

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, 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-101  
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

Operator Name and Address Melrose Operating Co., c/o Box 953, Midland, TX 79702		OGRID Number: 184860
Property Code 25191	Property Name Jalmat Field Sand Yates Unit	API Number 30-025 - 37506 Well No. 232
Proposed Pool 1: Jalmat (T-Y-7R)		Proposed Pool 2

**Surface Location**

UL or lot no. A	Section 23	Township 22S	Range 35E	Lot Idn	Feet from the 1310	North/South line North	Feet from the 1155	East/West line East	County Lea
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**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
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**Additional Well Information**

Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3594'
Multiple No	Proposed Depth 4200'	Formation Yates	Contractor United Drig.	Spud Date 10-15-05
Depth to Groundwater: 300-350'		Distance from nearest fresh water well: over 1/4 mile		Distance from nearest surface water: none
Pit: Liner: Synthetic X 12_mils thick Clay <input type="checkbox"/> Pit Volume: 3000_bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water X Brine X Diesel Oil-based <input type="checkbox"/> Gas Air <input type="checkbox"/>				

**Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	350'	250 sx	Surface
7 7/8"	5 1/2"	15 5#	4200'	1200 sx	Surface

<sup>22</sup> 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.

Propose to drill 12 1/4" hole to 350', set 8 5/8" casing to 350', cement w/250 sx CI C - circulating cement to surface, WOC. Drill 7 7/8" hole to 4200', run open hole logs, set production casing string to approximately 4200', cementing with 1200 sx CI C, circulating cement to surface.  
Will perforate, stimulate & test well.  
We do not anticipate encountering any H2S intervals during the drilling of this well.

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway

<sup>23</sup> 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 X, a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		<b>OIL CONSERVATION DIVISION</b>	
Printed name: Ann E. Ritchie		Approved by:	
Title: Regulatory Agent		Title: <b>PETROLEUM ENGINEER</b>	
E-mail Address: ann.ritchie@wtor.net		Approval Date: OCT 12 2005	
Date: 10-5-05	Phone: 432 684-6381	Conditions of Approval Attached <input type="checkbox"/>	

## DISTRICT I

1625 N. FRENCH DR., HOBBS, NM 88240

## State of New Mexico

Energy, Minerals and Natural Resources Department

## 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

## OIL CONSERVATION DIVISION

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

Form C-102

Revised JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-025-37506</b>		Pool Code <b>33820</b>	Pool Name <b>Jalmat (T-Y-7 Rvrs)</b>
Property Code <b>25191</b>	Property Name <b>JYSU</b>		Well Number <b>232</b>
OGRID No. <b>184860</b>	Operator Name <b>MELROSE OPERATING COMPANY</b>		Elevation <b>3594'</b>

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>23</b>	<b>22-S</b>	<b>35-E</b>		<b>1310</b>	<b>NORTH</b>	<b>1155</b>	<b>EAST</b>	<b>LEA</b>

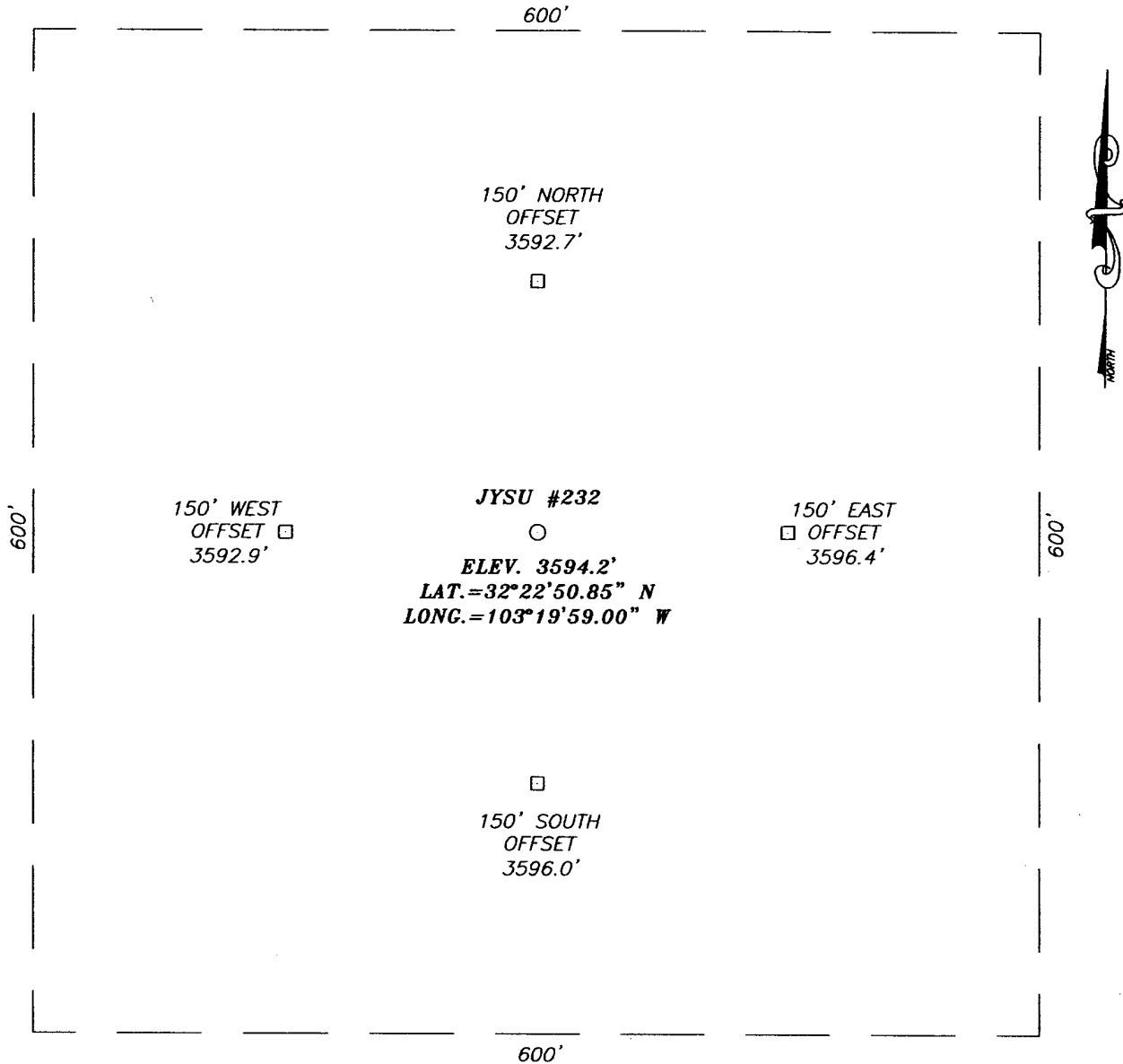
## Bottom Hole Location If Different From Surface

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

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

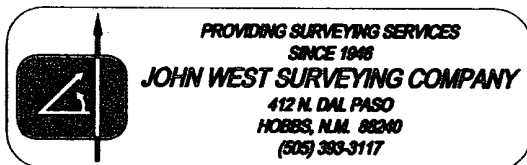
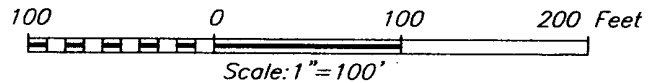
	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=503690.6 N X=808799.3 E</p> <p>LAT.=32°22'50.85" N LONG.=103°19'59.00" W</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>[Signature]</i> Signature <b>Ann E. Ritchie</b> Printed Name <b>Regulatory Agent</b> Title <b>10-6-05</b> Date</p>
		<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>SEPTEMBER 12 2005 Date Surveyed LA</p>
		<p>Signature &amp; Seal of Professional Surveyor <i>[Signature]</i> 12641 10/3/05</p>
		<p>Certificate No. <b>GARY EIDSON</b> 12641</p>

**SECTION 23, TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M.,**  
 LEA COUNTY, NEW MEXICO



**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF DELAWARE BASIN RD. AND  
 WEAVER RD. GO WEST ON DELAWARE BASIN RD. APPROX.  
 0.8 MILES. TURN RIGHT AND GO WEST APPROX. 1.1  
 MILES. TURN LEFT AND GO SOUTH APPROX. 1.3 MILES.  
 TURN RIGHT AND GO WEST APPROX. 0.2 MILES. THIS  
 LOCATION IS APPROX. 600 FEET SOUTH.

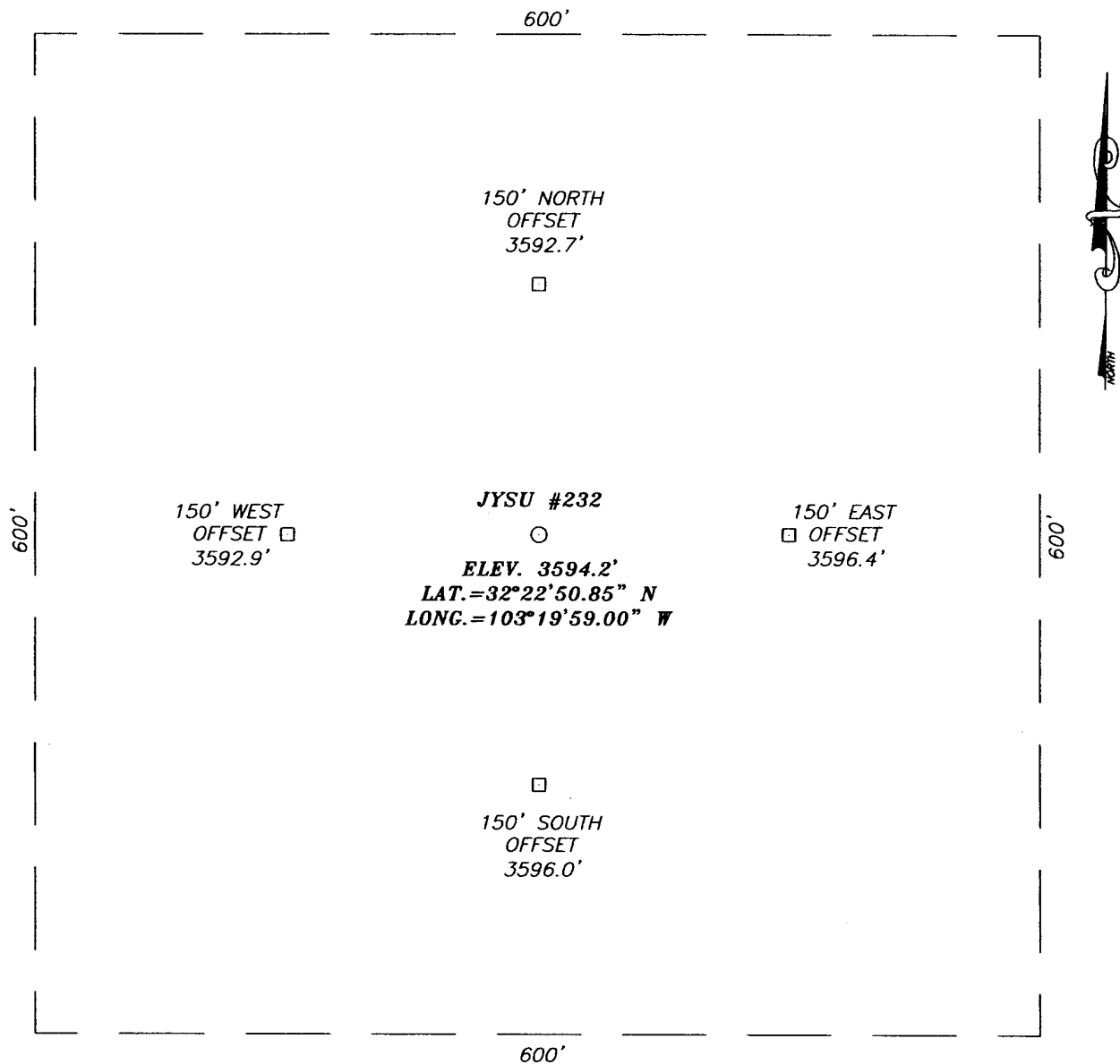


**MELROSE OPERATING COMPANY**

JYSU #232 WELL  
 LOCATED 1310 FEET FROM THE NORTH LINE  
 AND 1155 FEET FROM THE EAST LINE OF SECTION 23,  
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 LEA COUNTY, NEW MEXICO.

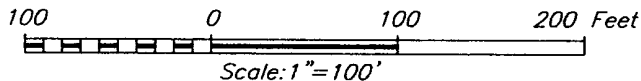
Survey Date: 9/23/05	Sheet 1 of 1 Sheets
W.O. Number: 05.11.1495	Dr By: LA
Date: 9/29/05	Disk: CD#4
05111495	Scale: 1"=100'

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 LEA COUNTY, NEW MEXICO



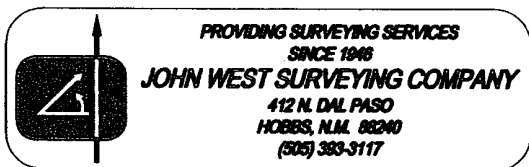
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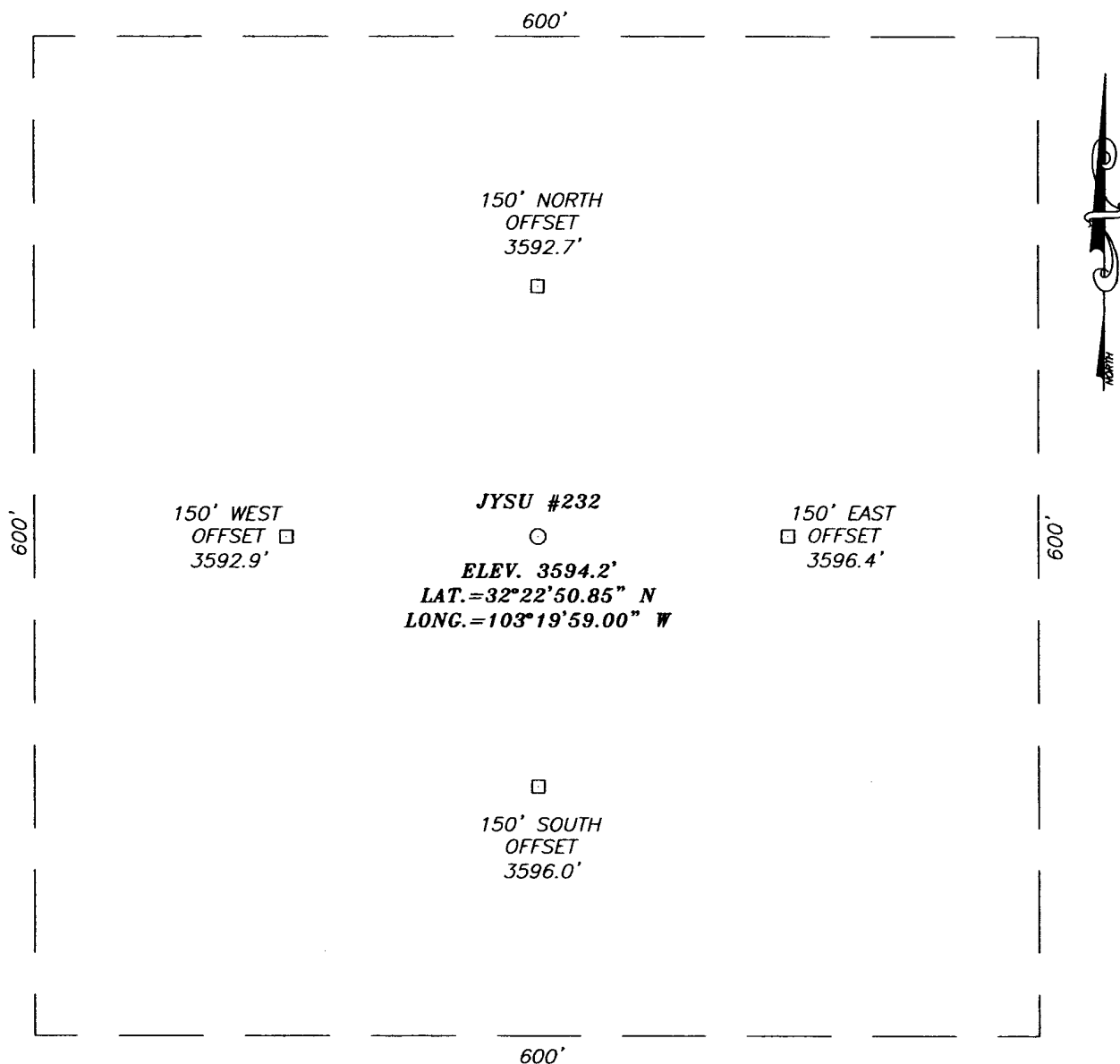
