. Artesia, N.M.

NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

MISCELLANEOUS REPORTS ON WELLS

Submit this report in TRIPLICATE to the District Office, Oil Conservation Commission, within 10 days after the work specified is completed. It should be signed and filed as a report on Beginning Drilling Operations, Results of test of casing shut-off, result of plugging of well, result of well repair, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Report by Checking Below

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON RESULT OF TEST OF CASING SHUT-OFF		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF PLUGGING WELL	<b>X</b>	REPORT ON RECOMPLETION OPERATION		REPORT ON (Other)	

(Date) June 23, 1955

(Place) Artesia, N. M.

Following is a report on the work done and the results obtained under the heading noted above at the

Lubbock Machine Co., Inc.

(Company or Operator)

Continental State

(Lease)

C. O. Fulton

(Contractor)

Well No. 1 in the SW  $\frac{1}{4}$  NE  $\frac{1}{4}$  of Sec. 5

T. 19S, R. 29E, NMPM, West Turkey Track Pool, Elddy County.

The Dates of this work were as follows: 4-10-54

Notice of intention to do the work (was) (was not) submitted on Form C-102 on 3-29-54, 1954,  
(Cross out incorrect words)

and approval of the proposed plan (was) (was not) obtained.

DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Hole filled with mud to 2440', cement plug run 2440' to 2400', 10 sack plug set on stub of 7" casing at 1975'. 5 sack cement plug set at base of salt @ 725'. 10 sack cement plug set top of salt @ 385'. Palled 175' of 8 5/8" csg.  
REGULATION MARKER SET.

Witnessed by.....  
(Name) (Company) (Title)

Approved:.....  
OIL CONSERVATION COMMISSION

(Name)

(Title)

(Date)

I hereby certify that the information given above is true and complete to the best of my knowledge.

Name.....C. O. Fulton

Position.....Agent

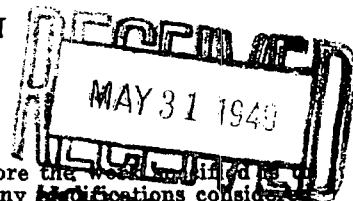
Representing Lubbock Machine Co., Inc.

Address P.O. Box 1589, Lubbock, Texas

## NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

## MISCELLANEOUS NOTICES



Submit this notice in triplicate to the Oil Conservation Commission or its proper agent before the work is begun or begin. A copy will be returned to the sender on which will be given the approval, with any modifications considered advisable, or the rejection by the Commission or agent, of the plan submitted. The plan as approved should be followed, and work should not begin until approval is obtained. See additional instructions in the Rules and Regulations of the Commission.

Indicate nature of notice by checking below:

NOTICE OF INTENTION TO TEST CASING SHUT-OFF		NOTICE OF INTENTION TO SHOOT OR CHEMICALLY TREAT WELL	
NOTICE OF INTENTION TO CHANGE PLANS		NOTICE OF INTENTION TO PULL OR OTHERWISE ALTER CASING	
NOTICE OF INTENTION TO REPAIR WELL		NOTICE OF INTENTION TO PLUG WELL	X
NOTICE OF INTENTION TO DEEPEN WELL			

Hobbs, New Mexico  
Place

May 25, 1949  
Date

OIL CONSERVATION COMMISSION,  
Santa Fe, New Mexico.

Gentlemen:

Following is a notice of intention to do certain work as described below at the

Continental Oil Company State N.M. Well No. 1 in SW/4  
Company or Operator Lease  
of Sec. 8, T. 19 N, R. 20 E, N. M. P. M., Wildcat Field.  
Hobbs County.

## FULL DETAILS OF PROPOSED PLAN OF WORK

## FOLLOW INSTRUCTIONS IN THE RULES AND REGULATIONS OF THE COMMISSION

Subject well was drilled to total depth of 3045' and no commercial production was encountered. Therefore, your permission to plug and abandon this well in the following manner is requested:

12# mud will be placed from total depth to 820'. Cement plug will be placed to 720', base of salt. 12# mud will be placed from 770' to 365', top of salt section. Cement plug will be placed from 365' to 255'. 12# mud will be placed from 255' to within 50' of surface. Top 50' of hole will be filled with cement, 4' marker erected and location restored to original condition. 13-3/8" casing was set and cemented in the well at 205' and will be left in hole.

OCT 5 1949

Approved \_\_\_\_\_, 19\_\_\_\_  
except as follows:

Continental Oil Company

Company or Operator

By [Signature]Position District Superintendent

Send communications regarding well to

Name A. S. OwenAddress Box 60, Hobbs, New Mexico

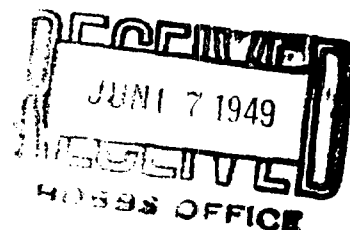
OIL CONSERVATION COMMISSION,

By [Signature]  
Title ARTESIA REPRESENTATIVE

# OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

## MISCELLANEOUS REPORTS ON WELLS



Submit this report in triplicate to the Oil Conservation Commission or its proper agent within ten days after the work specified is completed. It should be signed and sworn to before a notary public for reports on beginning drilling operations, results of shooting well, results of test of casing shut off, result of plugging of well, and other important operations, even though the work was witnessed by an agent of the Commission. Reports on minor operations need not be signed and sworn to before a notary public. See additional instructions in the Rules and Regulations of the Commission.

Indicate nature of report by checking below.

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF SHOOTING OR CHEMICAL TREATMENT OF WELL		REPORT ON PULLING OR OTHERWISE ALTERING CASING	
REPORT ON RESULT OF TEST OF CASING SHUT-OFF		REPORT ON DEEPENING WELL	
REPORT ON RESULT OF PLUGGING OF WELL	X		

June 16, 1949

Hobbs, New Mexico

Date

Place

OIL CONSERVATION COMMISSION,  
SANTA FE, NEW MEXICO  
Gentlemen:

Following is a report on the work done and the results obtained under the heading noted above at the \_\_\_\_\_

Continental Oil Company State N.M. Well No. 1 in the \_\_\_\_\_  
Company or Operator Lease  
N.M. of Sec. 8, T. 19 S, R. 29 E, N. M. P. M.,  
Wildcat Field, Eddy County.

The dates of this work were as follows: 5-26-49 to 5-27-49

Notice of intention to do the work was (~~was not~~) submitted on Form C-102 on May 25, 19 49  
and approval of the proposed plan was (was not) obtained. (Cross out incorrect words.)

### DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Subject well was plugged and abandoned in the following manner:

12# mud was placed from total depth of 3045' to 820'. Cement plug was placed from 820' to 720', base of salt. 12# mud was placed from 720' to 365', top of salt section. Cement plug was placed from 365' to 255'. 12# mud was placed from 255' to within 50' of surface. Top 50' of hole was filled with cement, 4' marker was erected and location restored to original condition. 13-3/8" casing was set and cemented in this well at 305' and was left in hole

Witnessed by \_\_\_\_\_

Name	Company	Title
Subscribed and sworn before me this _____		
I hereby swear or affirm that the information given above is true and correct.		
16th day of <u>June</u> , 19 <u>49</u>	Name <u>[Signature]</u>	
<u>J. P. McCarroll</u>	Position <u>District Superintendent</u>	
Notary Public	Representing <u>Continental Oil Company</u>	
	Company or Operator	
My commission expires <u>5-17-53</u>	Address <u>Box CC, Hobbs, New Mexico</u>	

Remarks:

APPROVED

Date \_\_\_\_\_

Name [Signature]  
ARTESIA REPRESENTATIVE  
Title \_\_\_\_\_

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
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. 30 015 24930
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. L-1022
7. Lease Name or Unit Agreement Name Guajalote State
8. Well Number 2
9. OGRID Number 184860
10. Pool name or Wildcat SWD; Queen-Grayburg

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

4. Well Location  
Unit Letter O : 660 feet from the South line and 1980 feet from the East line  
Section 5 Township 19S Range 29E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3397' GR

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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐

COMMENCE DRILLING OPNS ☐ P AND A ☐

CASING/CEMENT JOB ☒

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.

7-20-06: RBP @ 1032'; dumped 2 sx sand on RBP. BJ pumped 180 sx thix-o-tropic cement & 200 sx Cl C, 2% CaCl. WOC.  
7-21-06: Top of cement @ 238', drilled solid cmt to 425'. Testing casing - determine need for liner.  
9-13-06: Rigged up BJ Services, ran 2 7/8" casing string set @ 2796' in 4 1/2" cased hole. Pumped 110 sx Cl C, 2% CaCl, 20% excess. Pumped 16 bbls displacement. Pressured up to 1000 psi for 30 minutes. Rigged down BJ.  
6-27-07: Rigged up Weatherford Wireline. Perforated 2 7/8" from 2275 - 2820'.  
6-29-07: Acidized well w/5000 gals 15% HCL., 1 1/4" tubing string to 2250', tension packer set @ 2245'.  
7-12-07: Tested 2 7/8" casing to 500 psi for 30 minutes. OCD witnessed test and took chart.

