

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 JAN 18 2008

1220 South St. Francis Dr.

Santa Fe, NM 87505

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

<sup>1</sup> Operator Name and Address: Melrose Operating Co., c/o Box 953, Midland, TX 79702		<sup>2</sup> OGRID Number: 184860
<sup>3</sup> Property Code 25191	<sup>3</sup> Property Name Jalmat Field Yates Sand Unit	<sup>3</sup> API Number 30 - 025 37501-38706
<sup>9</sup> Proposed Pool 1: Jalmat, Tansill-Yates-7 Rvrs		<sup>10</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no. O	Section 10	Township 22S	Range 35E	Lot Idn	Feet from the 660	North/South line South	Feet from the 1980	East/West line East	County Lea
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<sup>8</sup> 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

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code State	<sup>15</sup> Ground Level Elevation 3592'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 4200'	<sup>18</sup> Formation Yates	<sup>19</sup> Contractor TBA	<sup>20</sup> 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"/>				

<sup>21</sup> 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

<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 @ 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.

<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 ☐, 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:

Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER

Approval Date: JAN 22 2008

Expiration Date:

Conditions of Approval Attached ☐

Permit Expires 2 Year From Approval  
Date Unless Drilling Underway

## DISTRICT I

1625 N. FRENCH DR., HOBBS, NM 88240

## DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## State of New Mexico

Energy, Minerals and Natural Resources Department

## 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 <b>30-025-38706</b>	Pool Code <b>33820</b>	Pool Name <b>Jalmat (T-Y-7Rvrs)</b>
Property Code <b>25191</b>	Property Name <b>JYSU</b>	Well Number <b>227</b>
OGRID No. <b>184860</b>	Operator Name <b>MELROSE OPERATING COMPANY</b>	Elevation <b>3592'</b>

## Surface Location

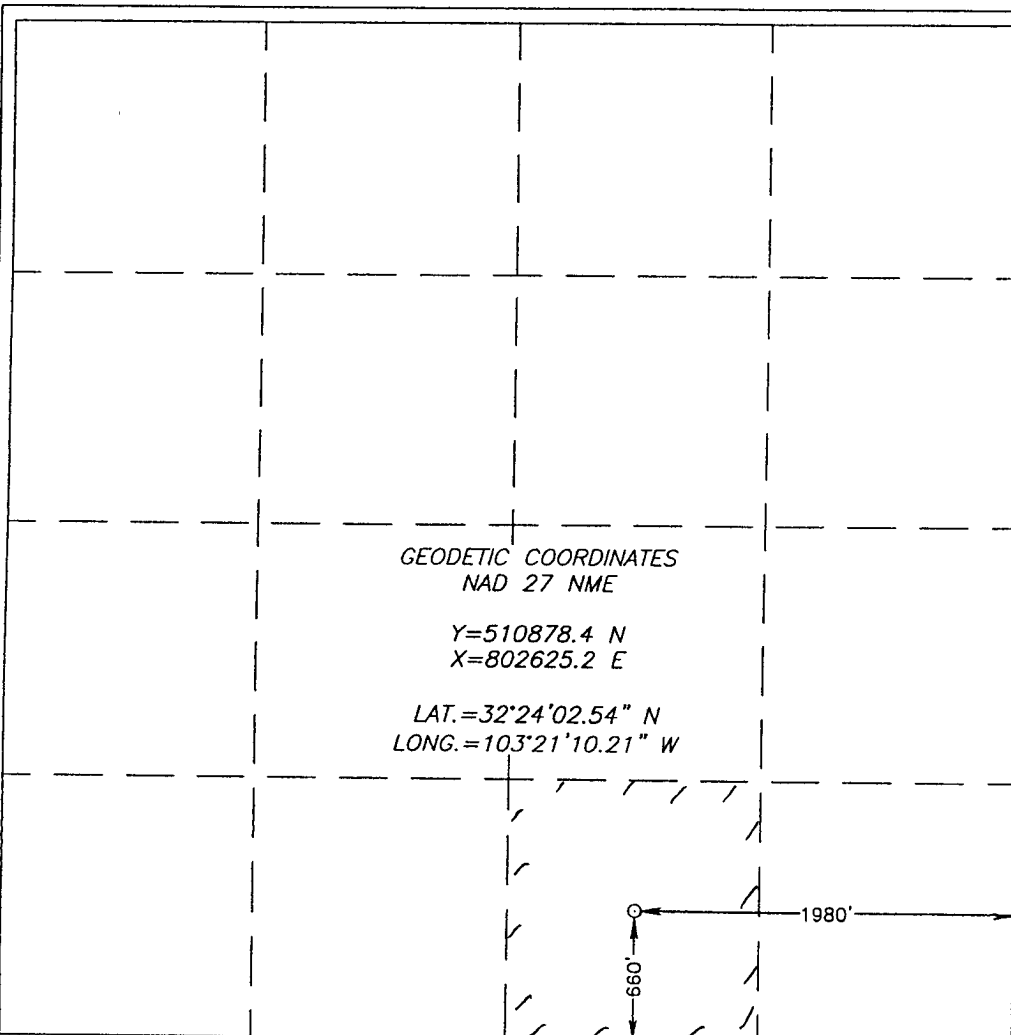
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	10	22-S	35-E		660	SOUTH	1980	EAST	LEA

## 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 <b>40 *</b>	Joint or Infill	Consolidation Code	Order No. <b>* Waterflood Unit</b>
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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 22, 2005

Date Surveyed

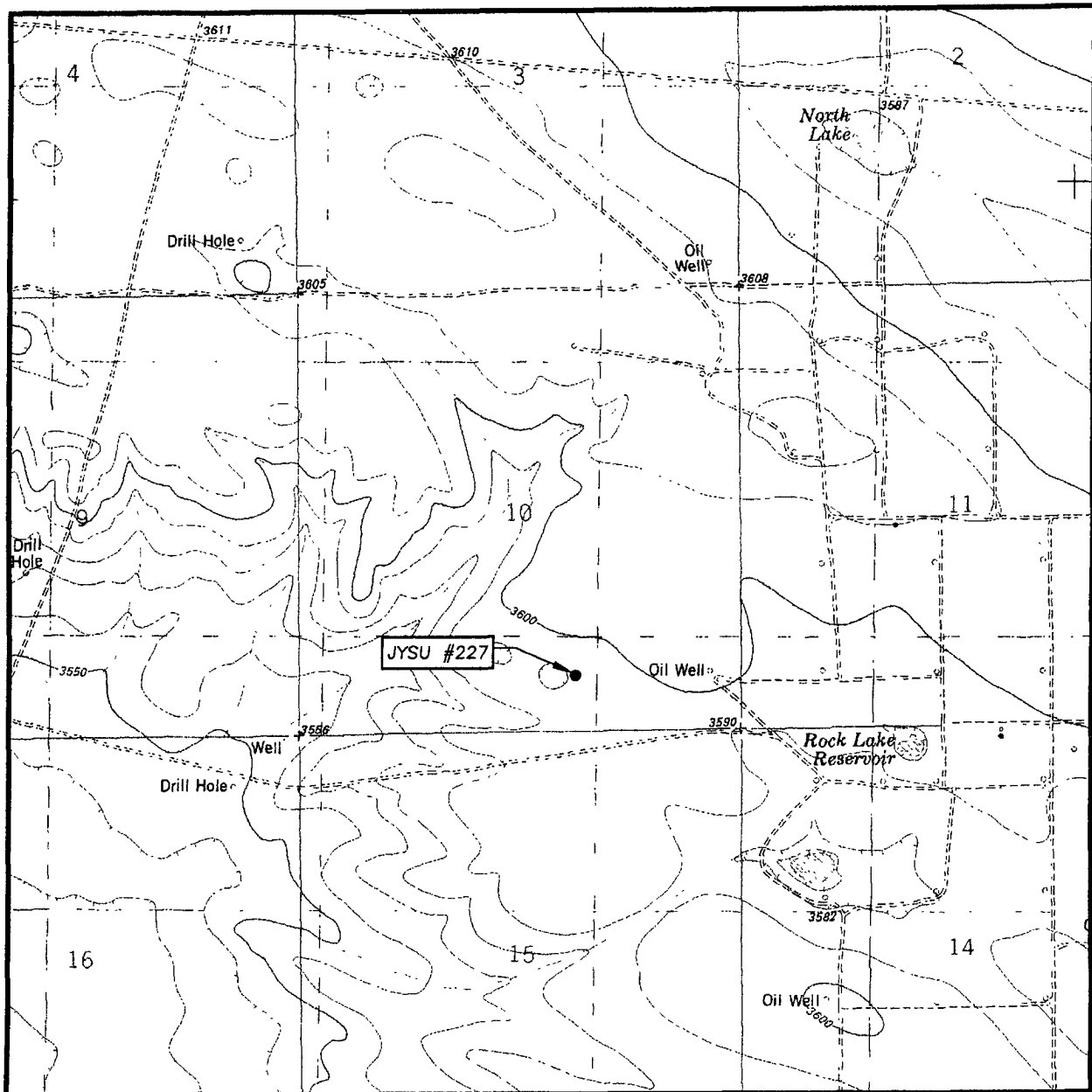
Signature & Seal of  
Professional Surveyor