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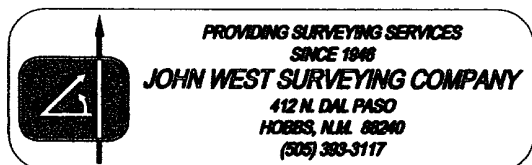
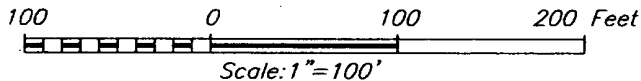
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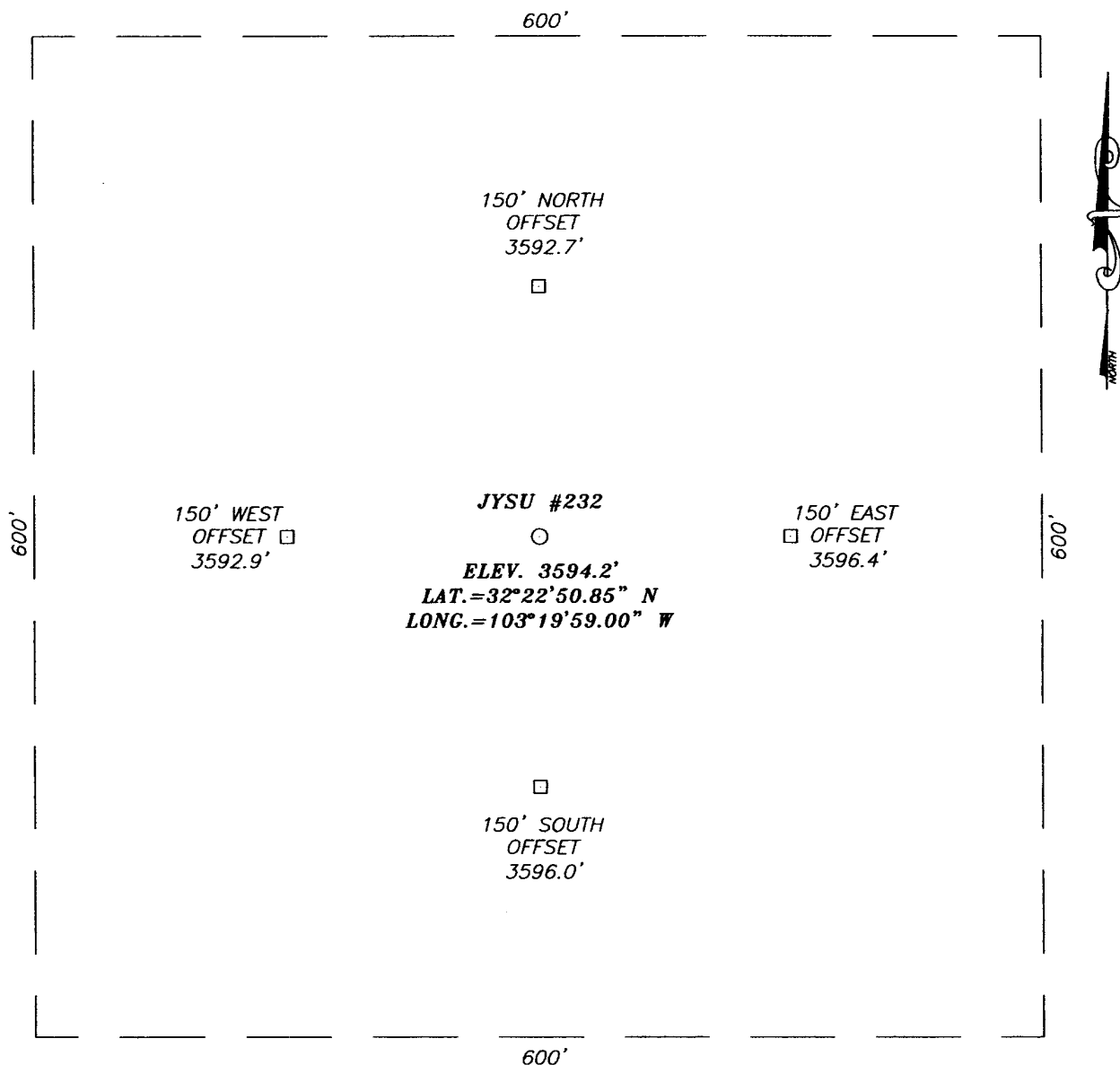