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 NMOCD guidelines X, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE [Signature] TITLE Regulatory Agent DATE 2-7-08

Type or print name \_\_\_\_\_ E-mail address: \_\_\_\_\_ Telephone No. \_\_\_\_\_  
**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any): \_\_\_\_\_

Accepted for record - NMOCD

## NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

## MISCELLANEOUS REPORTS ON WELLS

Submit this report in TRIPLICATE to the District Office, Oil Conservation Commission, within 10 days after the work specified is completed. It should be signed and filed as a report on Beginning Drilling Operations, Results of test of casing shut-off, result of plugging of well, result of well repair, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Report by Checking Below

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON RESULT OF TEST OF CASING SHUT-OFF		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF PLUGGING WELL	X	REPORT ON RECOMPLETION OPERATION		REPORT ON (Other)	

June 18, 1954

(Date)

Artesia, N. M.

(Place)

Following is a report on the work done and the results obtained under the heading noted above at the

Miller Bros. Oil Co.

(Company or Operator)

Jones &amp; Watkins

State

(Lease)

Well No. 1 in the SE 1/4 NW 1/4 of Sec. 5,  
 (Contractor) Turkey Track Pool, Eddy County.  
 T-19, R. 29, NMPM.

The Dates of this work were as follows: March, 1954

Notice of intention to do the work (was) (~~was not~~) submitted on Form C-102 on January 9, 1954, 19\_\_\_\_,  
 (Cross out incorrect words)  
 and approval of the proposed plan (was) (~~was not~~) obtained.

## DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

15' cement 2733 to 2748

Cut 7" casing at 1750'.

Set 5 sacks cement on bridge @ 1700

Set 5 " " " @ 800'

Set 10 " " " @ 400'

Pulled 8 5/8 casing

Mudded hole to surface and set marker

Witnessed by CHARLES V. MILLER

(Name)

MILLER BROS. OIL CO.

(Company)

Partner

(Title)

Approved:

OIL CONSERVATION COMMISSION

*L. A. Johnson*  
 (Name)

(Title)

(Date)

I hereby certify that the information given above is true and complete to the best of my knowledge.

Name *C. V. Miller*

Position Partner

Representing MILLER BROS. OIL CO.

Address 805 S. Fifth St.  
 Artesia, N. M.

Card

County Eddy Depth \_\_\_\_\_ Pool West Turkey Fresh Turkey Track Rivers

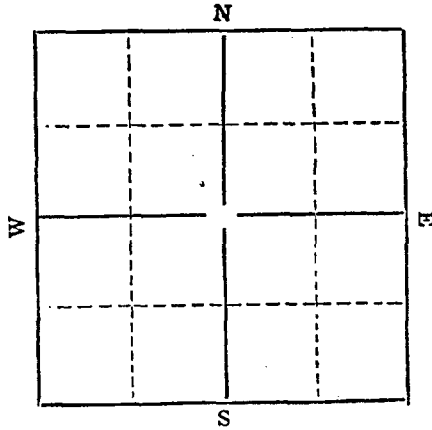
### SCOUT REPORT

## New Mexico Oil Conservation Commission

Company Miller Bros Well No. 1 Farm Name Jones & Watkins

2340 Feet from S N Line 330 Feet from E W Line Sec. 5 Twp. 19S Range 29E

C 101 Approved: 1-23-51 Land State Contractor



#### AMOUNT CASING & CEMENTING RECORD

Size	Feet	San. Cement
7"	145	15
8"	145	15

Elevation <u>2700</u>	Spudded <u>1-23-51</u>	Completed <u>4-18-51</u>
TA	Total Depth <u>2700</u>	P. B. <u>2700</u>
TX <u>400</u>	Log Pay <u>2700</u>	District <u>7</u>
BX <u>200</u>	I. P. <u>1</u>	BOFD <u>C</u>
TY <u>200</u>	Base <u>BO</u>	Mrs. <u></u>
TSR	Checker <u></u>	Inch <u></u>
TQ <u>1480</u>	Tubing: <u>@ 2 1/2</u>	Feet <u></u>
TGB	Pressures: Tubing <u></u>	Casing <u></u>
TSA <u>7 3/4</u>	GOR <u></u>	Gravity <u></u>
TGls		Effective Perfs. <u></u>
TDr		
T. Tubbs		
TAbc		
TEenn		
T. Mils.		
T. Dev.		
T. SHL		
T. Mont.		
T. Simp.		
T. Mck.		
T. Mch		
T. Cr W		
TGr		
T.		
T.		
T.		
T.		

Field & Shooting Record	
From <u>2740</u>	To <u>59</u>
From <u>2742</u>	To <u>2751</u>
From <u>2751</u>	To <u>2784</u>
From <u>2784</u>	To <u>2784</u>
From <u>2784</u>	To <u>2784</u>
From <u>2784</u>	To <u>2784</u>

SHOWS	
SI	<u>1940-2010</u>
SI	<u>2040-2100</u>
SI	<u>2100-2250</u>
SI	<u>2250-2300</u>

Jan. 17	Location	MAR 21	<u>OT 33.5 - 140 ft</u>
JAN 24		MAR 28	<u>OT 165 - 110 ft</u>
JAN 31	<u>OT 140 - 110 ft</u>	APR 4	<u>OT 140 - 110 ft</u>
FEB			
FEB 21	<u>OT 1330 - 110 ft</u>	APR 11	<u>OT 1330 - 110 ft</u>
FEB 28	<u>OT 1420 - 110 ft</u>		
MAR 7	<u>OT 1900 - 110 ft</u>		
MAR	<u>OT 2050 - 110 ft</u>	APR 18	<u>OT 1775 - 110 ft</u>

14

## NEW MEXICO OIL CONSERVATION COMMISSION

## MISCELLANEOUS REPORTS ON WELLS

Submit this report in triplicate to the Oil Conservation Commission District Office within ten days after the work specified is completed. It should be signed and filed as a report on beginning drilling operations, results of shooting well, results of test of casing shut off, result of plugging of well, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate nature of report by checking below.

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF SHOOTING OR CHEMICAL TREATMENT OF WELL		REPORT ON PULLING OR OTHERWISE ALTERING CASING	
REPORT ON RESULT OF TEST OF CASING SHUT-OFF		REPORT ON DEEPENING WELL	
REPORT ON RESULT OF PLUGGING OF WELL		<b>Report on Running Casing</b>	

**May 16, 1951**  
Date

**Artesia, New Mexico**  
Place

Following is a report on the work done and the results obtained under the heading noted above at the.....

**Miller Bros. Oil Co.** **Jones & Watkins** Well No. **#1** in the  
Company or Operator Lease

**San Juan** of Sec. **5**, T. **19S**, R. **29E**, N. M. P. M.,

**Seven Rivers-Turkey Track** Pool **Eddy** County.

The dates of this work were as follows: **1/26/51** **4/15/51**

Notice of intention to do the work was (~~record~~) submitted on Form C-102 on **April 13,** 19**51**,  
and approval of the proposed plan was (~~record~~) obtained. (Cross out incorrect words.)

## DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Ran 340' of 8 5/8 casing. Ran 2745' of 7" CD 20 lb casing and cemented with 40 sacks. Bottom hole water plugged off from 2759 to 2785. All water shut off.

Witnessed by.....  
Name Company Title

APPROVED:  
OIL CONSERVATION COMMISSION

*[Signature]*  
Name  
OIL AND GAS INSPECTOR  
Title

**MAY 25 1951**  
Date

I hereby swear or affirm that the information given above is true and correct.

Name **Glendon P. Miller**  
Position **Partner**

Representing **Miller Bros. Oil Co.**  
Company or Operator

Address **Artesia, New Mexico**



**CONSERVATION COMMISSION  
Santa Fe, New Mexico**

**REQUEST FOR (OIL)-(GAS) ALLOWABLE**

It is necessary that this form be submitted by the operator before an initial allowable will be assigned to any completed oil or gas well. Form C-110 (Certificate of Compliance and Authorization to Transport Oil) will not be approved until Form C-104 is filed with the Commission. Form C-104 is to be submitted in triplicate to the office to which Form C-101 was sent. Two copies will be retained there and the other submitted to the Proration Office, Hobbs, New Mexico. The allowable will be assigned effective 7:00 a.m. on date of completion, provided completion report is filed during month of completion. The completion date shall be that date in the case of an oil well when oil is delivered into the stock tanks. Gas must be reported on 15.025 P.B. at 60° Fahrenheit.

