

DATE IN 4/28/08	SUSPENSE	ENGINEER W Jones	LOGGED IN 4/28/08	TYPE IPI	APP NO. PKVR0811952006
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



Lee County  
Sec 11 } 14  
22S 35E

Class 2 well

## ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST 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] ± 122 well  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] ± 126  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-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

[D] Other: Specify \_\_\_\_\_

## [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

RECEIVED  
2008 APR 28 PM 2 23

## [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

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

Ann E. Ritchie  
Print or Type Name

Signature

Title

Date

Regulatory Agent 4-28-08

ann. ritchie@wtor.net

Well # 122

C-104 - 12-01-99

C-104 09-01-93

C 104 10-22-68

C 104 09-01-87

C 104 7-1-85

Perforates <sup>(58)</sup> Gates 3978-98 4 sets/pt

C-103 - Melrose Operating Co.

8-7-06 Ran 4" pipe perforated 3870 - 3996 (entire gates?)  
Print 33 and 34 on 35 41 42 43 44

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Well # 126 - 7-2005 C-104  
8-2006 C-103

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April 9, 2008

RECEIVED  
2008 APR 21 PM 3 50

New Mexico Oil Conservation Division  
Attn: Will Jones, Petroleum Engineer  
1220 S. St. Francis Drive  
Santa Fe, NM 87504

RE: Melrose Operating Company, Jalmat Field Yates Sand Unit, Wells #122 and #126,  
Sections 11 & 14, T22S, R35E, Lea County, New Mexico

Dear Sir,

Please see attached a copy of the Sundry Notice(s) for the above referenced wells.

Melrose is respectfully requesting an increase in the permitted injection pressure for the wells and would appreciate your review of the step rate tests.

Please let me know if you need further information concerning this request. Thank you.

Yours truly,



Ann E. Ritchie, Regulatory Agent  
Melrose Operating Company  
c/p P.O. Box 953  
Midland, TX 79702  
432 684-6381/6821458-fax  
[ann.ritchie@wtor.net](mailto:ann.ritchie@wtor.net)

Attachments

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District R  
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

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.)		WELL API NO. 30 025 08592
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Melrose Operating Company		6. State Oil & Gas Lease No.
3. Address of Operator c/o P.O. Box 953, Midland, TX 79702		7. Lease Name or Unit Agreement Name Jalmat Field Yates Sand Unit
4. Well Location Unit Letter M 660 feet from the South line and 990 feet from the West line Section 11 Township 22S Range 35E NMPM Lea County		8. Well Number Well #122
I 1. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 184860
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Jalmat ; Tan-Yates-7 Rvrs 33820
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 & 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 1 103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Step Rate Test Request for Increased Pressure. (WFX-633) 809

Step rate test attached reflecting Intercept @ 354 bbls per day, 3976 psia BHP with 2222 surface pressure.

Requesting approval for increased injection pressure to 1500 psia, based on step rate test results.

122 A  
3885  
x.39  
~ 1500

126 W  
3835  
x.39  
~ 1500

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 NMOC guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE

*Ann E. Ritchie*

TITLE Regulatory Agent

DATE 04/09/2008

Type print name Ann E. Ritchie

E-mail address: ann.ritchie@wtor.net

Telephone No.

For State Use Only

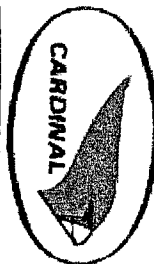
432 684-6381/214 762-0830

APPROVED BY:

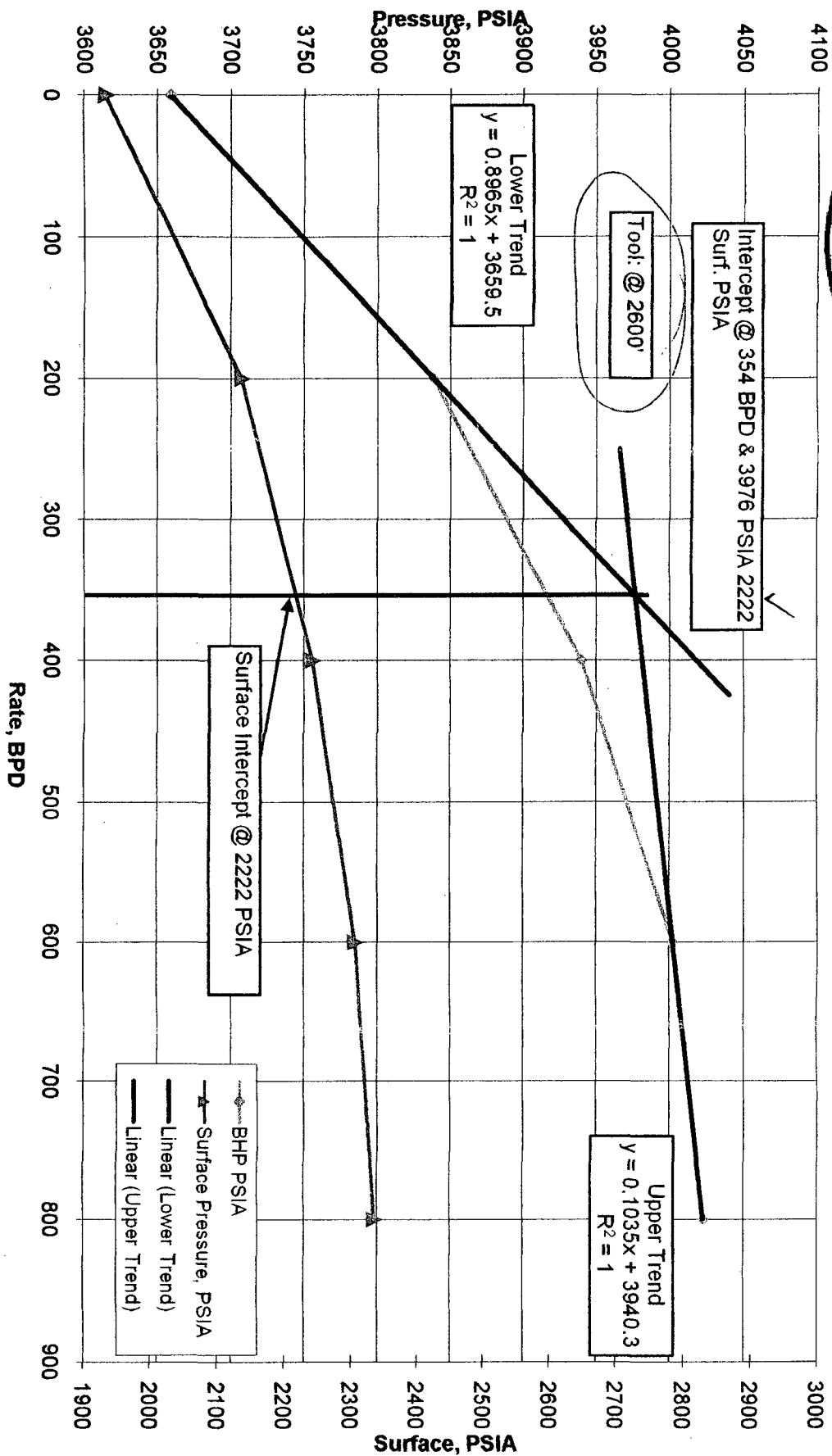
TITLE

DATE

Conditions of Approval (if any):

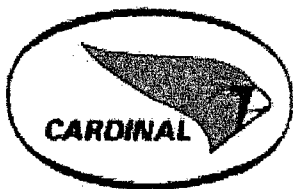


Melrose Operating Jai Mat # 122A  
Step Rate Test 03-17-2008



800

## Step Rate Test



### Cardinal Surveys Company

March 7, 2008

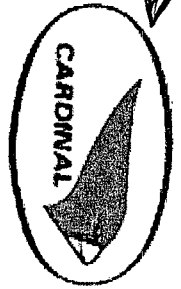
Melrose Operating  
Jal Mat # 122A  
Field:  
Lea County, NM  
SC 56777  
File # 18538

