

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MELROSE OPERATING COMPANY 5813 NW GRAND BLVD STE B OKLAHOMA CITY, OK 73118		2. OGRID Number 184860
		3. API Number 30-025-37689
4. Property Code 25191	5. Property Name JALMAT FIELD YATES SAND UNIT	6. Well No. 168

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	12	22S	35E	M	620	S	723	W	LEA

8. Pool Information

JALMAT;TAN-YATES-7 RVRS (OIL)	33820
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3597
14. Multiple N	15. Proposed Depth 4200	16. Formation Seven Rivers	17. Contractor	18. Spud Date
Depth to Ground water 250		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ mils thick Clay <input type="checkbox"/> Pit Volume: 4800 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	350	250	0
Prod	7.875	5.5	15.5	4200	1200	0

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Weatherford

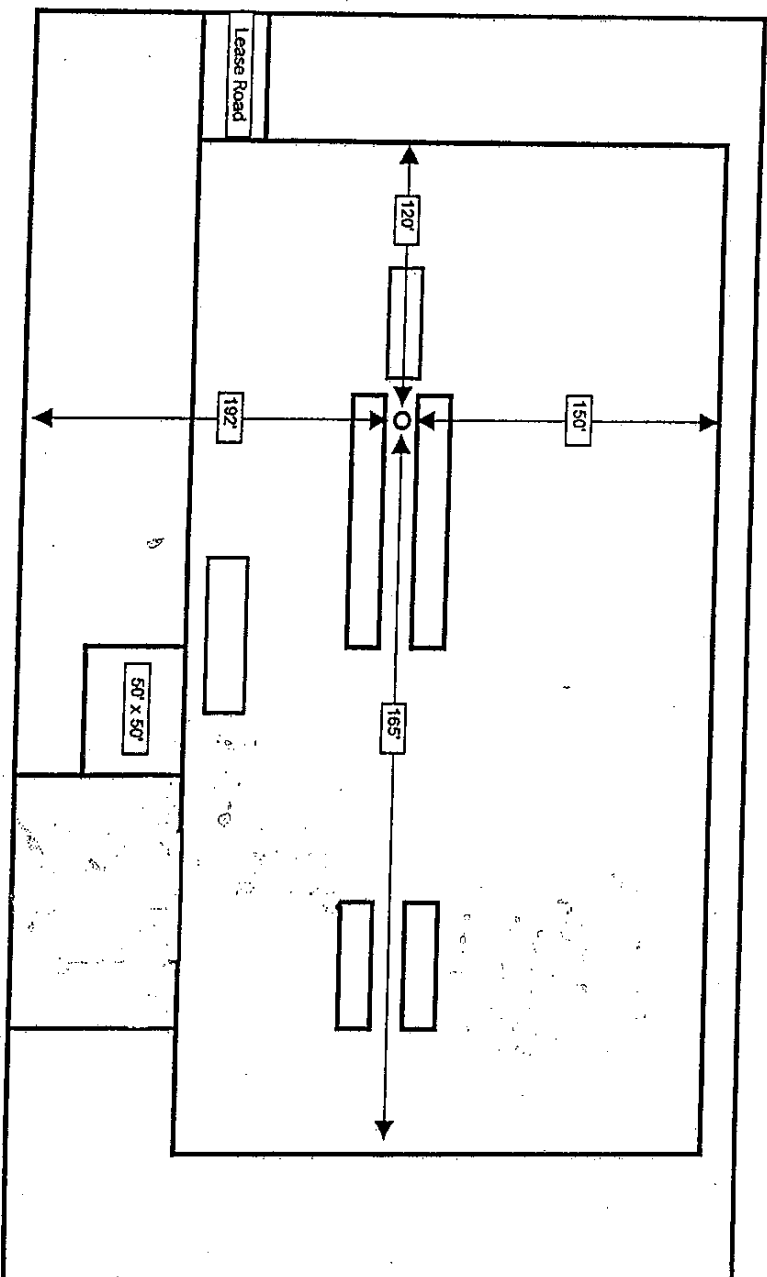
I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Michael Corjay Title: Manager Email Address: Mjcokc@cs.com Date: 2/6/2006	OIL CONSERVATION DIVISION	
	Approved By: Chris Williams	
	Title: District Supervisor	
	Approved Date: 2/7/2006	Expiration Date: 2/7/2007
	Conditions of Approval Attached	

*Standard Pit
Drilling Rig layout*
Pad Schematic

*Melrose Operating Company
Talmat Field Sandhates Unit*

Lea County, New Mexico

(Not to Scale)



DISTRICT I
1625 N. FRENCH DR., BOBBS, NM 86240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 86210

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <i>30-025-</i>	Pool Code <i>33820</i>	Pool Name <i>Jalmat (T-Y-7 Rvrs.)</i>
Property Code	Property Name <i>JALMAT Yates Field Sand Unit</i>	Well Number <i>168</i>
OGRID No.	Operator Name <i>MELROSE OPERATING COMPANY</i>	Elevation <i>3597'</i>

Surface Location

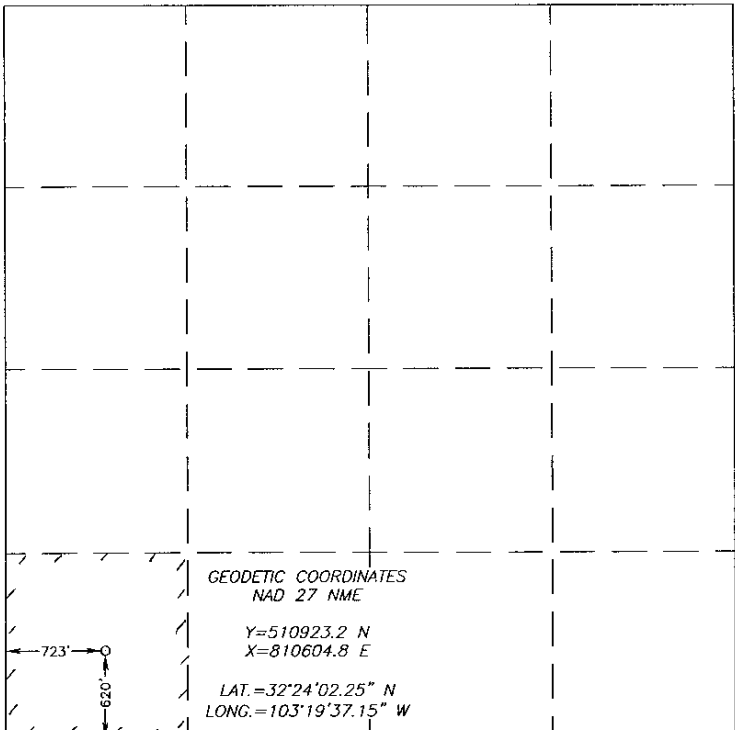
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<i>M</i>	<i>12</i>	<i>22-S</i>	<i>35-E</i>		<i>620</i>	<i>SOUTH</i>	<i>723</i>	<i>WEST</i>	<i>LEA</i>

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres <i>40 *</i>	Joint or Infill	Consolidation Code	Order No. <i>* Waterflood Unit</i>
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	GEODETIC COORDINATES NAD 27 NME Y=510923.2 N X=810604.8 E LAT.=32°24'02.25" N LONG.=103°19'37.15" W
	OPERATOR CERTIFICATION
	SURVEYOR CERTIFICATION

Permit Conditions of Approval

Operator: MELROSE OPERATING COMPANY , 184860

Well: JALMAT FIELD YATES SAND UNIT #168

API: 30-025-37689

OCD Reviewer	Condition
DMULL	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines