

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

JAN 18 2008

Submit to appropriate District Office

☐ AMENDED REPORT
☒ Permit renewal request

HOBBS OCD

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

¹ Operator Name and Address: Melrose Operating Co., c/o Box 953, Midland, TX 79702		² OGRID Number: 184860
		³ API Number: 30-025 37502
⁴ Property Code: 25191	⁵ Property Name: Jalmat Field Yates Sand Unit	⁶ Well No.: 228
⁹ Proposed Pool 1: Jalmat; Tansill-Yates-7 Rvrs		¹⁰ Proposed Pool 2:

⁷ Surface Location

UL or lot no. O	Section 10	Township 22S	Range 35E	Lot Idn	Feet from the 1310	North/South line South	Feet from the 2303	East/West line East	County Lea
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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
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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: 3597'
¹⁶ Multiple: No	¹⁷ Proposed Depth: 4200'	¹⁸ Formation: Yates	¹⁹ Contractor: TBA	²⁰ Spud Date: 2-5-08
Depth to Groundwater: 300-350' / 20'		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 Cl C, slurry wt of 14.8 ppg, yield of 1.34 cf/sx, type Cl 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 Cl 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 Cl 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 ☐.

Printed name: Ann E. Ritchie

Title: Regulatory Agent

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

Date: 1-15-08

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

OIL CONSERVATION DIVISION

Approved by:

Chris Williams

Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER

Approval Date: JAN 22 2008 Expiration Date:

Conditions of Approval Attached ☐

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

DISTRICT I
1625 N. FRENCH DR., HOBBBS, 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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <i>30-025 37502</i>	Pool Code <i>33820</i>	Pool Name <i>Jalmat (T-Y-7 Rvrs)</i>
Property Code <i>25191</i>	Property Name <i>JYSU</i>	Well Number <i>228</i>
OGRID No. <i>184860</i>	Operator Name <i>MELROSE OPERATING COMPANY</i>	Elevation <i>3597'</i>

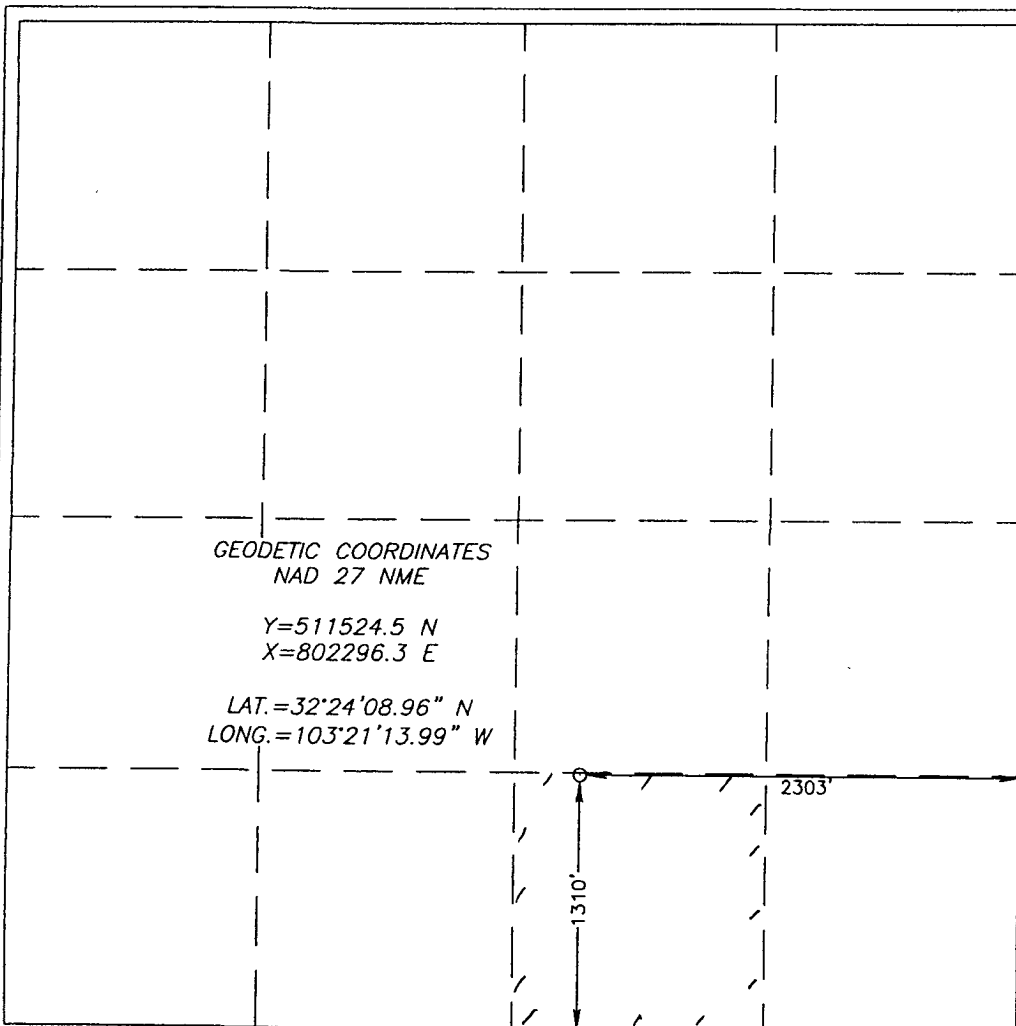
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<i>0</i>	<i>10</i>	<i>22-S</i>	<i>35-E</i>		<i>1310</i>	<i>SOUTH</i>	<i>2303</i>	<i>EAST</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>* Water Flood Unit</i>			