Artesia, New Mexico  
Place

May 10, 1951  
Date

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

SE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$

MILLER BROS. OIL CO.  
Company or Operator

Jones-Watkins Well No. 1 in  
Lease

1/4

section 5, T. 19S, R. 29E, N.M.P.M. ~~Seven Rivers~~ Pool Eddy County  
~~West Turkey Track~~

Please indicate location: Elevation 3393 Spudded 1-24-51 Completed May 2, 1951

	0		

Total Depth 2785 P.B. 2759

Top Oil/Gas Pay 2745--2759 Top Water Pay 2779--2785

Initial Production Test: Pump 30 Flow (BOPD OR CU. FT.)  
GAS PER DAY

Based on 15 Bbls. Oil in 9 hrs. Mins.

Method of Test (Pitot, gauge, prover, meter run): swabbing

Size of choke in inches

Tubing (Size) 2" upset @ 2747 feet

Pressures: Tubing Casing

Gas/Oil Ratio Gravity 35

Casing Perforations:

Unit letter: F

Casing & Cementing Record

Size Feet Sax

8 5/8	340	
7" OD	2745	40

Acid Record:

3500 Gals 2740 to 2759  
Gals to  
Gals to

Show of Oil, Gas and water

S/ 185 Water  
S/ 1998 to 2010 1/2 gal. oil, 1 gal.  
S/ water

Shooting Record.

Qts to  
Qts to  
Qts to

S/ 2160 to 2180 Oil

S/ 2745--2759 Oil

S/

S/

Natural Production Test: Pumping 4 bbls. ~~check~~

Test after acid or shot: Pumping 30 bbls. ~~check~~

Please indicate below Formation Tops (in conformance with geographical section of state):

Southeastern New Mexico

Northwestern New Mexico

T. Anhy 760--1175  
T. Salt 440  
B. Salt 760  
T. Yates  
T. 7 Rivers  
T. Queen  
T. Grayburg  
T. San Andres  
T. Glorieta  
T. Drinkard  
T. Tubbs  
T. Abo  
T. Penn  
T. Miss

T. Devonian  
T. Silurian  
T. Montoya  
T. Simpson  
T. McKee  
T. Ellenburger  
T. Gr. Wash  
T. Granite  
T. Red sand 1980--2010  
T. White Lime 2720  
T.  
T.  
T.

T. Ojo Alamo  
T. Kirtland-Fruitland  
T. Farmington  
T. Pictured Cliffs  
T. Cliff House  
T. Menefee  
T. Point Lookout  
T. Mancos  
T. Dakota  
T. Morrison  
T. Penn  
T.  
T.  
T.

(Please supply required information on reverse side of form)

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 8617  
Order No. R-7975

APPLICATION OF MOROILCO. INC. FOR  
SALT WATER DISPOSAL, EDDY COUNTY,  
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on June 5, 1985,  
at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 9th day of July, 1985, the Division  
Director, having considered the testimony, the record, and the  
recommendations of the Examiner, and being fully advised in the  
premises,

FINDS THAT:

(1) Due public notice having been given as required by  
law, the Division has jurisdiction of this cause and the  
subject matter thereof.

(2) The applicant, MorOilCo., Inc., is the owner and  
operator of the West Guajalote State Well No. 2, located 660  
feet from the South line and 1980 feet from the East line of  
Section 5, Township 19 South, Range 29 East, NMPM, Eddy County,  
New Mexico.

(3) The applicant proposes to utilize said well to  
reinject produced salt water into the Queen and Grayburg  
formations, with injection into the perforated interval from  
approximately 2264 feet to 2650 feet.

(4) The offset operators of said well have not objected  
to the proposed disposal operations of the applicant.

(5) The disposal of produced water simultaneously into  
the Queen and Grayburg formations will not pose any water  
compatibility problems, endanger fresh water sources, or  
adversely affect any offsetting production from the same  
formations.

(6) The injection should be accomplished through 2 3/8 inch plastic lined tubing installed in a packer set at approximately 2250 feet; the casing-tubing annulus should be filled with an inert fluid; and a pressure gauge or approved leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(7) The injection well or system should be equipped with a pressure limiting switch or other acceptable device which will limit the wellhead pressure on the injection well to no more than 455 psi.

(8) The Director of the Division should be authorized to administratively approve an increase in the injection pressure upon a proper showing by the operator that such higher pressure will not result in migration of the injected waters from the Queen and Grayburg formations.

(9) The operator should notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(10) The operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

(11) Approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, MorOilCo. Inc., is hereby authorized to utilize its West Guajalote State Well No. 2, located 660 feet from the South line and 1980 feet from the East line of Section 5, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico, to reinject produced salt water into the Queen and Grayburg formations, injection to be accomplished through 2 3/8 inch tubing installed in a packer set at approximately 2250 feet, with injection into the perforated interval from approximately 2264 feet to 2650 feet;

PROVIDED HOWEVER THAT, the tubing shall be plastic-lined; the casing-tubing annulus shall be filled with an inert fluid; and a pressure gauge shall be attached to the annulus or the annulus shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

-3-

Case No. 8617  
Order No. 7975

(2) The injection well or system shall be equipped with a pressure limiting switch or other acceptable device which will limit the wellhead pressure on the injection well to no more than 455 psi.

(3) The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Queen and Grayburg formations.

(4) The operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

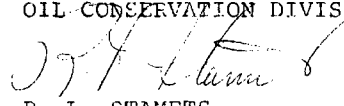
(5) The operator shall immediately notify the supervisor of the Division's Artesia district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

(6) The applicant shall conduct disposal operations and submit monthly reports in accordance with Rules 702, 703, 704, 705, 706, 708, and 1120 of the Division Rules and Regulations.

(7) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

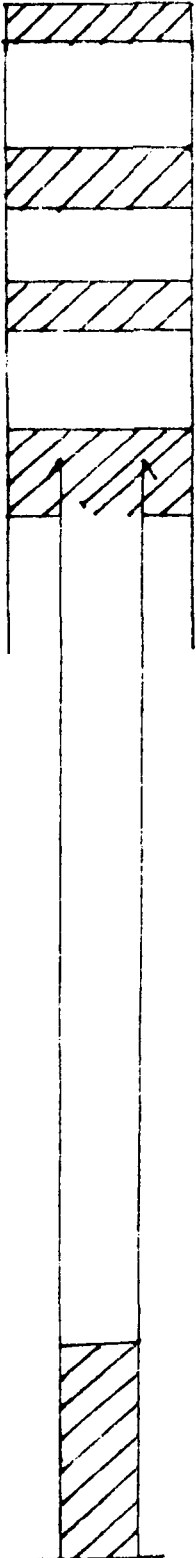
  
R. L. STAMETS,  
Director

S F A I

PHONE (505) 743-2194  
PHONE (505) 743-2325



DRAWER I  
ARTESIA, NEW MEXICO 88210



5 sx at surface

Mud filled between plugs

10 sx plug at 400'

Mud filled between plugs

5 sx plug at 800'

Mud filled between plugs

7" casing cut-off at 1750'

5 sx cement plug at 1750'

#### PLUGGING DETAIL

Miller Brothers Oil Co.  
Jones & Watkins State #1  
SE $\frac{1}{4}$  NW $\frac{1}{4}$   
Section 5 T19S R29E  
Eddy County, New Mexico

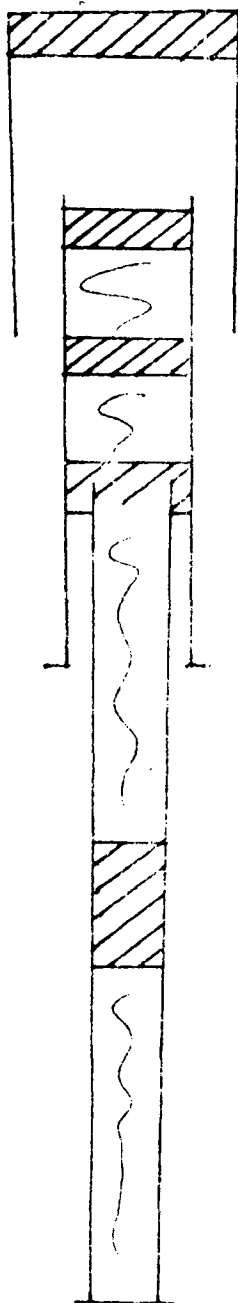
15' cement plug 2733' to 2748'

T.D. 2745'

PHONE (505) 748-2194  
PHONE (505) 748-2325



DRAWER I  
ARTESIA, NEW MEXICO 88210



5 sx at surface

Top of 8-5/8" casing 175'

10 sx cement plug set at top of  
salt 385' & base of 8-5/8" casing

5 sx cement plug set at base of  
salt 725'

10 sx plug set on stub of 7"  
casing at 1375'

Mud filled between plugs

Cement plug from 2440' to 2400'

Mud filled between plugs

T.D. 3000'

