

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

RECEIVED

Form C-101
May 27, 2004

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

Submit to appropriate District Office

JAN 18 2008

☐ AMENDED REPORT
☒ Permit renewal request

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

¹ Operator Name and Address: Melrose Operating Co., c/o Box 953, Midland, TX 79702		² OGRID Number: 184860
³ Property Code 25191	³ Property Name Jalmat Field Yates Sand Unit	³ API Number 30 - 025 37499 ⁶ Well No. 225
⁹ Proposed Pool 1: Jalmat, Tansill-Yates-7 Rvrs		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	10	22S	35E		1980	South	1980	East	Lea

⁸ 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

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code State	¹⁵ Ground Level Elevation 3606'
¹⁶ Multiple No	¹⁷ Proposed Depth 4200'	¹⁸ Formation Yates	¹⁹ Contractor TBA	²⁰ Spud Date 2-5-08
Depth to Groundwater: 300-350' / 120'		Distance from nearest fresh water well: approx: none		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"/>				

²¹ 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'	375 sx	Surface
7 7/8"	5 1/2"	15.5#	4200'	925 sx	Surface

²² 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 @ 350', cementing with 375 sx CI C, slurry wt of 14.8 ppg, yield of 1.34 cf/sx, type CI C with 2% CaCl₂.
Drill 7 7/8" hole to 4200', run open hole logs, set production casing string to approximately 4200', cementing with lead slurry of 600 sx, 50:50 poz CI C w/10% bentonite + Sodium Chloride + 0.2% FL, slurry weight - 11.80 ppg, yield - 2.45 cf/sx; tail w/ 325 sx, 50:50 poz CI C + 10% bentonite + Sodium Chloride + 0.2% FL, slurry weight - 14.2 ppg, yield - 1.3 cf/sx.
Will perforate, stimulate & test well.
We do not anticipate encountering any H₂S intervals during the drilling of this well, based on wells drilled offsetting this location and producing wells in the unit.

²³ 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 ☐, or an (attached) alternative OCD-approved plan ☐.

OIL CONSERVATION DIVISION

Approved by:

Chris Williams

Printed name: Ann E. Ritchie

Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER

Title: Regulatory Agent

Approval Date: JAN 22 2008

Expiration Date:

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

Date: 1-15-08

Phone: 432 684-6381/214-762-0830

Conditions of Approval Attached ☐

Permit Expires 2 Years From Approval
Date Unless Drilling Underway

State of New Mexico

DISTRICT I

1625 N. FRENCH DR., HOBBS, NM 86240

Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

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 30-025-32489	Pool Code 33820	Pool Name Jalmat (T-4-7 Rvrs)
Property Code 25191	Property Name JYSU	Well Number 225
OGRID No. 184860	Operator Name MELROSE OPERATING COMPANY	Elevation 3606'

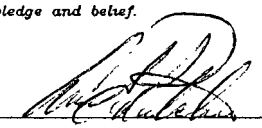
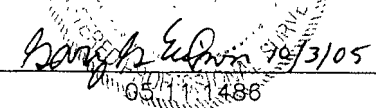
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	10	22-S	35-E		1980	SOUTH	1980	EAST	LEA

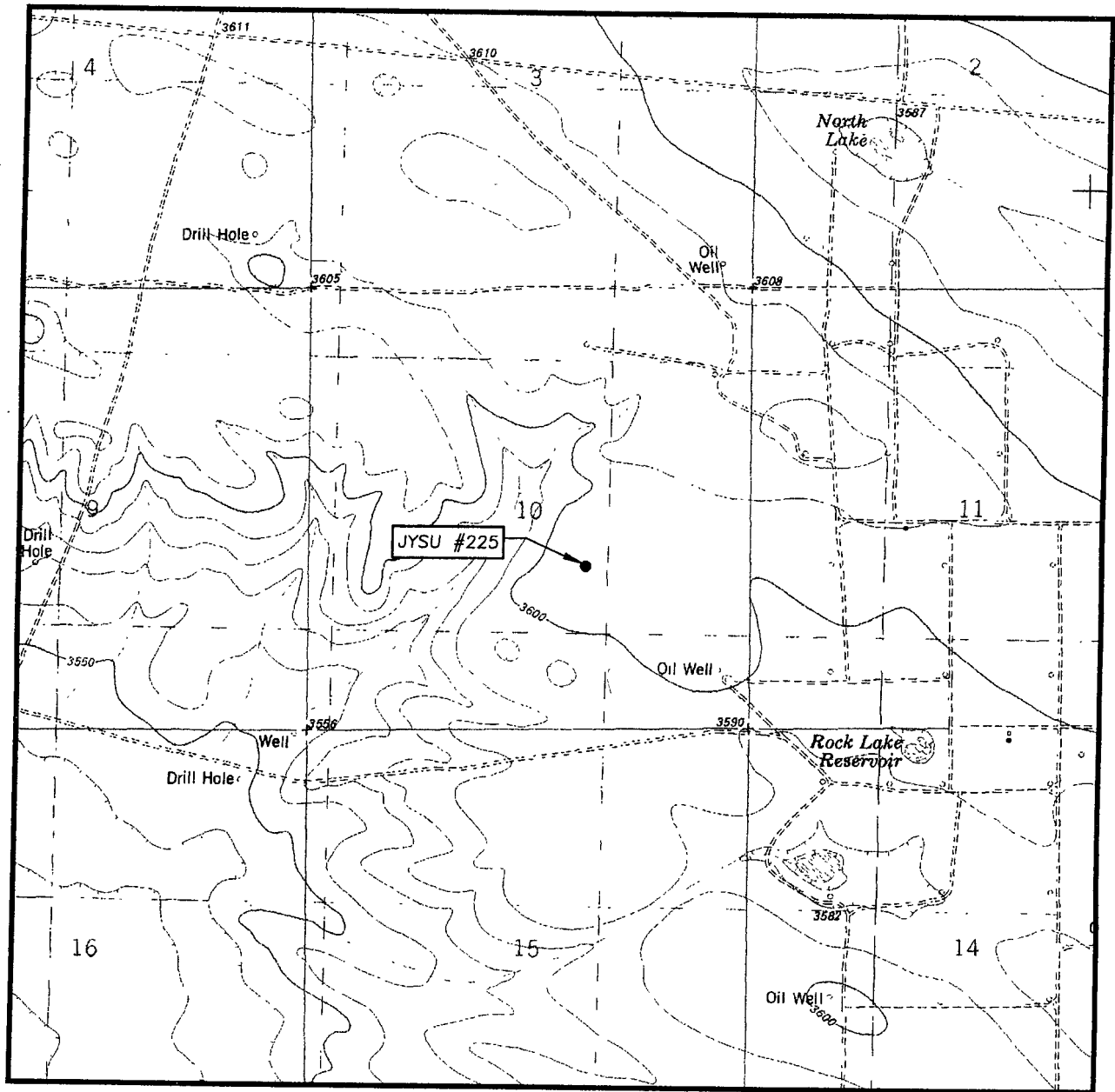
Bottom Hole Location If Different From Surface

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

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=512198.0 N X=802613.1 E</p> <p>LAT.=32°24'15.59" N LONG.=103°21'10.22" W</p>	<p>1980'</p>	
	<p>1980'</p>	
	<p>1980'</p>	
	<p>1980'</p>	
<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature </p> <p>Printed Name Ann E. Ritchie</p> <p>Title Regulatory Agent</p> <p>Date 10-6-05</p>		
<p>SURVEYOR CERTIFICATION</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 23, 2005</p> <p>Date Surveyed LA</p> <p>Signature & Seal of Professional Surveyor </p> <p>Certificate No. GARY EDSON 12841</p>		

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

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

SEC. 10 TWP. 22-S RGE. 35-E

SURVEY _____ N.M.P.M. _____

COUNTY _____ LEA _____


DESCRIPTION 1980' FSL & 1980' FEL

ELEVATION _____ 3606' _____

OPERATOR MELROSE OPERATING COMPANY

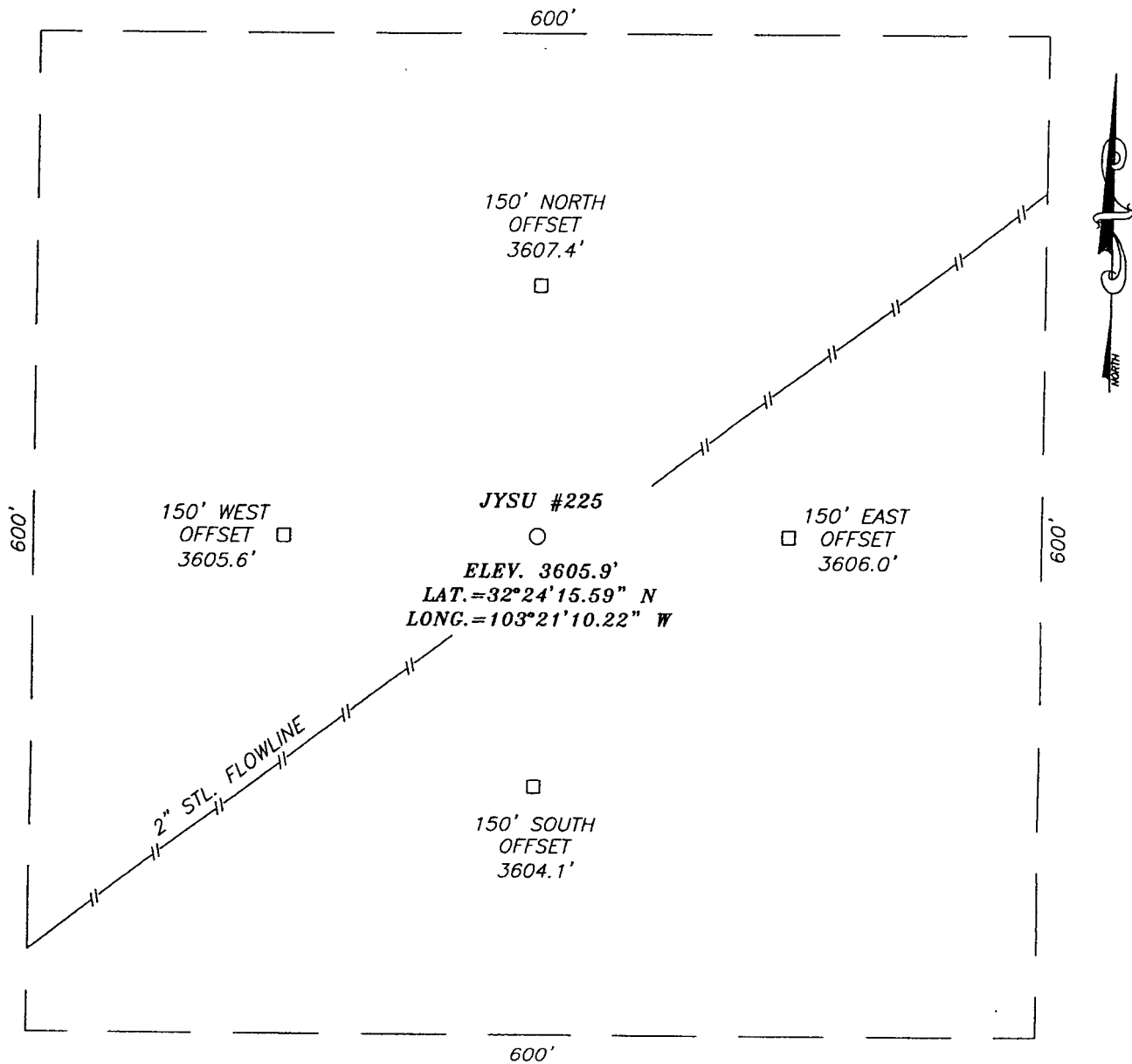
LEASE _____ JYSU _____

U.S.G.S. TOPOGRAPHIC MAP
OIL CENTER, N.M.



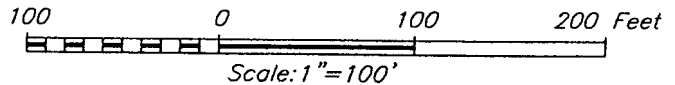
PROVIDING SURVEYING SERVICES
SINCE 1948
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 383-3117

SECTION 10, 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. 0.1 MILES.
 TURN RIGHT AND GO WEST APPROX. 0.6 MILES. TURN
 RIGHT AND GO NORTH APPROX. 0.1 MILES. TURN LEFT
 AND GO WEST APPROX. 0.2 MILES. TURN RIGHT AND GO
 NORTH APPROX. 0.1 MILES. TURN LEFT AND GO WEST
 APPROX. 0.1 MILES AND PASS THE JYSU #193 AND
 CONTINUE NORTHWEST APPROX. 0.3 MILES TO THE JYSU
 #221 WELL. THIS LOCATION IS WEST APPROX. 0.2 MILES.



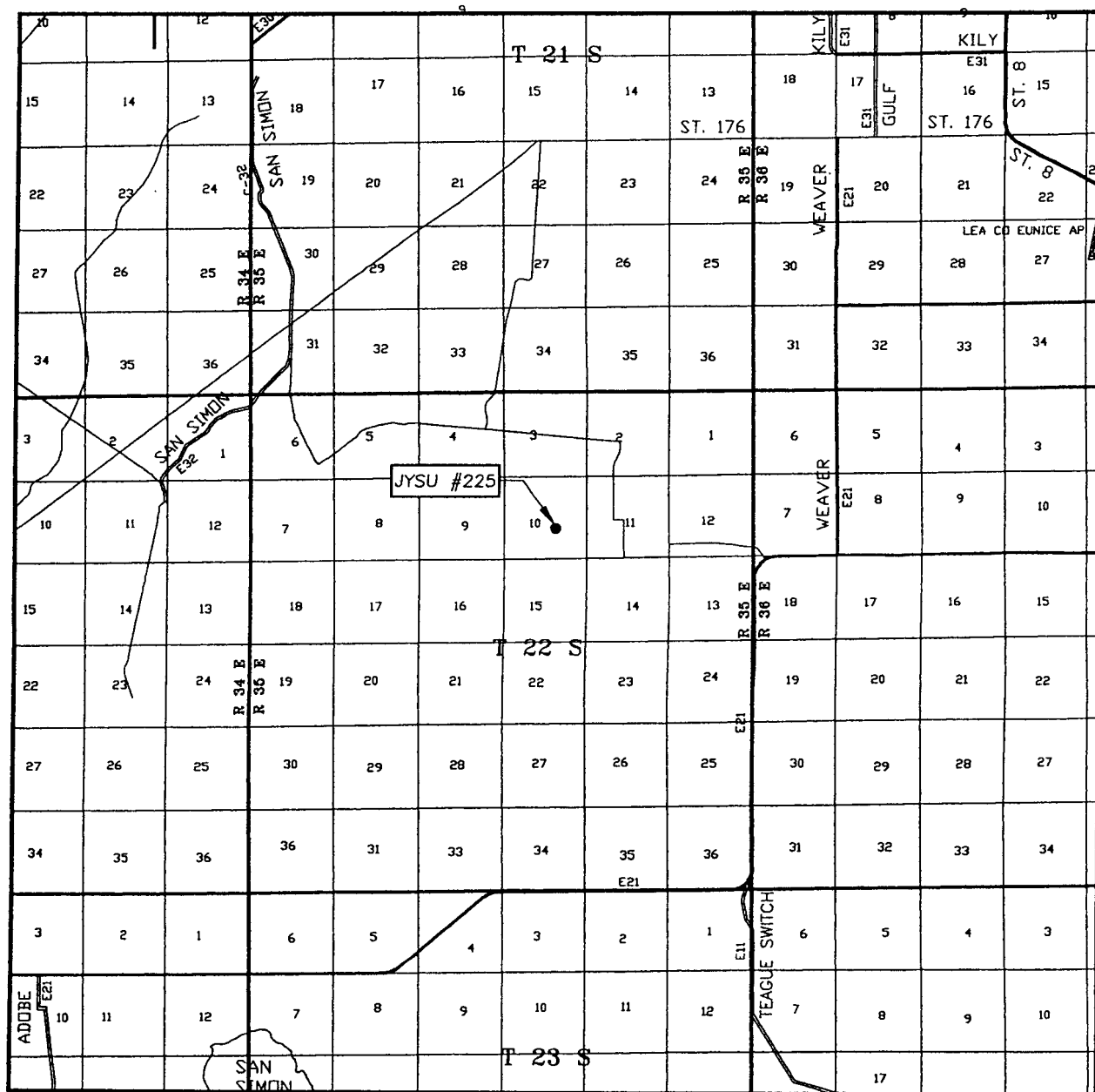
MELROSE OPERATING COMPANY

JYSU #225 WELL
 LOCATED 1980 FEET FROM THE SOUTH LINE
 AND 1980 FEET FROM THE EAST LINE OF SECTION 10,
 TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO.