Intercept @ 354 BPD &  
3976 PSIA, 2222 Surf.  
PSIA

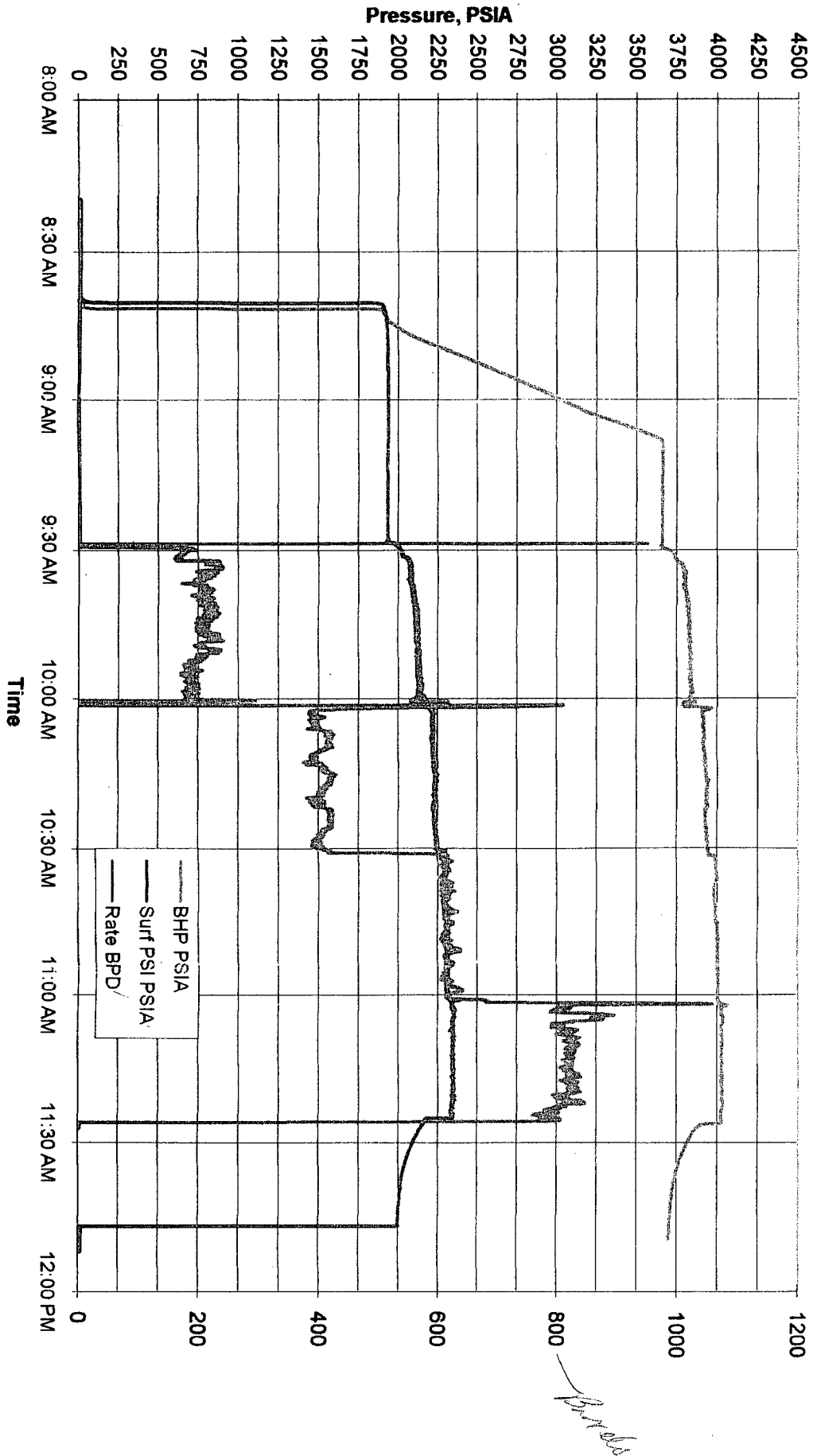
Downhole PSI Tool Ser. No. \_\_\_\_\_ ?  
Surface PSI Gauge Ser. No. \_\_\_\_\_  
Tool @ 3925'

*What is The Formation  
Permeability?*

	Start Time	End Time	Rate BPD	Comments
1	9:07 AM	9:30 AM		0 On Bottom
2	9:30 AM	10:00 AM	200	
3	10:00 AM	10:30 AM	200	
4	10:30 AM	11:00 AM	200	
5	11:00 AM	11:30 AM	200	
6	11:24 AM	11:45 AM	-800	Fall Off