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



OPERATOR CERTIFICATION

I hereby certify the the information
contained herein is true and complete to the
best of my knowledge and belief.

Signature

Ann E. Ritchie

Printed Name

Regulatory Agent

Title

10-6-05

Date

SURVEYOR CERTIFICATION

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.

SEPTEMBER 23, 2005

Date Surveyed

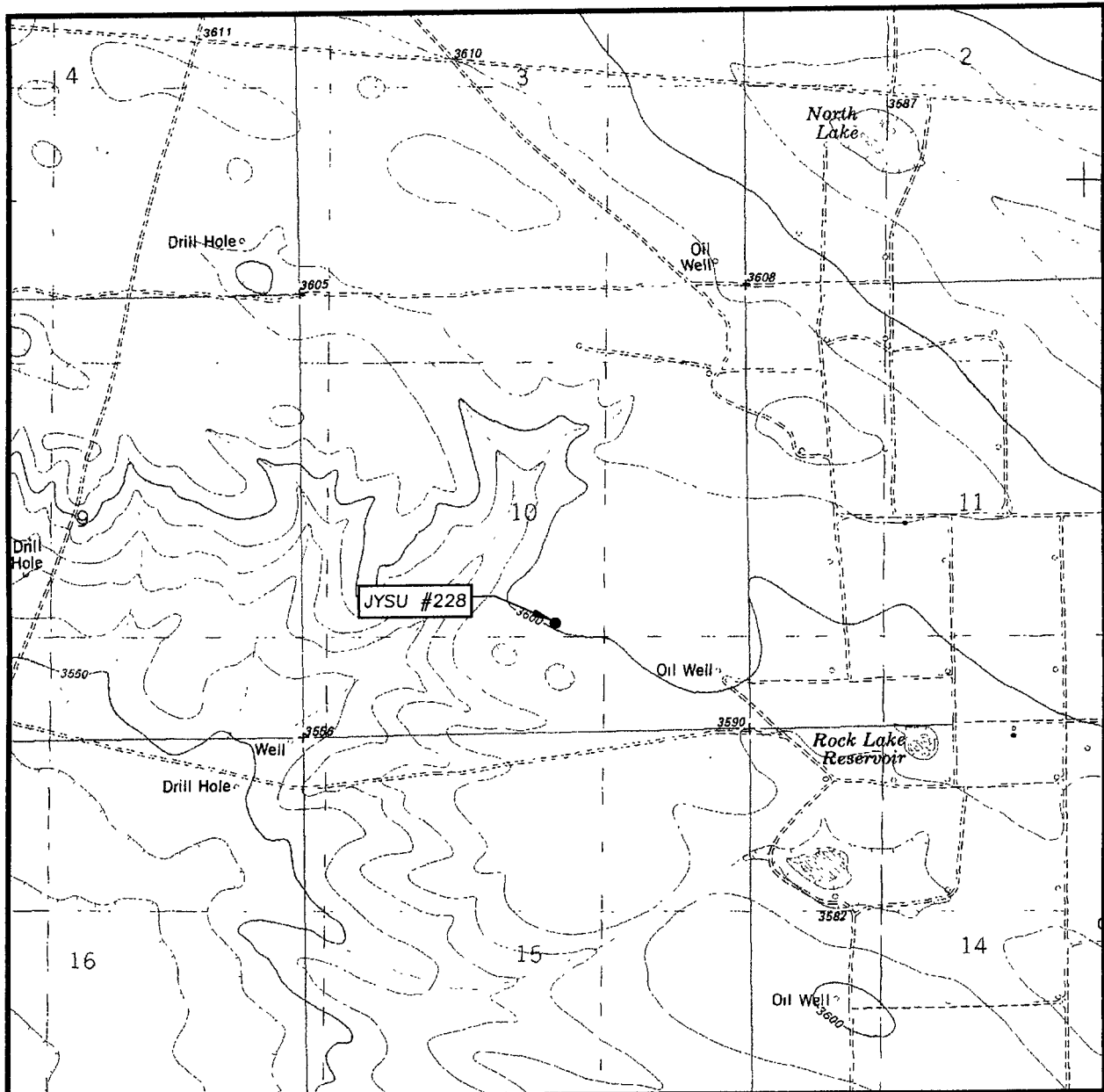
Signature & Seal of
Professional Surveyor

Gary E. Eidsen 10/3/05
05-11-1489

Certificate No. GARY EIDSON

12841

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 _____

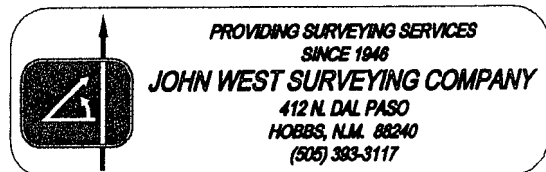
DESCRIPTION 1310' FSL & 2303' FEL

ELEVATION _____ 3597'

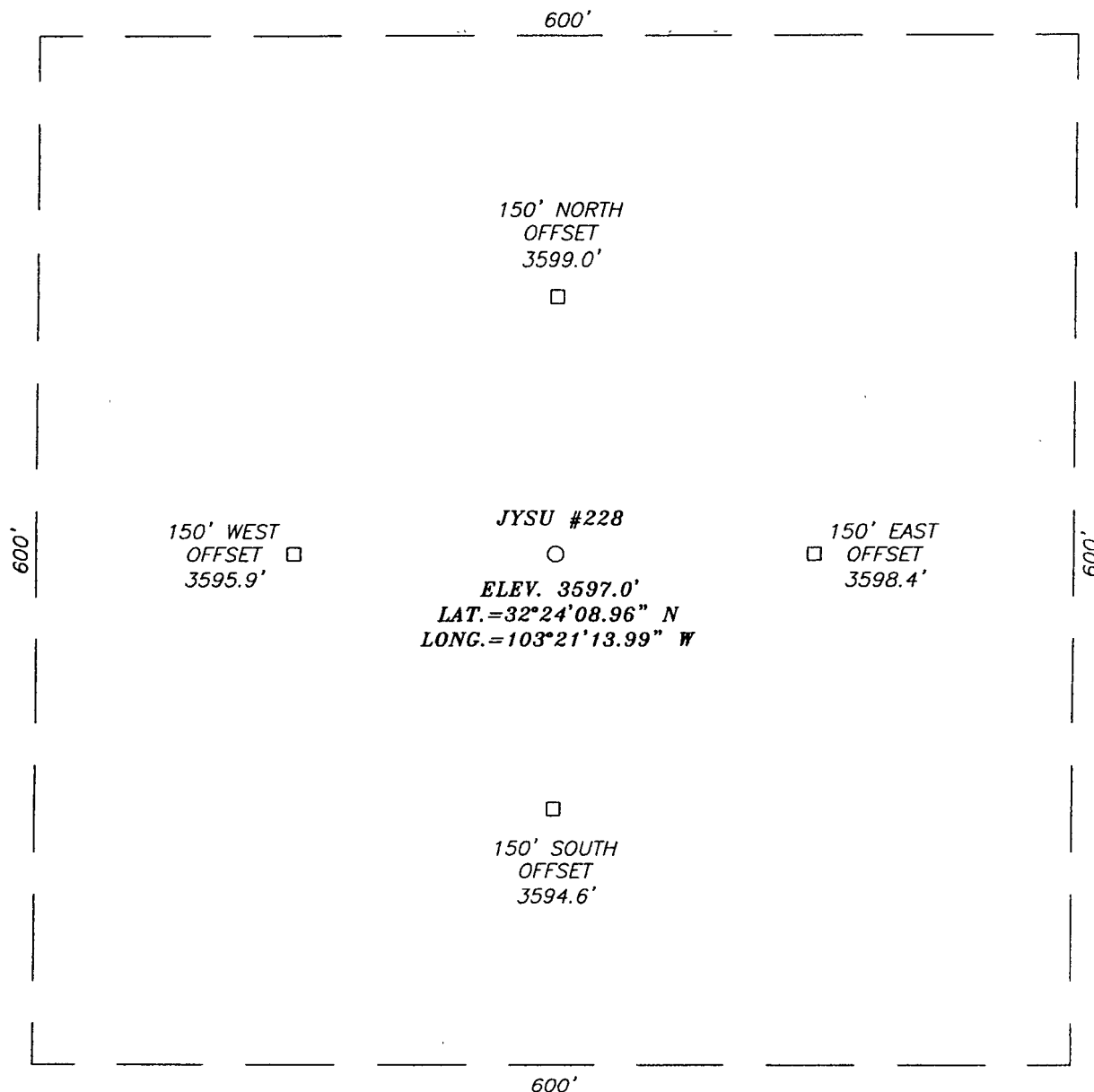
OPERATOR MELROSE OPERATING COMPANY

LEASE _____ JYSU

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

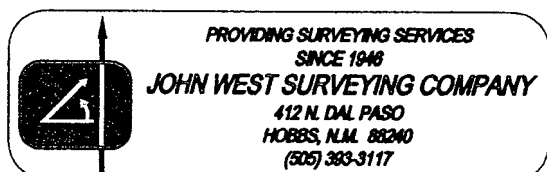
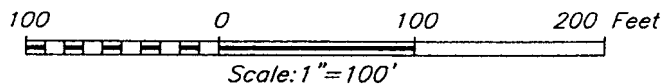


SECTION 10, TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO



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. 0.6 MILES TO THE JYSU #123
 WELL. THIS LOCATION IS NORTHWEST APPROX. 0.4 MILES.