Survey Date: 9/23/05	Sheet 1 of 1 Sheets
W.O. Number: 05.11.1486	Dr By: LA
Date: 9/28/05	Disk: CD#4
05111486	Scale: 1"=100'

**PROVIDING SURVEYING SERVICES
 SINCE 1946**
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 10 TWP. 22-S RGE. 35-E

SURVEY N.M.P.M.

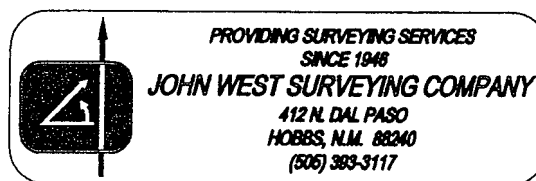
COUNTY LEA

DESCRIPTION 1980' FSL & 1980' FEL

ELEVATION 3606'

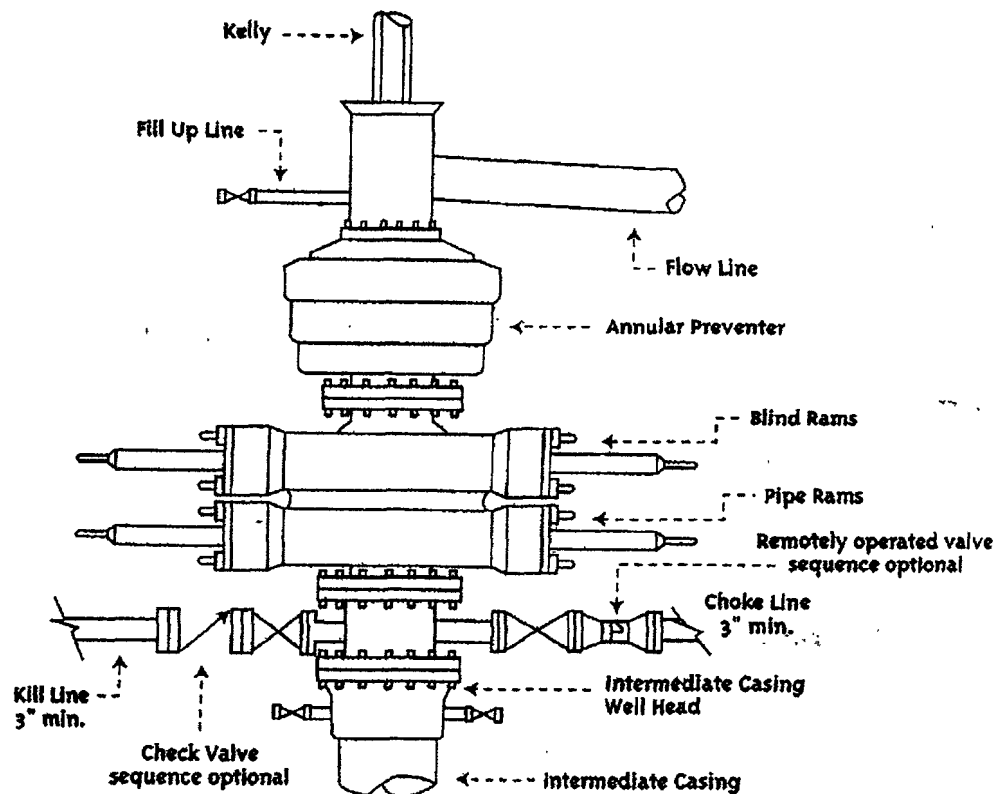
OPERATOR MELROSE OPERATING COMPANY

LEASE JYSU





**Typical 3,000 psi Pressure System
Schematic
Annular Double Ram Preventer Stack**



Typical 3,000 psi choke manifold assembly with at least these minimum features