10/3/05  
05-1488

Certificate No. GARY EIDSON

12641

# 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

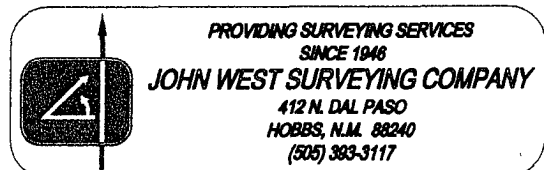
DESCRIPTION 660' FSL & 1980' FEL

ELEVATION 3592'

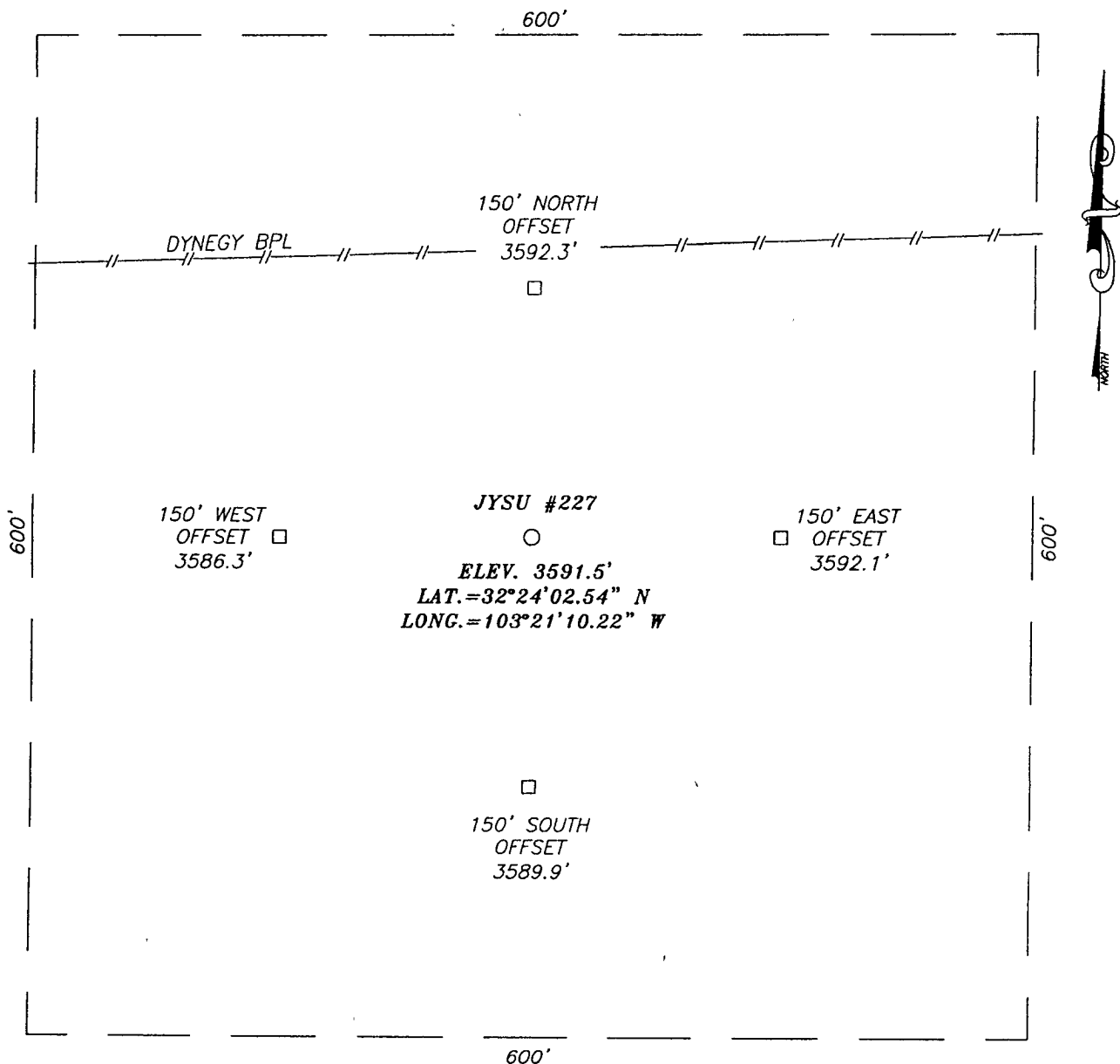
OPERATOR MELROSE OPERATING COMPANY

LEASE JYSU

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

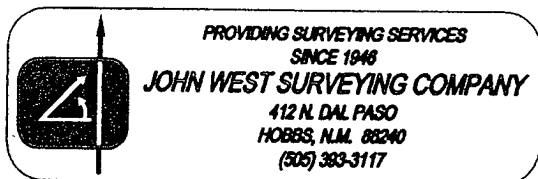
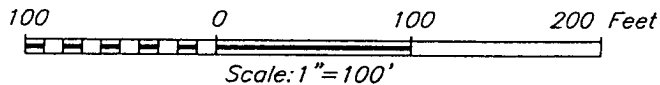


**SECTION 10, TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M.,**  
 LEA COUNTY, NEW MEXICO



**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  
 LEFT AND GO WEST APPROX. 0.6 MILES TO THE JYSU  
 #123 WELL. THIS LOCATION IS APPROX. 1320 FEET  
 WEST.