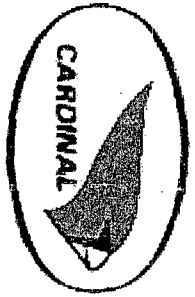


Melrose Operating Jal Mat # 122A  
Step Rate Test 03-17-2008



# Step Rate Test

Melrose Operating  
Jal Mat # 122A  
Field:  
Lea County, NM



	S Time	E Time	D Time	Last Rate	Step B. H. Pressure	Surf	Cum	Delta	Avg.	Lower	Upper
			Min	BPD	BPD	PSIA	BBL	BBL	BPD	Trend	Trend
1	9:07 AM	9:30 AM	23	0	0	3659.5	0	0	0	3659.5	
2	9:30 AM	10:00 AM	30	200	200	3838.8	4.2	4.2	202	3838.8	
3	10:00 AM	10:30 AM	30	400	200	3940.4	12.6	8.4	403		
4	10:30 AM	11:00 AM	30	600	200	4002.4	15	2.4	115		4002.4
5	11:00 AM	11:30 AM	30	800	200	4023.1	39.7	24.7	1186		4023.1
6	11:24 AM	11:45 AM	21	0	-800	3706.2	39.7	0	0		

0.8965 3659.5  
0.1035 3940.3  
int point: 354.09836 BPD  
3976.9492 Psia

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District R  
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. 30 025 08615
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Jalmat Field Yates Sand Unit
8. Well Number Well #126
9. OGRID Number 184860
10. Pool name or Wildcat Jalmat ; Tan-Yates-7 Rvrs 33820

Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
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 _____

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 Melrose Operating Company
3. Address of Operator c/o P.O. Box 953, Midland, TX 79702
4. Well Location Unit Letter C 660 feet from the North line and 2310 feet from the West line Section 14 Township 22S Range 35E NMPM Lea County
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P & A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input checked="" type="checkbox"/>
--	--

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 1 103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Step Rate Test Request for Increased Pressure. (WFX-633)

Step rate test attached reflecting Intercept @ 359.7 bbls per day, 3345.8 psia BHP with 1946 surface pressure.

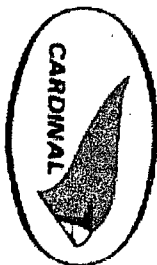
Requesting approval for increased injection pressure to 1500 psia, based on step rate test results.

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 ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐

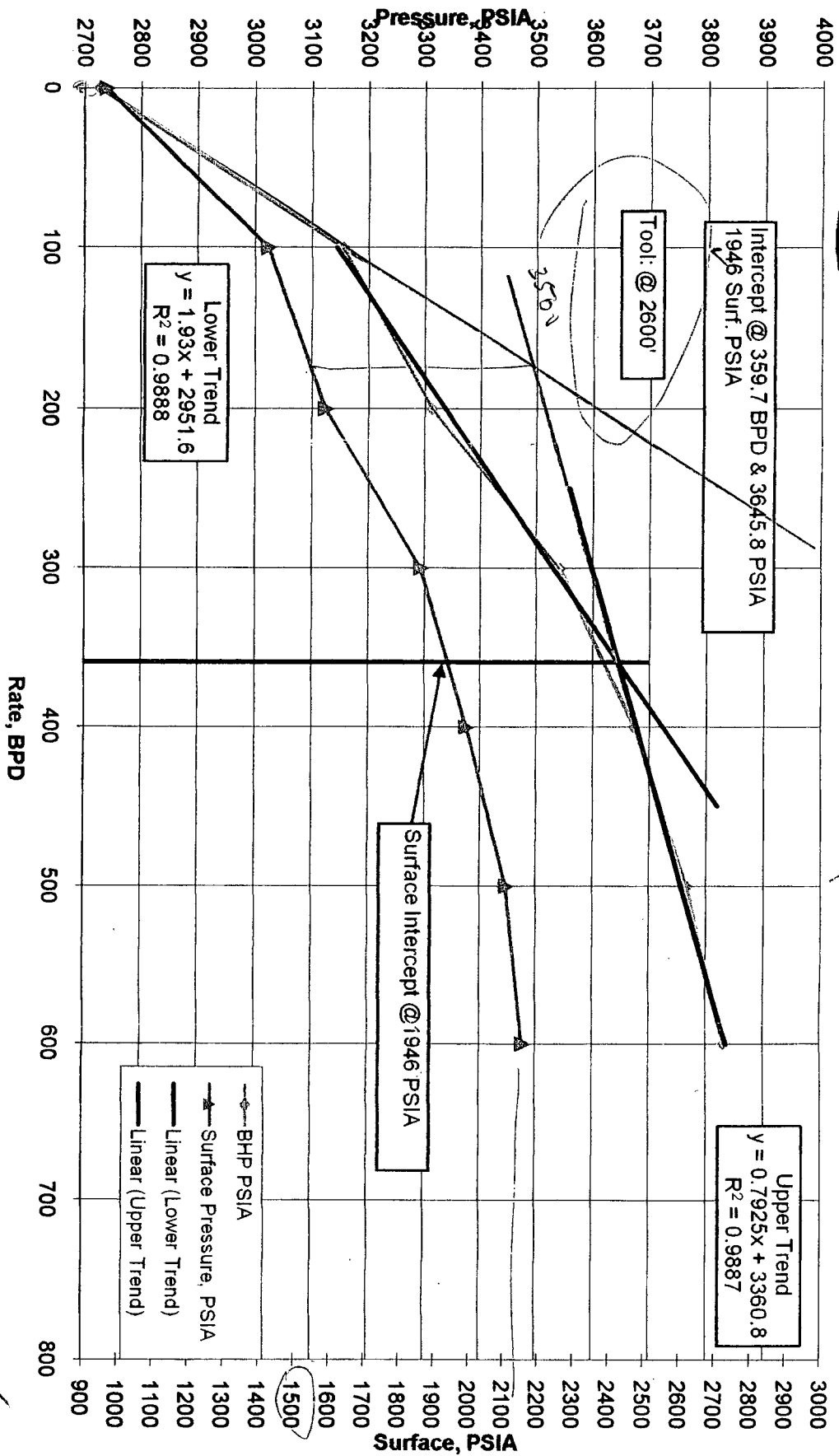
SIGNATURE Ann E. Ritchie TITLE Regulatory Agent DATE 04/09/2008