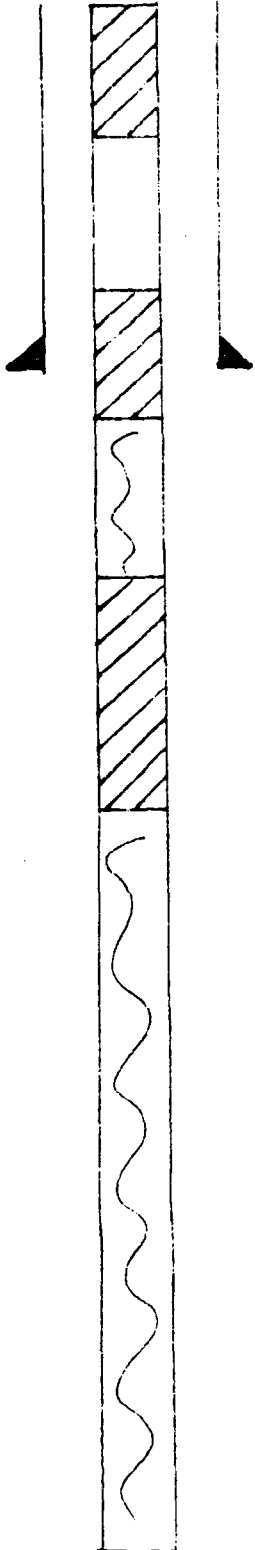
#### PLUGGING DETAIL

Lubbock Machine Co., Inc  
Continental State #1  
SW $\frac{1}{4}$  NE $\frac{1}{4}$   
Section 5 T19S R29E  
Eddy County, New Mexico

PHONE (505) 748-2194  
PHONE (505) 748-2325



DRAWER I  
ARTESIA, NEW MEXICO 88210



50' cement plug on top

13-3/8" casing set to 305' to  
circulate cement

Cement Plug from 365' to 255'

Cement plug from 820' to 720'

12# mud placed from 3045' to 820'

T.D. 3045'

PLUGGING DETAIL

Stanley L. Jones  
Continental Delaware #1  
NE $\frac{1}{4}$  NW $\frac{1}{4}$   
Section 8 T19S R29E  
Eddy County, New Mexico

MELROSE OPERATING COMPANY

GUAJALOTE STATE, WELL #2

660' FSL AND 1980' FEL, Section 5, T19S, R29E

Eddy County, New Mexico

1/2 MILE RADIUS WELLS:

Section 5	Location	Operator	Status
30 015 03562	G-5-19S-29E	Lubbock Machine Co., West Turkey Track Well #1	P&A (attached) <i>NO LOGS</i>
30 015 03563	F-5-19S-29E	Miller Bros. Oil Co., Turkey Track #1	P&A (attached) <i>NO LOGS</i>
30 015 22422	K-5-19S-29E	Melrose Operating Co., Guajalote A #1	Producing <i>✓</i>
30 015 24806	J-5-19S-29E	Melrose Operating Co., Guajalote #1	Producing <i>✓</i>
30 015 25074	G-5-19S-29E	Melrose Operating Co., Guajalote #3	Producing <i>✓</i>
30 015 25292	I-5-19S-29E	Melrose Operating Co., Guajalote #4	Producing <i>✓</i>
30 015 29337	J-5-19S-29E	OXY USA, Oxy Mako State #1	Producing <i>✓</i>
30 025 29867	L-5-19S-29E	SDX Resources, Guajalote A #3	Never Drilled <i>—</i>
Section 8			
30 015 03567	C-8-19S-29E	Continental, State 8, Well #1	P & A (attached) <i>NO LOGS</i>
30 015 29464	H-8-19S-29E	Oxy USA, Auto State #1	SI
30 015 33289	E-8-19S-29E	Bold Energy, TDC 8 State #2	Producing



**NEW MEXICO OIL CONSERVATION COMMISSION**  
Santa Fe, New Mexico

03562

**MISCELLANEOUS REPORTS ON WELLS**

Submit this report in **TRIPPLICATE** to the District Office, Oil Conservation Commission, within 10 days after the work specified is completed. It should be signed and filed as a report on Beginning Drilling Operations, Results of test of casing shut-off, result of plugging of well, result of well repair, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Report by Checking Below

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON RESULT OF TEST OF CASING SHUT-OFF		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF PLUGGING WELL	<b>X</b>	REPORT ON RECOMPLETION OPERATION		REPORT ON (Other)	

June 23, 1955      Artesia, N. M.

(Date)

(Place)

Following is a report on the work done and the results obtained under the heading noted above at the

**Lubbock Machine Co. Inc.**  
(Company or Operator)

**Continental State**  
(Lease)

**C. O. Fulton** (Contractor), Well No. **1** in the **SW**  $\frac{1}{4}$  **NE**  $\frac{1}{4}$  of Sec. **5**

T. **19S**, R. **29E**, NMPM., **West Turkey Track** Pool, **El Paso** County.

The Dates of this work were as follows: **4-10-54**

Notice of intention to do the work (was) (was not) submitted on Form C-102 on **3-29-54**, 19.....  
(Cross out incorrect words)

and approval of the proposed plan (was) (was not) obtained.

**DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED**

Hole filled with mud to 2440', cement plug run 2440' to 2400', 10 sack plug set on stub of 7" casing at 1375'. 5 sack cement plug set at base of salt @ 725'. 10 sack cement plug set top of salt @ 385'. Pulled 175' of 2 5/8" csg. REGULATION MARKER SET.

Witnessed by \_\_\_\_\_ (Name) \_\_\_\_\_ (Company) \_\_\_\_\_ (Title)

Approved: \_\_\_\_\_ OIL CONSERVATION COMMISSION

(Name)

I hereby certify that the information given above is true and complete to the best of my knowledge.

Name

Position **Agent**Representing **Lubbock Machine Co. Inc.**Address **P.O. Box 1589, Lubbock, Texas**

(Title)

(Date)

## NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

## MISCELLANEOUS NOTICES

Submit this notice in TRIPLICATE to the District Office, Oil Conservation Commission, before the work specified is to begin. A copy will be returned to the sender on which will be given the approval, with any modifications considered advisable, or the rejection by the Commission or agent, of the plan submitted. The plan as approved should be followed, and work should not begin until approval is obtained. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Notice by Checking Below

NOTICE OF INTENTION TO CHANGE PLANS		NOTICE OF INTENTION TO TEMPORARILY ABANDON WELL		NOTICE OF INTENTION TO DRILL DEEPER	
NOTICE OF INTENTION TO PLUG WELL	X	NOTICE OF INTENTION TO PLUG BACK		NOTICE OF INTENTION TO SET LINER	
NOTICE OF INTENTION TO SQUEEZE		NOTICE OF INTENTION TO ACIDIZE		NOTICE OF INTENTION TO SHOOT (Nitro)	
NOTICE OF INTENTION TO GUN PERFORATE		NOTICE OF INTENTION (OTHER)		NOTICE OF INTENTION (OTHER)	

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO*Artesian New Mex*  
(Place)*3-29-54*  
(Date)

Gentlemen:

Following is a Notice of Intention to do certain work as described below at the

*Lubbock Mch Co. Inc.* State *TX* Well No. *I* in *G*  
(Company or Operator) (Unit)  
*SW 1/4 NE 1/4 of Sec 5, T. 19 S, R. 29 E, NMPM, West Turkey Track Pool*  
(40-acre Subdivision)  
*Eddy* County.

FULL DETAILS OF PROPOSED PLAN OF WORK  
(FOLLOW INSTRUCTIONS IN THE RULES AND REGULATIONS)

*TD = 3007 ft. Plugged back 2713 ft.*  
*Set cement plug 2440 - 2400*  
*Cement plug at top of 7" steel*  
*5' Sack at base of salt @ 725*  
*10 Sack @ Base of 8 1/2" + top salt.*

Approved....., 19.....  
Except as follows:Approved  
OIL CONSERVATION COMMISSION

By.....

Title.....

By.....

Position.....

Send Communications regarding well to:

Name.....

Address.....