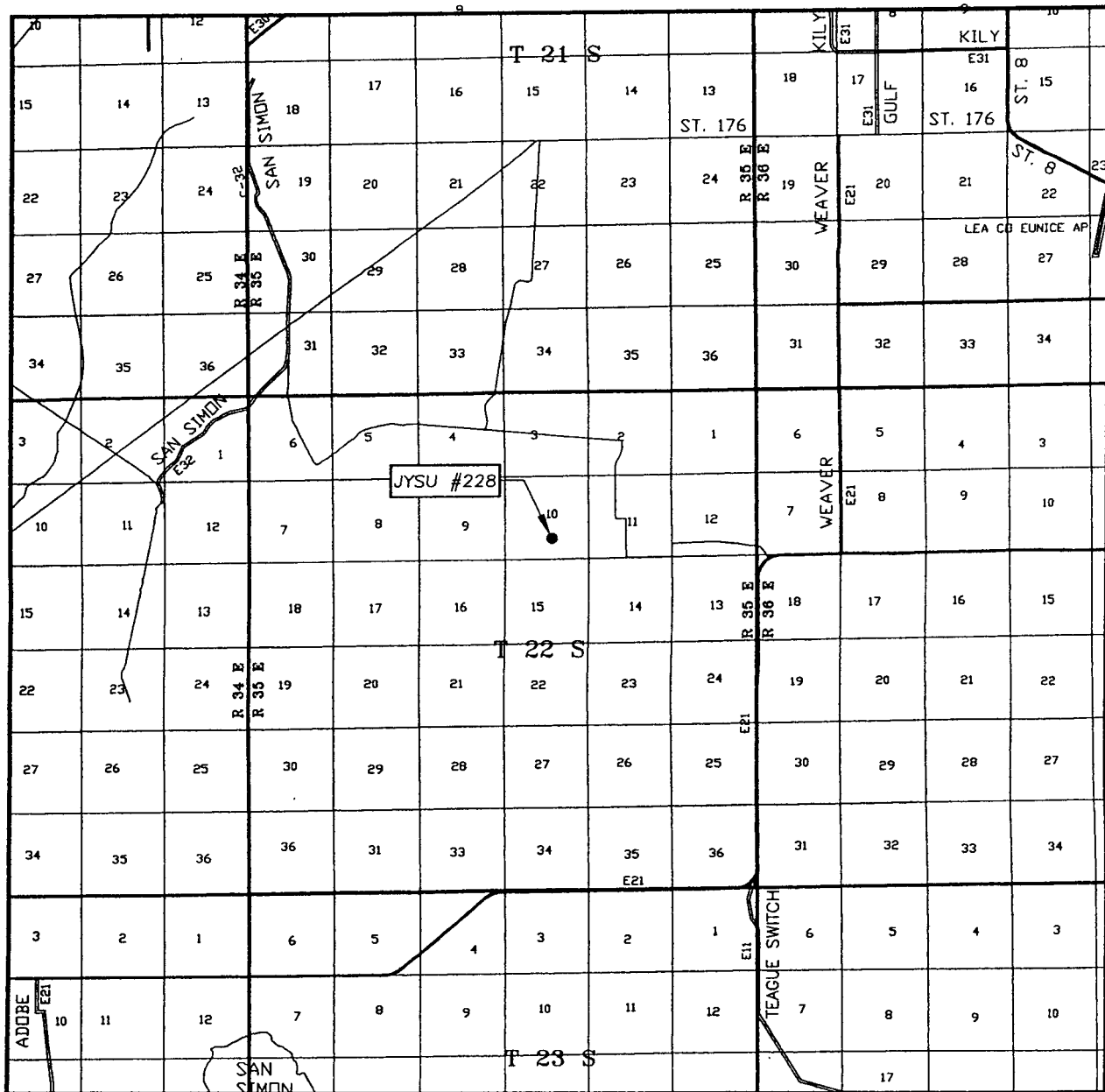


MELROSE OPERATING COMPANY

JYSU #228 WELL
 LOCATED 1310 FEET FROM THE SOUTH LINE
 AND 2303 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: 05.11.1489	Dr By: LA
Date: 9/29/05	Disk: CD#4
05111489	Scale: 1"=100'

VICINITY MAP



SCALE: 1" = 2 MILES