Type print name Ann E. Ritchie E-mail address: ann.ritchie@wtor.net Telephone No. 432 684-6381/214 762-0830  
For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Conditions of Approval (if any): \_\_\_\_\_

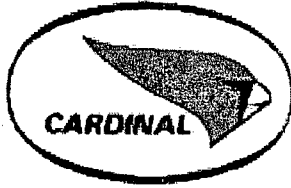


Melrose Operating Jal Mat # 126  
Step Rate Test 03-10-2008



770

## Step Rate Test



### Cardinal Surveys Company

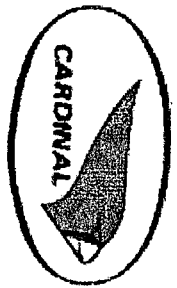
March 10, 2008

Melrose Operating  
Jal Mat # 126  
Field:  
Lea County, NM  
SC 56778  
File # 18539

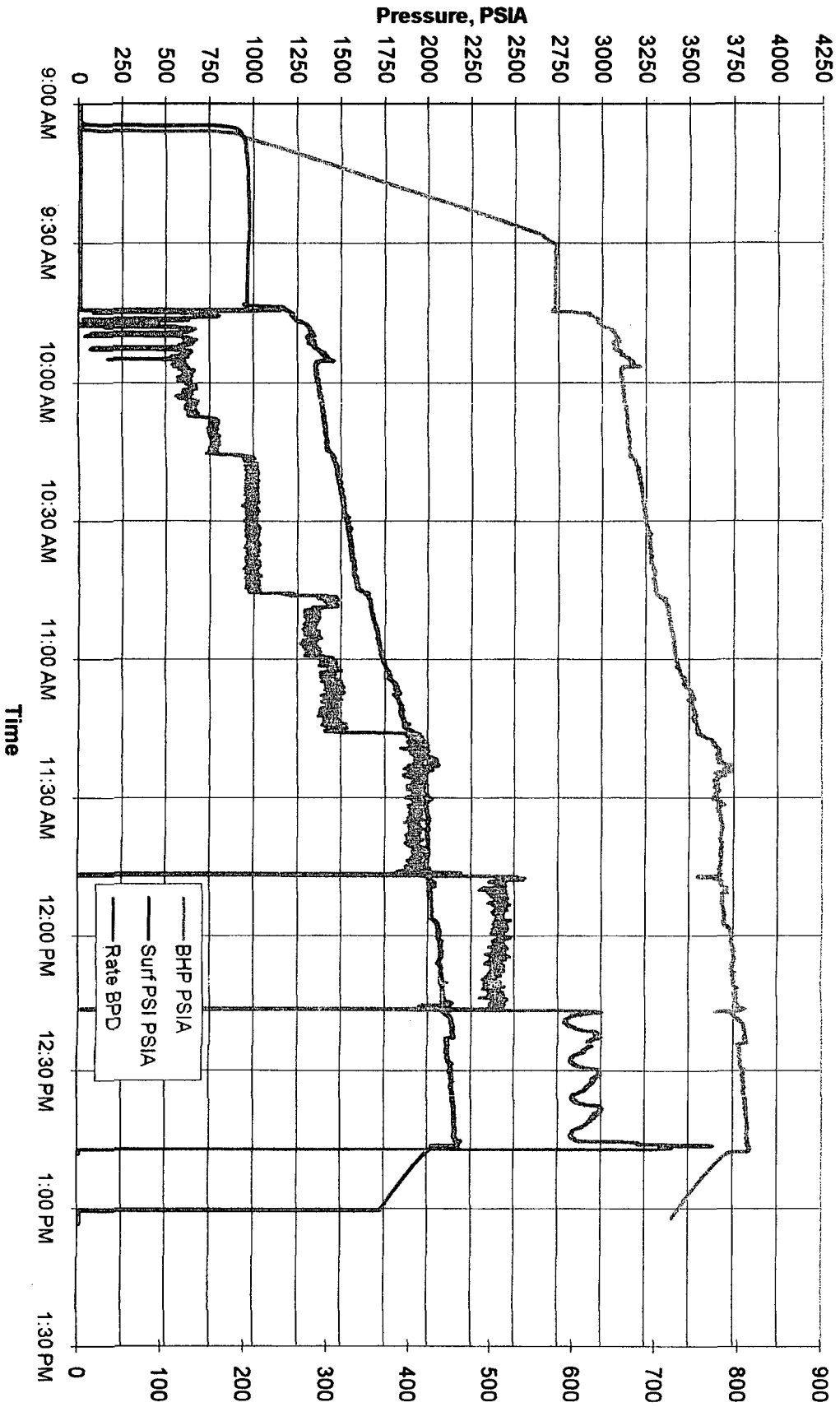
Intercept @ 359.7 BPD  
& 3645.8 PSIA, 1946  
Surf. PSIA

Downhole PSI Tool Ser. No.  
Surface PSI Gauge Ser. No.  
Tool @ 3895'

	Start Time	End Time	Rate BPD	Comments
1	8:29 AM	8:45 AM		0 On Bottom
2	8:45 AM	9:15 AM	100	
3	9:15 AM	9:45 AM	200	
4	9:45 AM	10:15 AM	300	
5	10:15 AM	10:45 AM	400	
6	10:45 AM	11:15 AM	500	
7	11:15 AM	11:45 AM	600	
8	11:45 AM	12:00 PM		0 Fall Off

