

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 87504

Submit to appropriate District Office

☐ AMENDED REPORT

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

|  |  |   |  |
|--|--|---|--|
| <sup>1</sup> Operator Name and Address:<br>Melrose Operating Co., c/o Box 953, Midland, TX 79702 |  | <sup>2</sup> OGRID Number: 184860                         |  |
| <sup>3</sup> Property Code<br>25203  |  | <sup>4</sup> Property Name<br>Cone Jalmat Yates Pool Unit |  |
| <sup>5</sup> Proposed Pool 1:<br>Jalmat, Tansill-Yates-7 Rvrs                                    |  | <sup>6</sup> 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 |
|--------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| O            | 13      | 22-S     | 35-E  |         | 1292          | South            | 1352          | 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**

|   |                                       |   |  |   |
|---|---------------------------------------|---|--|---|
| <sup>11</sup> Work Type Code<br>N   | <sup>12</sup> Well Type Code<br>O     | <sup>13</sup> Cable/Rotary<br>R                         | <sup>14</sup> Lease Type Code<br>State | <sup>15</sup> Ground Level Elevation<br>3582' |
| <sup>16</sup> Multiple<br>No  | <sup>17</sup> Proposed Depth<br>4200' | <sup>18</sup> Formation<br>Yates                        | <sup>19</sup> Contractor<br>TBA        | <sup>20</sup> Spud Date<br>5-20-08            |
| Depth to Groundwater: 120'  |                                       | Distance from nearest fresh water well:<br>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:<br>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       |
|           |             |                    |               |                 |               |
|           |             |                    |               |                 |               |

<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 Cl C, slurry wt of 14.8 ppg, yield of 1.34 cf/sx, type Cl C with 2% CaCl<sub>2</sub>.  
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 H<sub>2</sub>S 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: 5-6-08

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

**OIL CONSERVATION DIVISION**

Approved by:

*Chris Williams*

Title: **OC DISTRICT SUPERVISOR/GENERAL MANAGER**

Approval Date: MAY 21 2008

Expiration Date:

Conditions of Approval Attached ☐

**Permit Expires 2 Years From Approval  
Date Unless Drilling Underway**

# State of New Mexico

Energy, Minerals and Natural Resources Department

## DISTRICT I

1352 N. FRENCH DR., HOBBS, NM 88240

## 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 October 12, 2005

Submit to Appropriate District Office

State LEase - 4 Copies

Fee LEase - 3 Copies

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

|                              |  |                                  |
|------------------------------|--|----------------------------------|
| API Number<br>30-025 - 38915 | Pool Code<br>33820                           | Pool Name<br>Jalmat (T-Y-7 Rvrs) |
| Property Code<br>25203       | Property Name<br>CONE JALMAT YATES POOL UNIT | Well Number<br>126               |
| OGRID No.<br>184860          | Operator Name<br>MELROSE OPERATING COMPANY   | Elevation<br>3582'               |

### 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             | 13      | 22-S     | 35-E  |         | 1292          | SOUTH            | 1352          | EAST           | LEA    |