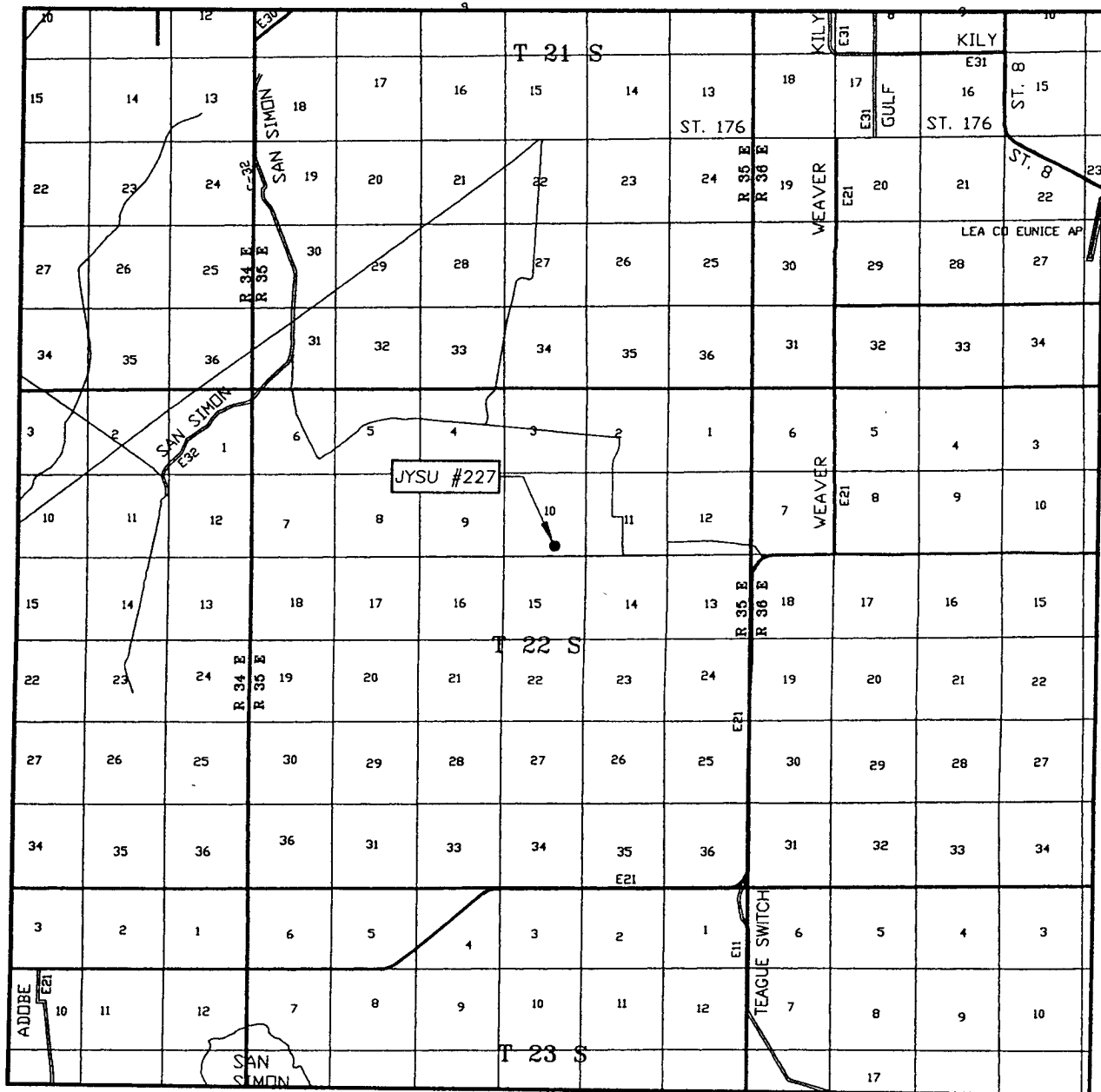


**MELROSE OPERATING COMPANY**

JYSU #227 WELL  
 LOCATED 660 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: 05.11.1488	Dr By: LA
Date: 9/28/05	Disk: CD#4
05111488	Scale: 1"=100'

# VICINITY MAP



SCALE: 1" = 2 MILES