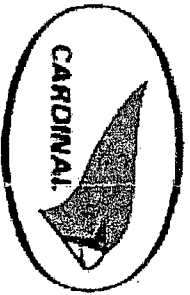


Melrose Operating Jal Mat # 126  
Step Rate Test 03-10-2008



# Step Rate Test

Melrose Operating  
Jal Mat # 126  
Field:  
Lea County, NM



	S Time	E Time	D Time		Last Rate		Step B. H. Pressure		Surf		Cum		Delta		Avg.	Lower	Upper
			Min		BPD		BPD	PSIA	PSIA		BBL		BBL		BPD	Trend	Trend
1	8:29 AM	8:45 AM	16		0		0	2726.9	964.5		0		0		0		
2	8:45 AM	9:15 AM	30		100		100	3156.5	1423.9		2.9		2.9		139	3156.5	
3	9:15 AM	9:45 AM	30		200		100	3313.9	1587.2		7.1		4.2		202	3313.9	
4	9:45 AM	10:15 AM	30		300		100	3542.5	1861		13.3		6.2		298	3542.5	
5	10:15 AM	10:45 AM	30		400		100	3672.9	1991.6		21.7		8.4		403	3672.9	
6	10:45 AM	11:15 AM	30		500		100	3766.8	2107.1		32.3		10.6		509	3766.8	
7	11:15 AM	11:45 AM	30		600		100	3831.4	2155.2		44.6		12.3		590	3831.4	
8	11:45 AM	12:00 PM	15		0		-600	3431.6	1733		44.6		0		0		

1.93 2951.6  
0.7925 3360.8

int point: 359.73626 BPD  
3645.891 Psia