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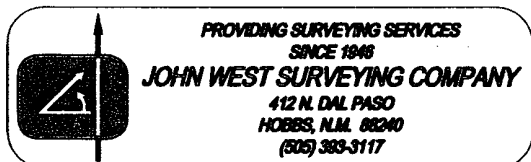
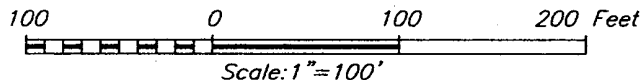
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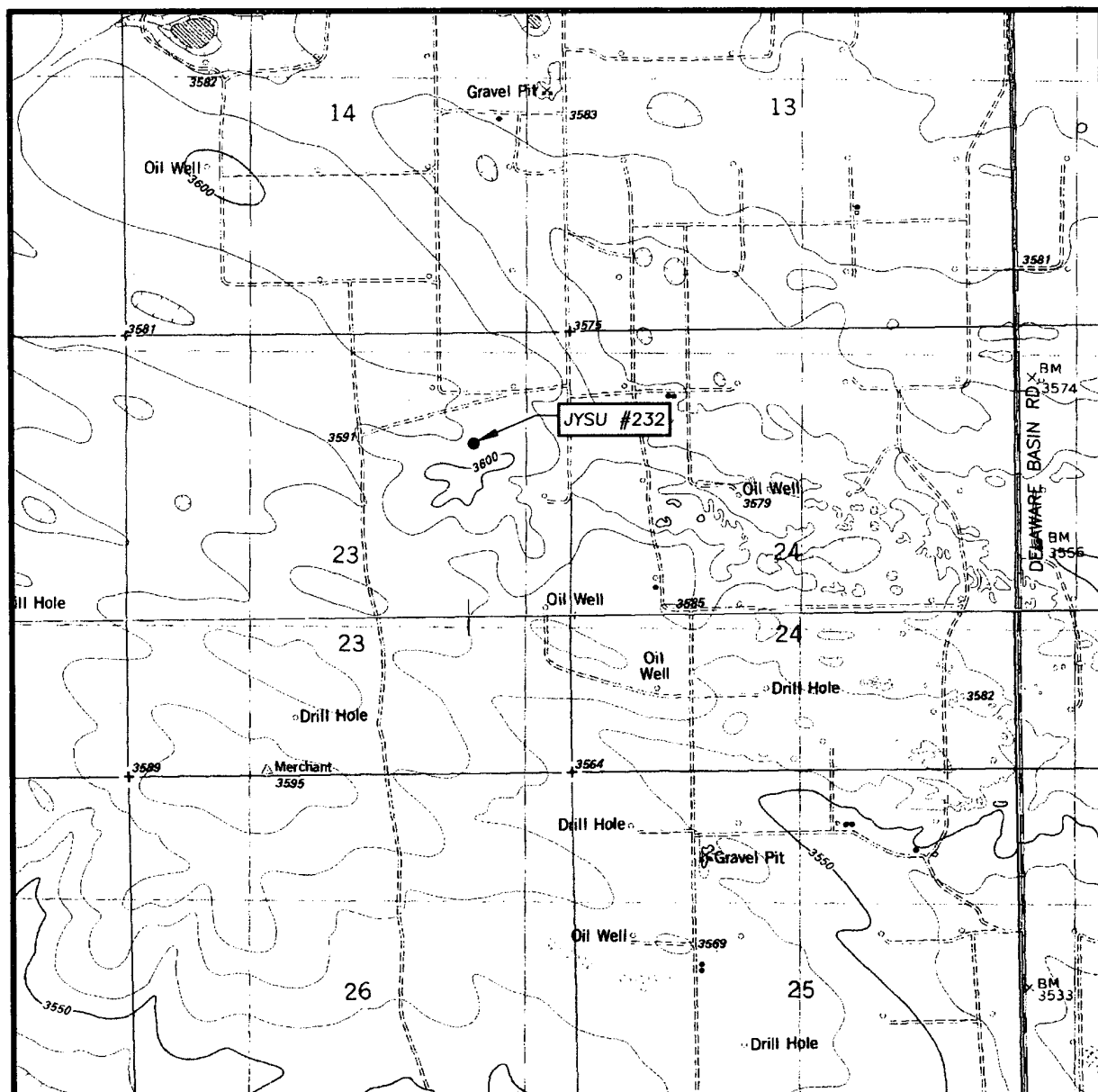