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

SURVEY N.M.P.M.

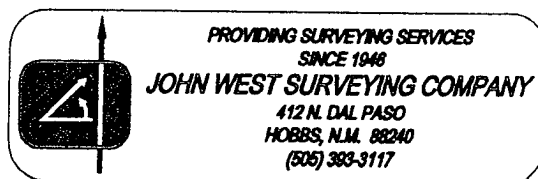
COUNTY LEA

DESCRIPTION 660' FSL & 1980' FEL

ELEVATION 3592'

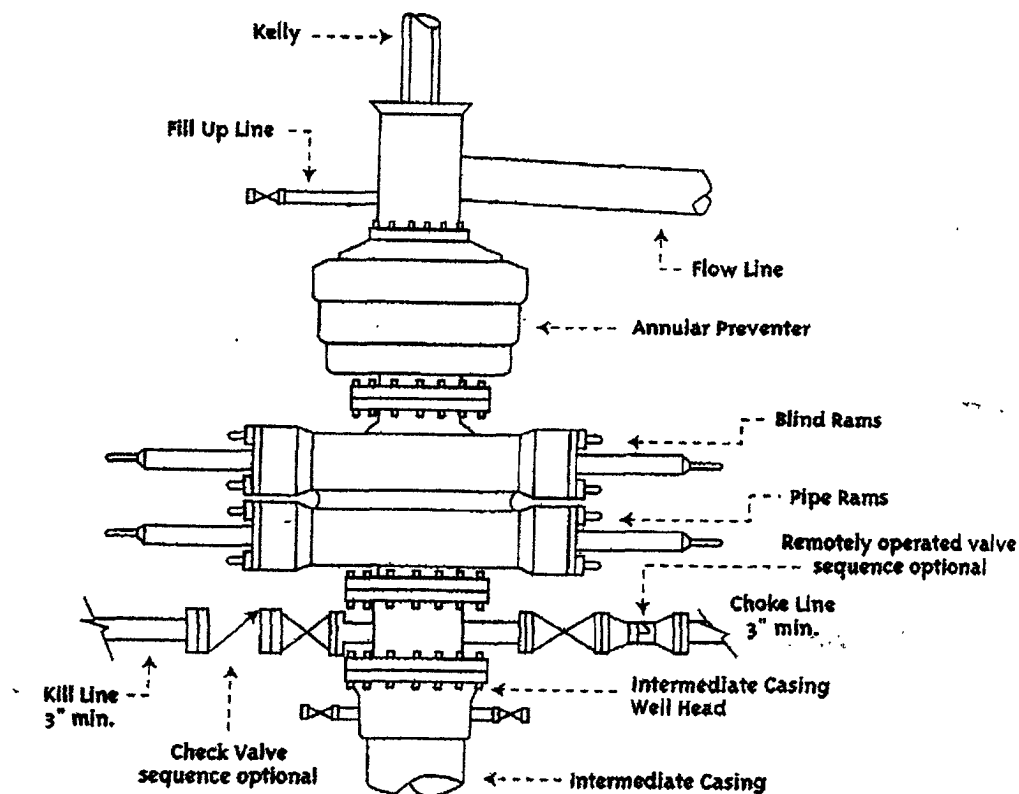
OPERATOR MELROSE OPERATING COMPANY

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