*Well was plugged in  
April 1954 by  
Cope Fulton*

# CURRENT WELLBORE DIAGRAM

**Company:** Lubbock Machine Co., Inc.  
**Lease:** Continental State **Well No.:** 1 **Field:** West Turkey Track  
**Location:** SW/4; NE/4 **Sec:** 5 **Blk:** T19S **Survey:** R29E  
**County:** Eddy **St:** NM **Refno:** API: 015 03562 **Unique No.:**             
**Current Status:** P & A **Dead Man Anchors Test Date:**             
**Directions to Wellsite:**           

## **Surface Csg.**

**Size:** 8 5/8"  
**Wt.:**             
**Set @:**             
**Csg ID**             
**Csg. Drift**             
**TOC:**            **Top of salt plug**  
**Hole Size:**            **10 sx @ 385'**

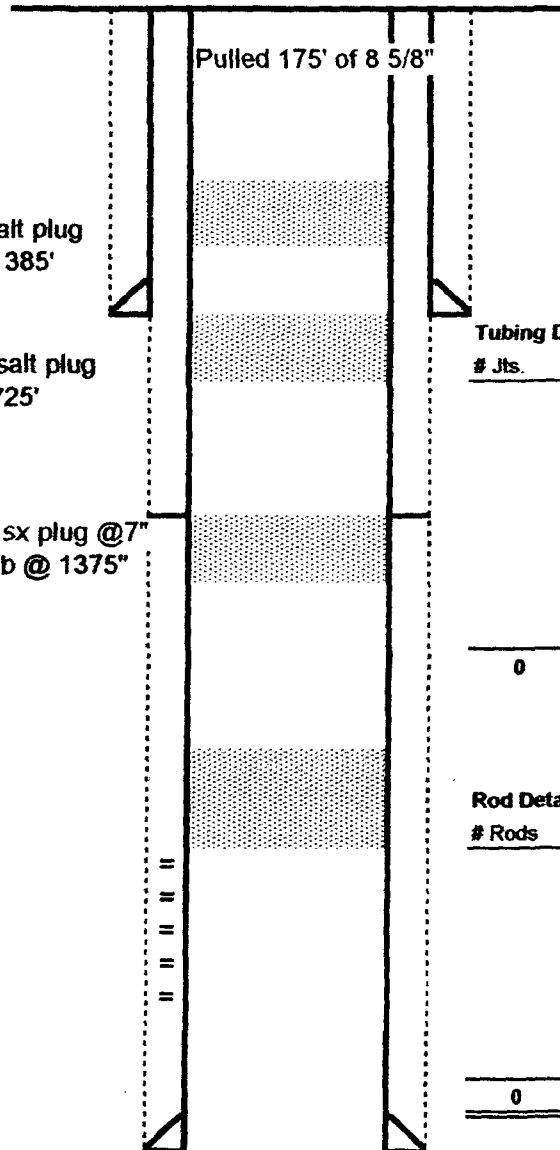
## **Production Csg.**

**Size:** 7" **Base of salt plug**  
**WT:**            **5 sx @ 725'**  
**Set @:**             
**Csg ID**             
**Csg. Drift**             
**TOC:**            **10 sx plug @ 7"**  
**Hole Size:**            **stub @ 1375"**

**COTD:**             
**PBTD:** 2713'  
**TD:** 3007'

## **PERFS:**

Plug from 2400-2440'



**KB:**             
**DF:**             
**GL:**             
0

**Spud Date:**             
**P&A Date:** 4-10-54

## **Tubing Detail**

**DATE:**

# Jts.	Size	Footage
--------	------	---------

0	Pump Intake >>>>	0.00
	EOT >>>>	0.00

## **Rod Detail**

# Rods	Size	Footage
--------	------	---------

0		0.00
---	--	------

## **Remarks:**

**Updated by:**             
**Date:**           

**Prepared by:**             
**Date:**

NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

## MISCELLANEOUS REPORTS ON WELLS

Submit this report in **TRIPPLICATE** to the District Office, Oil Conservation Commission, within 10 days after the work specified is completed. It should be signed and filed as a report on Beginning Drilling Operations, Results of test of casing shut-off, result of plugging of well, result of well repair, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Report by Checking Below

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON RESULT OF TEST OF CASING SHUT-OFF		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF PLUGGING WELL	<b>X</b>	REPORT ON RECOMPLETION OPERATION		REPORT ON (Other)	

June 18, 1954  
(Date)Artesia, N. M.  
(Place)

Following is a report on the work done and the results obtained under the heading noted above at the

Miller Bros. Oil Co.  
(Company or Operator)Jones & WatkinsState  
(Lease)

(Contractor) Test, Well No. 1 in the SE  $\frac{1}{4}$  NW  $\frac{1}{4}$  of Sec. 5,  
T 19, R. 29, NMPM, Turkey Track Pool, Eddy County.

The Dates of this work were as follows: March, 1954

Notice of intention to do the work (was) (~~was not~~) submitted on Form C-102 on January 9, 1954, 19\_\_\_\_,  
(Cross out incorrect words)  
and approval of the proposed plan (was) (~~was not~~) obtained.

## DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

15' cement 2733 to 2748

Cut 7" casing at 1750'.

Set 5 sacks cement on bridge @ 1700

Set 5 " " " @ 800'

Set 10 " " " @ 400'

Pulled 8 5/8 casing

Mudded hole to surface and set marker

Witnessed by CHARLES V. MILLER  
(Name)MILLER BROS. OIL CO.  
(Company)Partner  
(Title)Approved: L. A. Hanson  
OIL CONSERVATION COMMISSION  
(Name)

I hereby certify that the information given above is true and complete to the best of my knowledge.

Name C. V. MillerPosition PartnerRepresenting MILLER BROS. OIL CO.Address 805 S. Fifth St.  
Artesia, N. M.

(Title)

(Date)

# CURRENT WELLBORE DIAGRAM

**Company:** Miller Bros Oil Co.  
**Lease:** Jones & Watkins State **Well No.:** 1 **Field:** West Turkey Track  
**Location:** SE/4 of NW/4 **Sec:** 5 **Blk:** T19S **Survey:** R29E  
**County:** Eddy **St:** NM **Refno:** 015 03563 **Unique No.:**             
**Current Status:** P & A **Dead Man Anchors Test Date:**             
**Directions to Wellsite:**           

## Surface Csg.

**Size:** 8 5/8"  
**Wt.:**            **Mudded hole to surface**  
**Set @:**            **& set marker**  
**Csg ID**             
**Csg. Drift**             
**TOC:**            **Top of salt plug**  
**Hole Size:**            **10 sx @ 400'**

**KB:**             
**DF:**             
**GL:**             
0

**Spud Date:**             
**P&A Date:** March 1954

## Production Csg.

**Size:** 7" **Base of salt plug**  
**WT:**            **5 sx @ 800'**  
**Set @:**             
**Csg ID**             
**Csg. Drift**             
**TOC:**            **5 sx @ 1700'**  
**Hole Size:**            **7" stub @ 1750"**

**COTD:**             
**PBTD:**             
**TD:** 2775'

**PERFS:**             
15' cmt 2733-2748'  
perfs 2735-2745'

10 sx plug from 2785-2759'

## Tubing Detail

**DATE:**           

# Jts.	Size	Footage
0		0.00
		0.00

**Pump Intake >>>>** 0.00  
**EOT >>>>** 0.00

## Rod Detail

# Rods	Size	Footage
0		0.00

**Remarks:**             
            
            
          

**Updated by:**            **Prepared by:**             
**Date:**            **Date:**

# CURRENT WELLBORE DIAGRAM

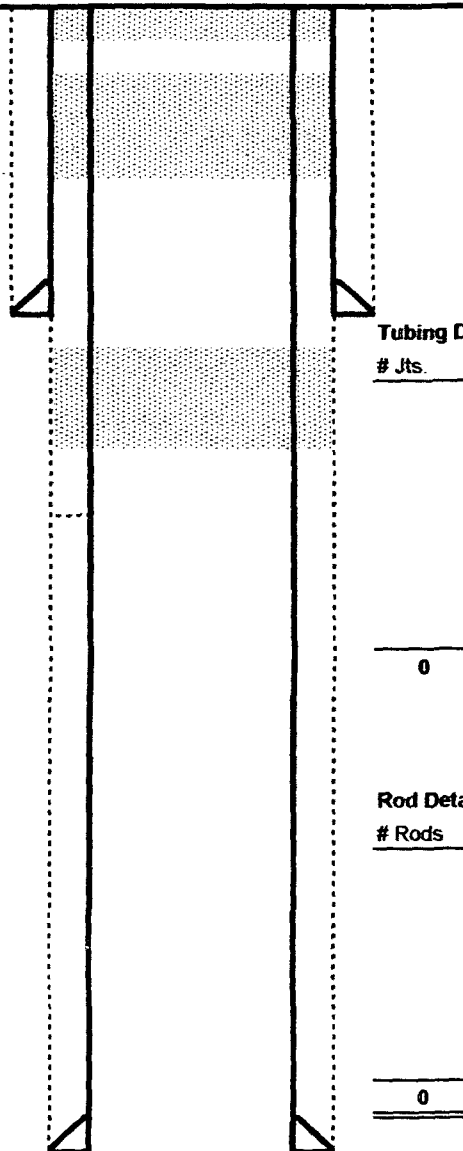
Company: Continental Oil Company  
 Lease: State "8" Well No.: 1 Field: Wildcat  
 Location: NW/4 Sec: 8 Blk: 19S Survey: 29E  
 County: Eddy St: NM Refno:  API: 015 03567 Unique No.:   
 Current Status: P & A Dead Man Anchors Test Date:   
 Directions to Wellsite: Drilled and plugged.

