

District I - (505) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (505) 748-1283
1301 W. Grand Avenue, Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road, Aztec, NM 87410
District IV - (505) 476-3440
1220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505
(505) 476-3440

**SUBMIT ORIGINAL
PLUS 2 COPIES
TO APPROPRIATE
DISTRICT OFFICE**

**APPLICATION FOR
WELL WORKOVER PROJECT**

14-0697

I. Operator and Well

Operator name & address Joe Melton Drilling Co., Inc. P.O. Box 4203 Midland, Texas 79704						OGRID Number 011916	
Contact Party Karen Allen						Phone 432-682-5461	
Property Name Prichard B				Well Number 1		API Number 30-025-32151	
UL G	Section 09	Township 25S	Range 37E	Feet From The 760	North/South Line North	Feet From The 1650	East/West Line East
							County Lea

II. Workover

Date Workover Commenced: 5/21/02	Previous Producing Pool(s) (Prior to Workover): Jalmat Tansill Yates 7 Rvrs
Date Workover Completed: 5/23/02	

III. Attach a description of the Workover Procedures performed to increase production.

IV. Attach a production decline curve or table showing at least twelve months of production prior to the workover and at least three months of production following the workover reflecting a positive production increase.

V. AFFIDAVIT:

State of Texas)
) ss.
County of Midland)
Karen Allen, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- I have made, or caused to be made, a diligent search of the production records reasonably available for this Well.
- To the best of my knowledge, this application and the data used to prepare the production curve and/or table for this Well are complete and accurate.

Signature Karen Allen Title Secretary Date _____
SUBSCRIBED AND SWORN TO before me this 14th day of May, 2003.

My Commission expires: 6-10-04

MARLYS K. REYNOLDS
Notary Public
STATE OF TEXAS
My Comm. Exp. 06/10/04

Marlys K. Reynolds

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a Well Workover Project and the Division hereby verifies the data shows a positive production increase. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project was completed on

5/23/02

Signature District Supervisor <u>Paul J. Rautz</u>	OCD District <u>1</u>	Date <u>5/16/03</u>
---	--------------------------	------------------------

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:

Joe Melton Drilling Co., Inc.
Prichard B#1 - production detail
Month MCF

Apr-01	612
May-01	536
Jun-01	464
Jul-01	345
Aug-01	409
Sep-01	563
Oct-01	459
Nov-01	234
Dec-01	461
Jan-02	509
Feb-02	415
Mar-02	283
Apr-02	288

WORKOVER

May-02	509
Jun-02	908
Jul-02	975
Aug-02	984
Sep-02	944
Oct-02	1006
Nov-02	873
Dec-02	1009
Jan-03	975
Feb-03	874
Mar-03	854

INVOICE

HALLIBURTON

Remit To : P.O. Box 203143, Houston, TX 77216-3143

Wire Transfer Information

Account Number:

ABA Routing Number:

Invoice Date: May 28, 2002

Invoice Number: 91418883

DIRECT CORRESPONDENCE TO:
 4000 North Big Spring Suite 400
 Midland, TX 79705
 US
 Tel: (505) 392 6531
 Fax: (505) 392 7062

Well Name: MELTON PRICHARD B 1, LEA
Ship to: JAL, NM 88252
 LEA

Job Date: May 22, 2002
Cust. PO No.: NA
Payment Terms: net due 45 days
Quote No.: 20928642
Sales Order No.: 1871722

TO:
 JOE MELTON DRILLING CO
 PO BOX 4203
 MIDLAND TX 79702

Manual Ticket No.:
Shipping Point: HOBBS Shipping Point
Rig Name:
Ultimate Destination Country: US
Customer Account No.: 303138

Contract No.:
Contract from:
Contract to:

Material	Description	QTY	UOM	Base Amount	Unit Amount	Gross Amount	Discount	Net Amount
13288	PSL-PE ACIDIZE FORMATION-BOM JP145	1.00	JOB					
*3124	MILEAGE FOR FRAC EQUIPMENT 300-111	45	MI		5.03	226.35	147.13	79.22
	Number of Units	1	unit					
*3125	MILEAGE FOR FRACTURING CREW 300-112	45	MI		2.96	133.20	86.58	46.62
	Number of Units	1	unit					
*16304	STIM DELIVERY CHG LARGE UNITS 300-131	45	MI		5.03	226.35	147.13	79.22
	Number of Units	1	unit					
*21711	Environmental Charge 300-300	1.00	JOB		136.00	136.00		136.00
*16134	STIM PUMP CHG ACID- FIRST 2 HR 200-024 / STIM PUMP CHG ACID- FIRST 2 HRS	1.00	EA		1,273.00	1,273.00	827.45	445.55
	PRESSURE	1,000						
	PRESSURE UNITS (PSI/MPA/BAR)	PSI						
*16135	ON-LOC PUMP CHARGE ACID STIM 200-027	1.00	EA	300.00		300.00	195.00	105.00
	HOURS OR FRACTION (MIN2)	2	hr					

INVOICE

HALLIBURTON

Continuation

Remit To : P.O. Box 203143, Houston, TX 77216-3143

Invoice Date: May 28, 2002

Invoice Number: 91418883

Material	Description	QTY	UOM	Base Amount	Unit Amount	Gross Amount	Discount	Net Amount
*16154	STIM HOSE, HIGH PRESSURE FLEXI 220-205 NUMBER OF JOBS	1.00 1	EA Job		1,175.00	1,175.00	763.75-	411.25
*27012	SBM 15% HCL ACID SBM 15% HCL ACID	1,000.00	GAL		2.75	2,750.00	1,787.50-	962.50
14251	SBM 0-17% FERCHEK SC 207-020 / SBM 0-17% FERCHEK SC	1,000.00	GAL		0.39	390.00	253.50-	136.50
*100012276	CHEM-19N SURFACTANT - HALTANK 516.00936 / CHEMICAL - 19N SURFACTANT - HALTANK	6.00	GAL		70.35	422.10	274.37-	147.73
*100003733	CHEM-CLA-STA XP XXXXXXX 516.00489 / CHEMICAL - CLA-STA XP - CLAY / STABILIZER F/LOW PERM FORMATIONS - / BULK	5.00	GAL		90.25	451.25	293.31-	157.94
*100064251	CHEM-HAI-OS CRSN INHIB - 55 GA 516.01200 / CHEMICAL - HAI-OS CORROSION INHIBITOR / - 55 GAL	1.00	GAL		80.30	80.30	52.20-	28.10
Total						7,563.55	4,827.92-	2,735.63
Sales Tax - State								116.96
Sales Tax - County								6.50
Sales Tax - City/Loc								32.49
INVOICE TOTAL								2,891.58
								US Dollars

Payment Terms:

If customer does not have an approved open account with Halliburton, all sums are payable in cash at the time of performance of services or delivery of equipment, products, or materials. If customer has an approved open account, Invoices are payable on the twentieth day after date of invoice. Customer agrees to pay interest on unpaid balance from the date payable until paid at the highest lawful contract rate applicable, but never to exceed 18% per annum. In the event Halliburton employs an attorney for collection of any amount, Customer agrees to pay attorney fees of 20% of the unpaid account, plus all collection and court costs.

Downhole Fluidics, Inc.
4500 W. Illinois; Suite 207
Midland, Texas 79703
Office: (915) 686-7432 ~ Fax: (915) 686-0930

INVOICE #

0515

INVOICE TO:

Joe Melton D.D.
Melton Energy Inc.

P O Box 4203

Midland, Tx. 79704

Remit To:

Downhole Fluidics, Inc

4500 W. Illinois; Suite 207

Midland, Tx. 79703

Customer ID: Melton

Invoice Date: 5/28/02

Terms: NET 30

DUE DATE: 6/28/02

AFE / PO #:

Vendor #:

Well Name: Prichard B # 1

Operator: Joe Melton

County: Lea

State: N M

Service Date: 5/22/02

FR #: 5039

Code	Quan.	Description	Unit Price	Extension
10101	65	Mileage	1.80\$	117.00
20101	1	1 1/2" Perfclean Tool, Coil	1950.00\$	1950.00
20104	1	2 3/8" Check Valve	275.00\$	275.00
Subtotal:			\$	2342.00
Less: (Discount)				(475.00)
Total Due:			\$	1867.00