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

SURVEY N.M.P.M.

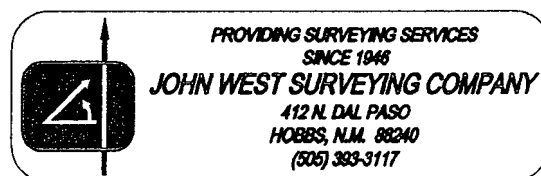
COUNTY LEA

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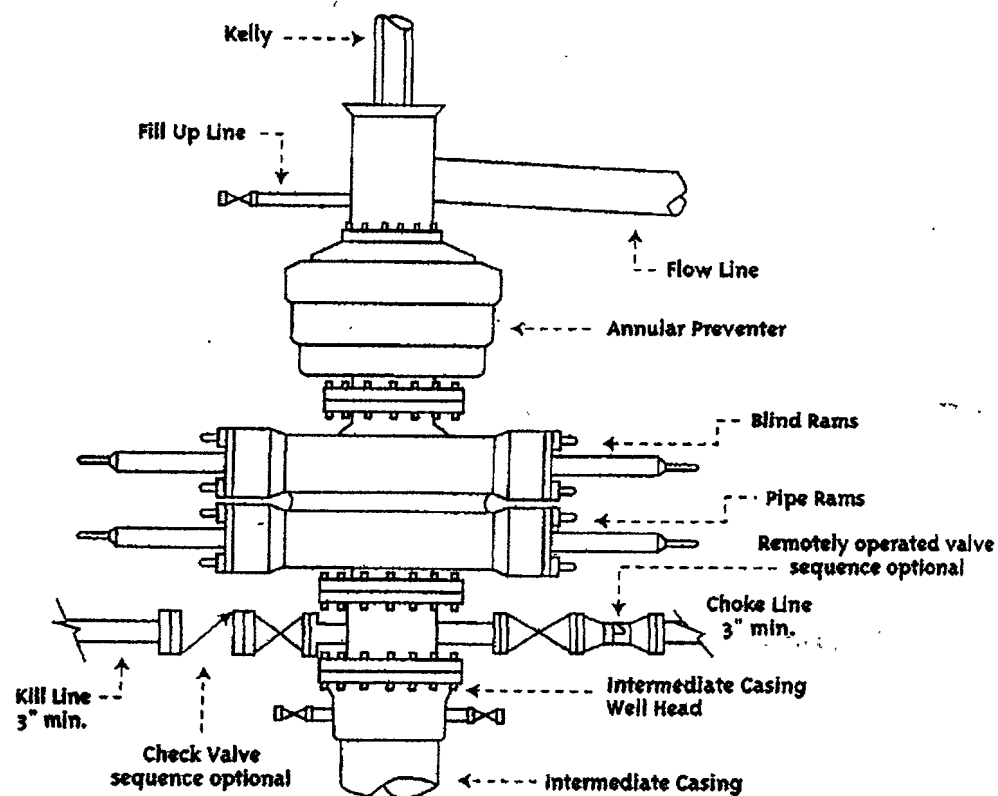
OPERATOR MELROSE OPERATING COMPANY

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