**Surface Csg.** 50-0' filled w/  
 Size: 13 3/8 cement  
 Wt.:  Cmt plug from  
 Set @: 305 255-365'  
 Csg ID   
 Csg. Drift   
 TOC: surface 250 sx  
 Hole Size:

**Production Csg.**  
 Size:   
 WT:  Cmt plug from  
 Set @:  720-820'  
 Csg ID   
 Csg. Drift   
 TOC:   
 Hole Size:

COTD:   
 PBTD:   
 TD: 3045'

PERFS:



KB:   
 DF:   
 GL: 0

Spud Date:   
 Compl. Date:

**Tubing Detail** DATE:   
 # Jts. Size Footage

0 Pump Intake >>>> 0.00  
 EOT >>>> 0.00

**Rod Detail**  
 # Rods Size Footage

0 0.00

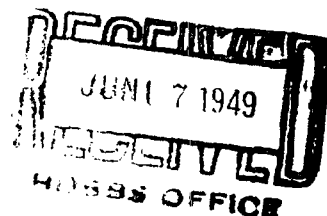
Remarks:

Updated by:  Prepared by:   
 Date:  Date:

# OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

## MISCELLANEOUS REPORTS ON WELLS



Submit this report in triplicate to the Oil Conservation Commission or its proper agent within ten days after the work specified is completed. It should be signed and sworn to before a notary public for reports on beginning drilling operations, results of shooting well, results of test of casing shut off, result of plugging of well, and other important operations, even though the work was witnessed by an agent of the Commission. Reports on minor operations need not be signed and sworn to before a notary public. See additional instructions in the Rules and Regulations of the Commission.

Indicate nature of report by checking below.

REPORT ON BEGINNING DRILLING OPERATIONS	REPORT ON REPAIRING WELL
REPORT ON RESULT OF SHOOTING OR CHEMICAL TREATMENT OF WELL	REPORT ON PULLING OR OTHERWISE ALTERING CASING
REPORT ON RESULT OF TEST OF CASING SHUT-OFF	REPORT ON DEEPENING WELL
REPORT ON RESULT OF PLUGGING OF WELL	X

June 16, 1949

Hobbs, New Mexico

Date

Place

OIL CONSERVATION COMMISSION,  
SANTA FE, NEW MEXICO  
Gentlemen:

Following is a report on the work done and the results obtained under the heading noted above at the \_\_\_\_\_

~~Continental Oil Company~~ State NM Well No. 1 in the \_\_\_\_\_  
Company or Operator Lease

NM of Sec. 8, T. 19 S, R. 29 E, N. M. P. M.,

Wilcox Field, Kddy County.

The dates of this work were as follows: 5-26-49 to 5-27-49

Notice of intention to do the work was (~~was not~~) submitted on Form C-102 on May 25 19 49  
and approval of the proposed plan was (was not) obtained. (Cross out incorrect words.)

### DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Subject well was plugged and abandoned in the following manner:

12# mud was placed from total depth of 3045' to 820'. Cement plug was placed from 820' to 720', base of salt. 12# mud was placed from 720' to 365', top of salt section. Cement plug was placed from 365' to 255'. 12# mud was placed from 255' to within 50' of surface. Top 50' of hole was filled with cement, 4' marker was erected and location restored to original condition. 13-3/8" casing was set and cemented in this well at 305' and was left in hole

Witnessed by \_\_\_\_\_

Name	Company	Title
Subscribed and sworn before me this _____	I hereby swear or affirm that the information given above is true and correct.	
<u>16th</u> day of <u>June</u> 19 <u>49</u>	Name <u>[Signature]</u>	
<u>J. D. McConn</u> Notary Public	Position <u>District Superintendent</u>	
	Representing <u>Continental Oil Company</u>	
	Company or Operator	
My commission expires <u>5-17-53</u>	Address <u>Box CC, Hobbs, New Mexico</u>	

Remarks:

APPROVED

Date \_\_\_\_\_

[Signature]  
Name  
ARTESIA REPRESENTATIVE  
Title

**Jones, William V., EMNRD**

**From:** Jones, William V., EMNRD  
**Sent:** Monday, June 02, 2008 1:10 PM  
**To:** 'Ann Ritchie'  
**Cc:** Guye, Gerry, EMNRD; Swazo, Sonny, EMNRD  
**Subject:** RE: SWD application on behalf of Melrose Operating: Guajalote #2 30-015-24930 Injection from 2275 to 2820 (see R-7975)

Hello Ann:  
 Just to keep you informed.  
 I have not heard anything from Melrose concerning this.

Regards,

William V. Jones PE  
 New Mexico Oil Conservation Division  
 1220 South St. Francis  
 Santa Fe, NM 87505  
 505-476-3448

*Cancelled  
4/21/08*

**From:** Ann Ritchie [mailto:ann.ritchie@wtor.net]  
**Sent:** Tuesday, April 22, 2008 6:42 AM  
**To:** Jones, William V., EMNRD  
**Subject:** Re: SWD application on behalf of Melrose Operating: Guajalote #2 30-015-24930 Injection from 2275 to 2820 (see R-7975)

Mr. Jones,  
 I have forwarded your e-mail & called Tony Beilman, the engineer for Melrose. I will let you know as soon as I hear back from him and hopefully can give you a definitive timetable. I do know that the Melrose - Oklahoma City office is "feverishly" working on getting all the bonds in place so that they are in compliance.

Thank you,  
 Ann Ritchie  
 WEST TEXAS OIL REPORTS  
 P.O. Box 953  
 Midland, TX 79702  
[ann.ritchie@wtor.net](mailto:ann.ritchie@wtor.net)  
 432 684-6381;682-1458-fax

----- Original Message -----

**From:** Jones, William V., EMNRD  
**To:** Ann Ritchie  
**Cc:** Ezeanyim, Richard, EMNRD ; Warnell, Terry G, EMNRD ; Macquesten, Gail, EMNRD ; Sanchez, Daniel J., EMNRD  
**Sent:** Monday, April 21, 2008 8:38 PM  
**Subject:** SWD application on behalf of Melrose Operating: Guajalote #2 30-015-24930 Injection from 2275 to 2820 (see R-7975)

Hello Ms. Ritchie:  
 After reviewing this application, I have the following questions and requests:

- 1) Please notice the State Land Office and Ameristate Exploration, LLC with a copy of this application and send us a copy of the certified receipts.

6/2/2008



- 2) For the proposed injection well, send a more detailed wellbore diagram showing all casing, cement in place, and injection tubing with packer.
- 3) What is the depth to the top of the San Andres in this area? Will injection be also into the top of the San Andres?
- 4) Why was "WFX" checked on the application instead of SWD?
- 5) Apparently this is a re-activation of the SWD permitted by the Division in Order No. R-7975 on 7/9/85. I could not find a discussion in the case file of the reasons this well was permitted for injection in these intervals with the existence of the three sparsely plugged wells nearby. Please have an engineer or geologist give an explanation of why this well should be re-activated without the need to re-plug at least one of these wells (30-015-03567). Was this discussed at the hearing in 1985? Include a discussion on the productivity of the Seven Rivers in this area and list who is the nearest operator in the 7 Rivers. If close by, please notify this operator. If this well is permitted for injection, it may be necessary to limit any future injection pressure increases to prevent any migration of injected fluids out of zone. Depending on the answers to this issue, we may deny this application or require this issue to be presented at an examiner hearing, or issue a conditional permit, requiring well repairs.
- 6) Melrose Operating Company (OGRID No. 184860) is not currently in compliance with Rule 40 (both Inactive wells and Financial Assurance).

Please continue to gather answers to these questions so this permit can be evaluated - but, as you know, the Engineering Bureau cannot release the permit until Rule 40 is OK.

Considering all this, let me know Melrose' timetable?

Thank You,

William V. Jones PE  
New Mexico Oil Conservation Division  
1220 South St. Francis  
Santa Fe, NM 87505  
505-476-3448

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6/2/2008

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June 12, 2008

2008 JUN 13 AM 9 14

Mr. William V. Jones  
Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505

**(HAND DELIVERED)**

Re: Form C-108 Application  
Melrose Operating Company  
Guajalote State No. 2  
API No. 30-015-24930  
660' FSL & 1980' FEL (Unit O)  
Section 5, T-19S, R-29E, NMPM  
Eddy County, New Mexico

Dear Mr. Jones,

Pursuant to your E-mail request dated April 21, 2008, Melrose Operating Company is submitting the following additional data necessary for approval to re-activate the Guajalote State Well No. 2 as a disposal well.

Item No. 1-The Form C-108 has been sent, certified mail, to the New Mexico State Land Office and to Ameristate Exploration, LLC. Enclosed are copies of the certified mail receipts.

Item No. 2-Enclosed is a wellbore schematic diagram for the Guajalote State Well No. 2 showing all pertinent well data.

Item No. 3-The top of the San Andres within the Guajalote State Well No. 2, as identified in the well file, is at 2,350'. Injection into this well will be into the Grayburg (Top-2,099') and San Andres formations.

Item No. 4-WFX was inadvertently checked on the application instead of SWD. This well was originally permitted as an SWD well in 1985, and will continue to maintain that classification if this application is approved.

Item No. 5-Melrose has examined the hearing transcript in Case No. 8617. The Examiner at that proceeding, Mr. Gilbert Quintana, did not ask the applicant any questions regarding the area of review wells. Additionally, Order No. R-7975 dated July 9, 1985, did not contain any requirements to repair or re-plug any area of review wells. Melrose can only assume that the Division did not have any concerns at that time about the PA'd area of review wells.

Enclosed please find revised wellbore schematics for the following wells:

Lubbock Machine Co., Inc. Continental State No. 1 (API No. 30-015-03562) G-5-19S-29E  
Stanley L. Jones Continental Delaware No. 1 (API No. 30-015-03567) C-8-19S-29E  
Miller Brothers Oil Co. Jones & Watkins St. No. 1 (API No. 30-015-03563) F-5-19S-29E

With regards to the Continental State No. 1 and the Jones & Watkins State No. 1, it is the opinion of Melrose Operating Company that these wells are effectively isolated from the injection interval by casing and cement, and that these well will not provide a conduit for the migration of fluids from the injection zone.

With regards to the Continental Delaware No. 1, it appears that this well is effectively plugged from the base of the salt section (820') to the surface. It appears that there are no cement plugs or casing, below 820'. The Yates, Seven Rivers, Queen, Grayburg and San Andres formations are all open from 820' to 3,045' (T.D.). It is the opinion of Melrose Operating Company that it is not necessary to re-enter and re-plug this well for the following reasons:

- a. The East Millman Yates-Seven Rivers-Queen-Grayburg-San Andres Pool, which is located to the southwest of the subject well, is produced as a single common source of supply. As a result, the Yates and Seven Rivers formations are already exposed to waterflood injection operations that are occurring into the Queen, Grayburg and San Andres intervals in that pool.
- b. The Turkey Track Seven Rivers-Queen-Grayburg-San Andres Pool, which is located to the east and southeast of the subject well, is also produced as a single common source of supply.
- c. The West Turkey Track Pool, which comprised the SW/4 NW/4, SW/4 NE/4, NE/4 SW/4 and the NW/4 SE/4 of Section 5, T-19S, R-29E was abandoned by the Division several years ago (presumably after production ceased). An examination of well records in Section 5 shows that the producing formation was the Grayburg-San Andres.
- d. The Guajalote State No. 2, which is located in Unit O of Section 5, T-19S, R-29E, is not located within an existing oil and gas pool producing from the Yates, Seven Rivers, Queen, Grayburg or San Andres intervals. This presumably non-productive area is situated between the East Millman Yates-Seven Rivers-Queen-Grayburg-San Andres Pool and the Turkey Track Seven Rivers-Queen-Grayburg-San Andres Pools.
- e. Melrose Operating Company has examined the well records of wells within the 9-section area surrounding Section 5, T-19S, R-29E. All of the wells within this area, with the exception of the Bold Energy TDC 8 State Well No. 2, located in Unit E of Section 8, T-19S, R-29E, are completed in and producing from deeper Queen, Grayburg and San Andres horizons. The TDC 8 State No. 2 was perforated in the

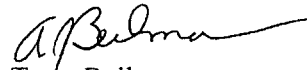
Seven Rivers formation from 1,222'-1,244'. The well was tested in this interval, but the well file contains no test data. The well was subsequently perforated from 2,614'-2,624' in the Grayburg-San Andres interval. 2007 production data for this well shows that the well's water production averaged just 69 barrels of water per day. This evidence demonstrates that the Seven Rivers formation, which is open in this well, has not been charged up by 20+ years of injection into the Guajalote State No. 2. It also demonstrates that it is unlikely that injected fluid is migrating to other formations via plugged and abandoned wells within the area of review.

- f. It appears that neither the Yates or Seven Rivers formations are productive within this area, as evidenced by the lack of well completions.
- g. Bold Energy, LP, the operator of the TDC 8 State No. 2, which is the only well in the 9-section area to have been completed in the Yates and/or Seven Rivers interval, was notified of this application and has not filed an objection.

In conclusion, Melrose Operating Company requests that the Division resume its administrative review of the Form C-108 for the Guajalote State No. 2, and respectfully requests that a permit for injection be issued.

If you should have additional questions, please contact me at (214) 762-0830.

Sincerely;



Tony Beilman

Engineer

Melrose Operating Company

7007 3020 0001 2494 5772

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PS Form 3800, August 2004 See Reverse for Instructions

7007 3020 0001 2494 5765

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 JUN -9 2008  
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 USPS

Sent To *New Mexico State Land Office*  
 Street, Apt. No.,  
 or PO Box No. *310 Old Santa Fe Trail*  
 City, State, ZIP+4 *Santa Fe, N.M. 87501*

PS Form 3800, August 2004 See Reverse for Instructions

# Melrose Operating Company

Guajalote State No. 2

API No. 30-015-24930

660' FSL & 1980' FEL (Unit O)

Section 5, T-19S, R-29E, NMPM,

Eddy County, New Mexico

12 1/4" Hole; 8 5/8" 23# Csg. Set @  
350'. Cemented Circulated to Surface.

2/2000: Hole in 4 1/2" Csg. @  
345'-360'. Perfed csg. @ 1,180'  
(TOC). Squeezed w/ 300 Sx.  
Class C. Did not circulate.  
Squeeze holes in csg @ 345'-360'  
w/ 135 Sx. Class C. Cement  
circulated to surface. Spot 30 Sx.  
@ 385' to surface. Squeezed 5  
bbls into holes in csg. 345'-360'.  
Drill out cement. Casing  
pressure tested to 300 psi for 30  
minutes. Held okay.

11/1985: Perforations from 1,271'-1,331'  
Squeezed w/100 Sx. Class C.

This well was originally drilled in 1984 and  
completed as a producing well in the South Loco  
Hills-Queen-Grayburg-San Andres Pool. Well was  
converted to a disposal well in 1985 pursuant to  
Division Order No. R-7975.

1 1/4" Injection Tubing Set in a Packer @ 2,245'

Perforations: 2,264'-2,313' (Penrose)

Injection Perforations: 2,275'-2,820'  
(Grayburg/San Andres)

9/06: Ran 2 7/8" Csg. & Set @ 2,796' Cemented  
w/ 110 Sx. Class C. Calculated TOC @ Surface

7 7/8" Hole (?); 4 1/2" 9.5# Csg. Set @ 2,877'  
Cemented w/ 400 Sx. Class C. TOC @ 1180'

T.D. 2,877'

Formation  
Tops

Yates  
1,020'

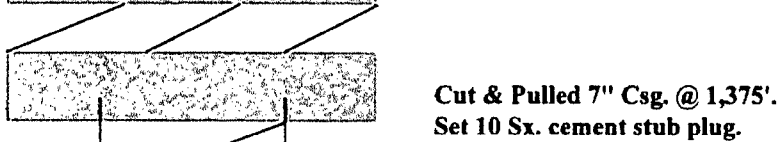
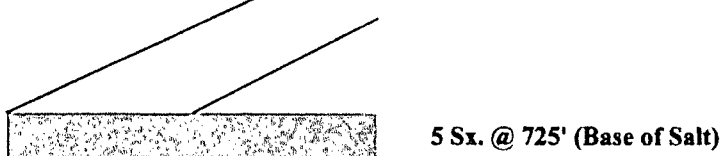
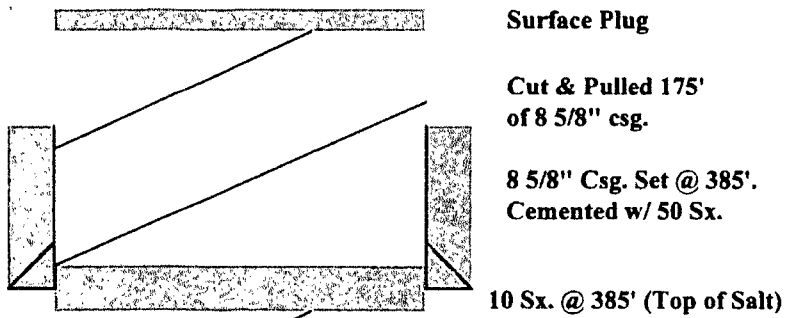
Seven Rivers  
1,404'

Queen  
1,948'

Grayburg  
2,099'

San Andres  
2,350'