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# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

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

SEC. 23 TWP. 22-S RGE. 35-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1310' FNL & 1155' FEL

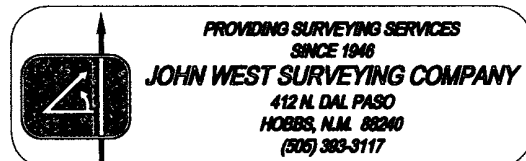
ELEVATION 3594'

OPERATOR MELROSE OPERATING COMPANY

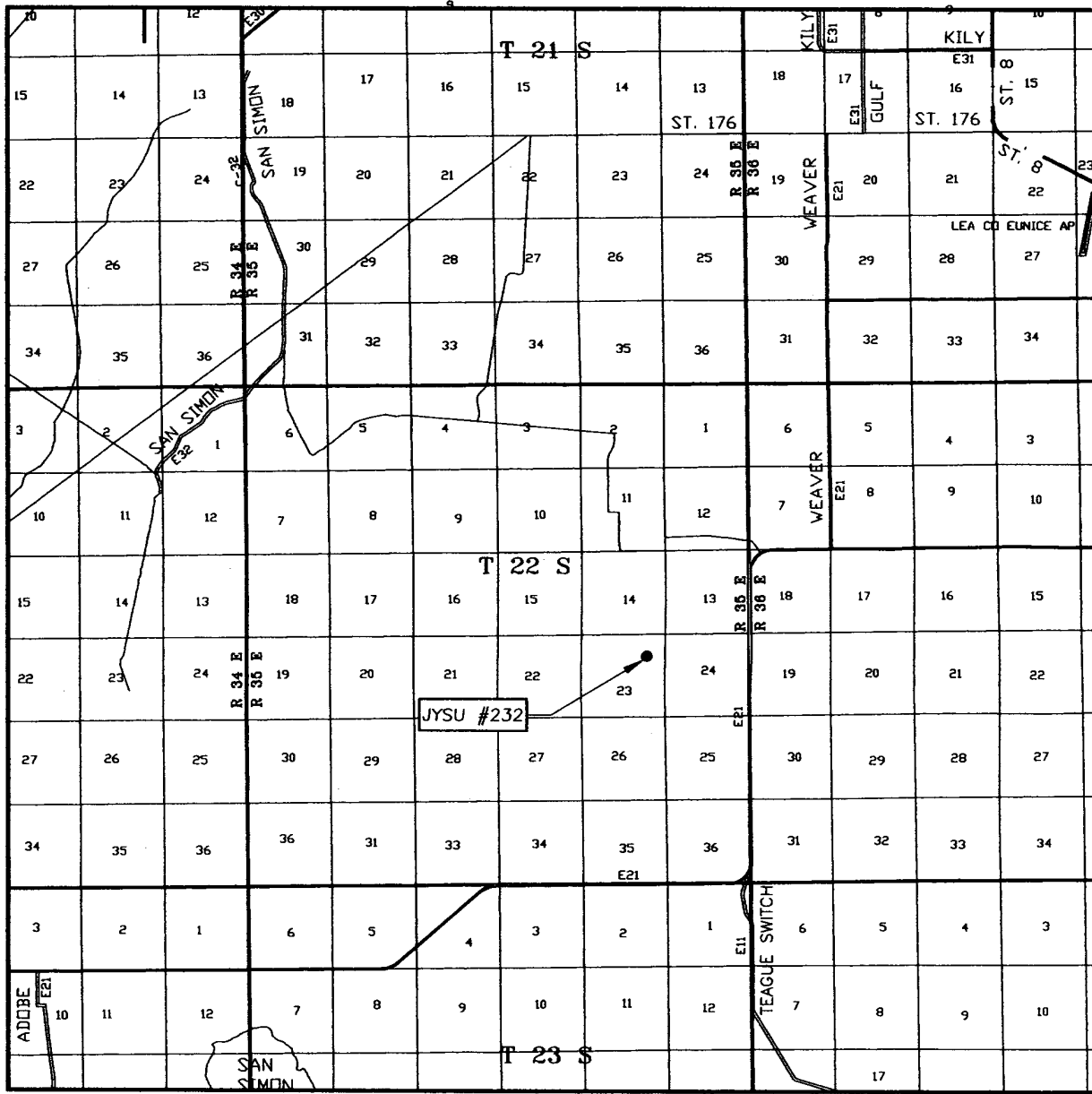
LEASE JYSU

U.S.G.S. TOPOGRAPHIC MAP

OIL CENTER, N.M.



# VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 23 TWP. 22-S RGE. 35-E

SURVEY N.M.P.M.

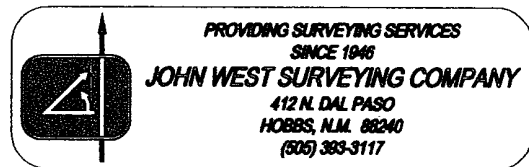
COUNTY LEA

DESCRIPTION 1310' FNL & 1155' FEL

ELEVATION 3594'

OPERATOR MELROSE OPERATING COMPANY

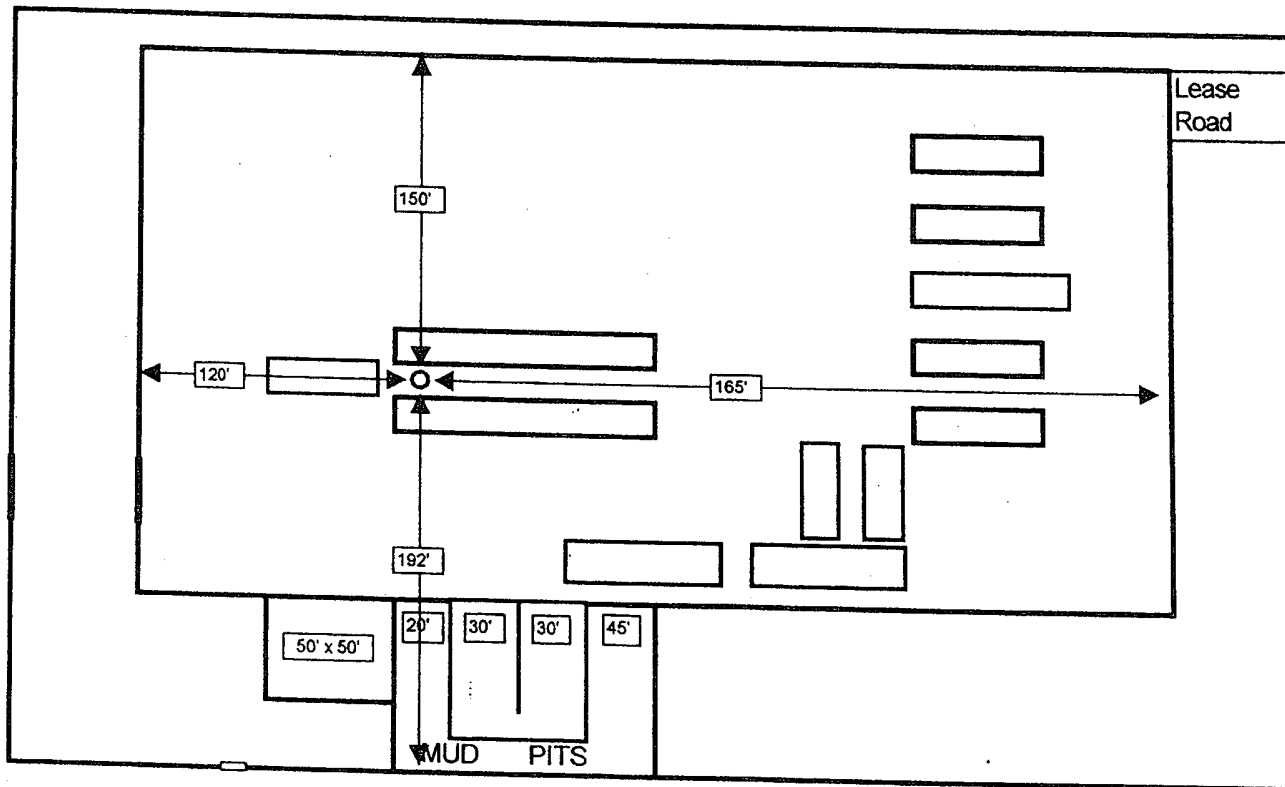
LEASE JYSU





Melrose Operating Co.

Drilling Rig Pad Schematic  
JFS YU #232  
Lea County, New Mexico  
Wellbore is 40' North of the pit

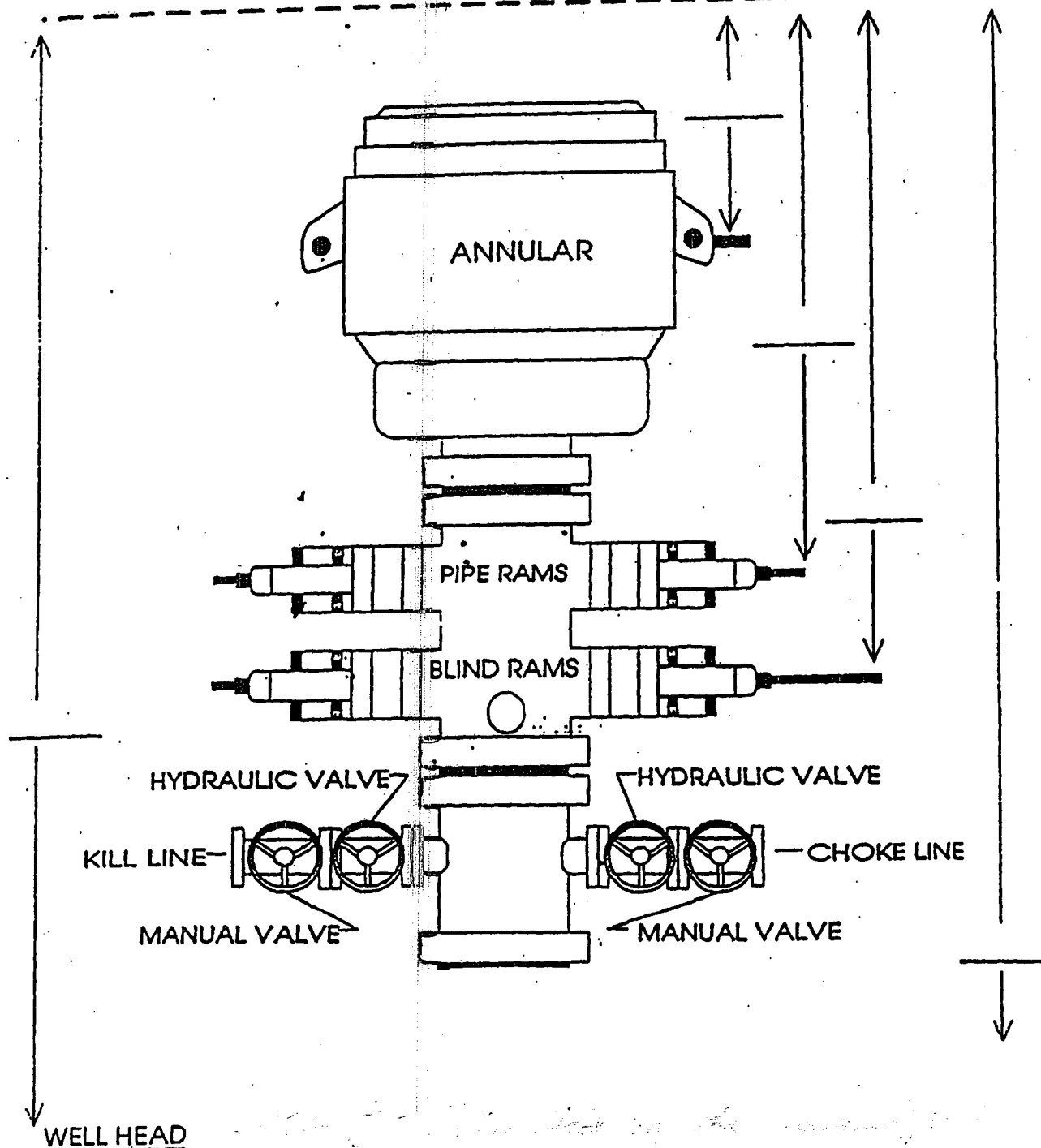


# EXHIBIT A

B.O.P. STACK SPACING

SIZE: 3000#

TOP OF ROTARY



WELL Jalmat #232

CONTRACTOR United Drilling