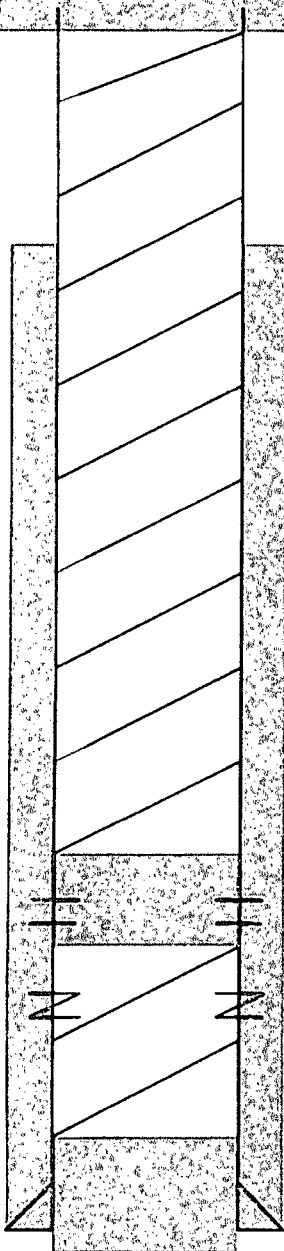
**Lubbock Machine Co., Inc.**  
**Continental State No. 1**  
**API No. 30-015-03562**  
**2310' FNL & 2310' FEL (Unit G)**  
**Section 5, T-19S, R-29E, NMPM,**  
**Eddy County, New Mexico**



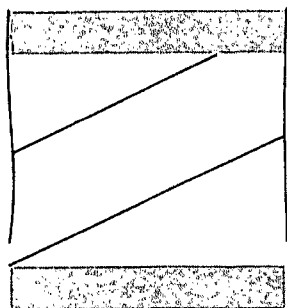
**Mud between all plugs.**

**TOC @ 1,629' (Calculated)**

**This well was originally drilled in 1951 and completed as a producing well in the Grayburg-San Andres formations. Well was plugged and abandoned in April, 1954.**



**T.D. 3007'**



**Surface Plug**

**8 5/8" Csg. Set @ 340' & mudded in. This casing string was pulled at the time of plugging.**

**10 Sx. @ 400'**

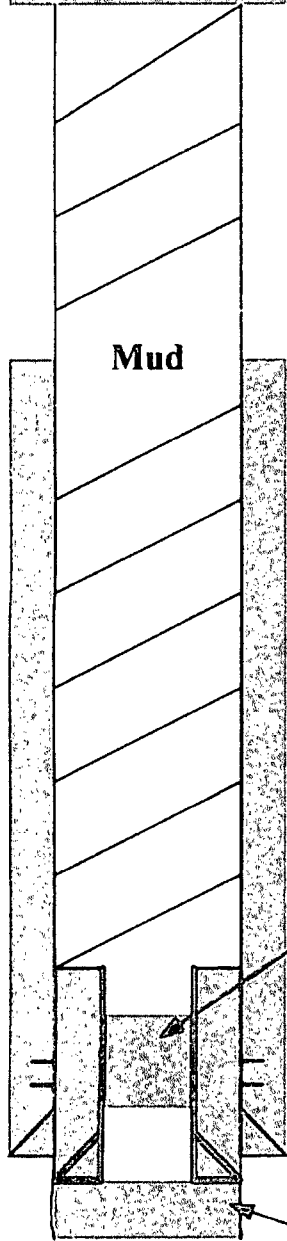


**5 Sx. @ 800'**



**Cut 7" Csg. @ 1,750'. Spot 5 Sx.**

**Mud between all plugs**



**Mud**

**Calculated TOC @ 2,100'**

**15' Cement plug-2,733'-2,748'**

**5 1/2" Liner set and cemented from 2,698'-2,759'**

**Perforations: 2,735'-2,745'**

**8" Hole (?) 7" Csg. Set @ 2,745' Cemented w/ 40 Sx. TOC calculated to be @ 2,100' (1.32 Cu. Ft./Sx)**

**10 Sx. 2,759'-2,785'**

**T.D. 2,785'**

**Miller Brothers Oil Company  
Jones & Watkins State No. 1  
API No. 30-015-03563  
2310' FNL & 2310' FWL (Unit F)  
Section 5, T-19S, R-29E, NMPM  
Eddy County, New Mexico**

**Well was originally drilled in 1951 and completed as a producing well in the Grayburg-San Andres formation. Well was plugged and abandoned in June, 1954.**



**Cement Plug-0-50'**

**Stanley L. Jones  
Continental Delaware No. 1**

**API No. 30-015-03567  
330' FNL & 2310' FWL (Unit C)  
Section 8, T-19S, R-29E, NMPM,  
Eddy County, New Mexico**

**13 3/8" Csg. Set @ 305'. Cemented w/ 250 Sx.  
Cement circulated to surface.**

**Cement Plug-255'-365'  
(Top of Salt)**

**Well was drilled in 1949 and was  
subsequently plugged and abandoned as a  
dry hole in 1949.**

**Cement Plug-720'-820'  
(Base of Salt)**

**12 lb. Mud placed  
between cement plugs**

**T.D. 3,045'**

## Inactive Well List

Total Well Count: 460 Inactive Well Count: 1 Since: 3/31/2007

Printed On: Monday, June 23 2008

District	API	Well	ULSTR	OCD Unit	OGRID	Operator	Lease Type	Well Type	Last Production	Formation/Notes	Status	TA Exp Date
2	30-015-02049	STATE E 1288 #081	G-27-18S-28E	G	184860	MELROSE OPERATING COMPANY	S	O	01/2005			

WHERE Ogrid:184860, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15, Excludes Wells Under ACOI, Excludes Wells in Approved TA Period

# Injection Permit Checklist 2/8/07

SWD Order Number

1131

Dates: Division Approved

District Approved

Well Name/Num:

GUAYALOTE Stab #2

Date Spudded:

7/23/84

API Num: (30-)

015-24930

County:

EDDY

Footages

660 FSL/1980 FEL

Sec

5

Tsp

19 S

Rge

29 E E.

Operator Name:

Melroe OPERATING COMPANY

Contact

ANN RICHIE

ENY BEILMAN

Operator Address:

PO BOX 953, MIDLAND, TX, 79702

Current Status of Well:

SI (SWD)

Planned Work:

RE-activate

Inj. Tubing Size:

1 1/4 @ 2245'

	Hole/Pipe Sizes	Depths	Cement	Top/Method
Surface	12 1/4 8 5/8	350'		CIRC
Intermediate	7 7/8 4 1/2	3300'	450	800 Cale.
Production	4 1/2 2 7/8 @ 2796		110	800 Cale.
Last DV Tool	1271-1331	SQZED w/100SX		(Yates)
Open Hole/Liner				
Plug Back Depth		(3300' TD)		

Diagrams Included (Y/N): Before Conversion

After Conversion

Checks (Y/N): Well File Reviewed

ELogs in Imaging

Y02 & CBL

Intervals:	Depths	Formation	Producing (Yes/No)
Salt/Potash	Base @	804'	
Capitan Reef			
Cliff House, Etc.	1948 =	Queen	
Formation Above	2099 =	GRATBURY or Purse	
Top Inj Interval	2275	Pearson @ BG	
Bottom Inj Interval	2820	SA	
Formation Below	2350 =	SA @ 26 BG	
	2684 =	Sandstone	

need SR Test  
4 1/2" H.O.D. Problems, so  
Run Liner. 9/13/06

(R-7975  
7/9/85)

455 PSI Max. WHIP

Open Hole (Y/N)

Deviated Hole (Y/N)

Fresh Water: Depths:

Wells(Y/N)

None

Analysis Included (Y/N):

Affirmative Statement

Salt Water Analysis: Injection Zone (Y/N/NA)

DispWaters (Y/N/NA)

Types:

QN/CRG

Notice: Newspaper(Y/N)

Surface Owner

Mineral Owner(s)

Other Affected Parties:

CO PINE/CHERRY/ROCK PATTIN/OXY/TWITCHED/BOLD/Doggett/Grand

AOR/Repairs: NumActiveWells

Repairs?

Producing in Injection Interval in AOR

AOR Num of P&A Wells

Repairs?

Diagrams Included?

RBDMS Updated (Y/N)

6/23

Well Table Adequate (Y/N)

AOR STRs:

Sec 5

Tsp

Rge

UIC Form Completed (Y/N)

6/23

New AOR Table Filename

Sec

8

Tsp

Rge

This Form completed

6/23

Conditions of Approval:

Sec

9

Tsp

Rge

Data Request Sent

4/25

Send notice to SLO.

Send more detailed W.B.D.

X/2 Sec 8 = ?

NW/4 Sec 9 = ?

SW/4 Sec 4 = ?

S/2 Sec 5 = ?

SE/2 N/2 Sec 5 = ?

AOR Required Work:

Required Work to this Well:

(nearst)

North = 2 miles

2/27/2008 11:44 PM

QN/72VRS Prod

Page 1 of 1

SWD\_Checklist.xls/List

AMERISTOLE EXPLOR, LLC

OG RID = 184880  
For ASSUR. = (OUT of COMPLIANCE)  
Rule 40 = 110 GSWO

2275  
43 1/2  
50

6-100 HILLS (QN)

SDX Roz?