### Bottom Hole Location If Different From Surface

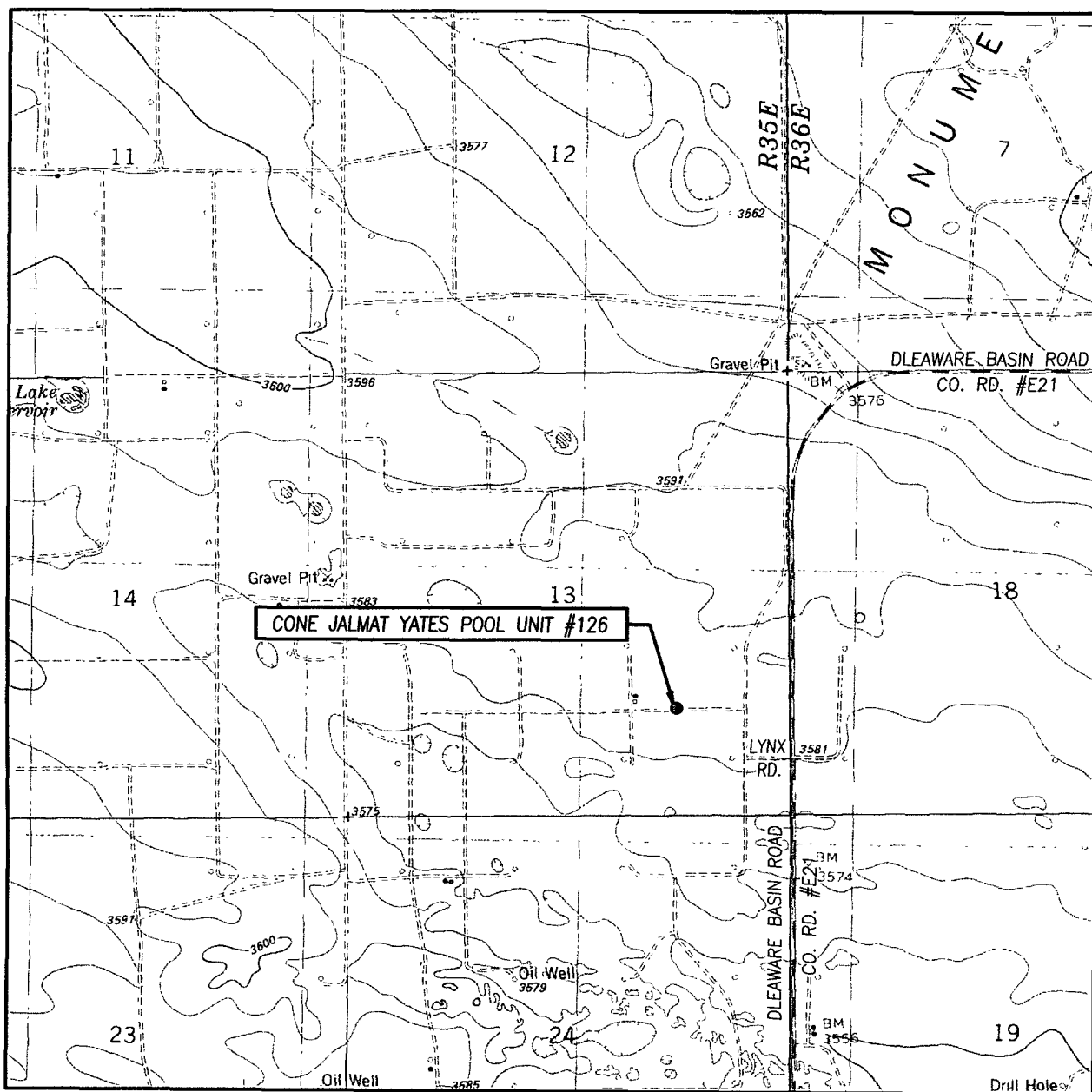
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|               |         |          |       |         |               |                  |               |                |        |

| Dedicated Acres | Joint or Infill | Consolidation Code | Order No.       |
|-----------------|-----------------|--------------------|-----------------|
| 40              |                 |                    | 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<br/>NAD 27 NME.<br/>SURFACE LOCATION</p> <p>Y=506357.3 N<br/>X=813859.5 E</p> <p>LAT.=32.387990° N<br/>LONG.=103.316584° W</p> | <p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Ann E. Ritchie</i> 5-6-08<br/>Signature Date</p> <p>Ann E. Ritchie<br/>Printed Name</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>APPROVED 5/6/2008<br/>DATE SURVEYED<br/>SIGNATURE &amp; SEAL OF<br/>PROFESSIONAL SURVEYOR<br/>3239<br/>RECEIVED 5/11/2008<br/>OFFICE OF THE PROFESSIONAL SURVEYOR</p> <p>DATE SURVEYED 5/11/2008<br/>SIGNATURE &amp; SEAL OF<br/>PROFESSIONAL SURVEYOR<br/>3239<br/>RECEIVED 5/11/2008<br/>OFFICE OF THE PROFESSIONAL SURVEYOR</p> <p>Certificate No. GARY G. EIDSON 12641<br/>RONALD J. EIDSON 3126</p> |
|--|---|

# LOCATION VERIFICATION MAP



SCALE: 1" = 1292'

CONTOUR INTERVAL: 10'  
OIL CENTER, NM

SEC. 13 TWP. 22-S RGE. 35-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

DESCRIPTION 1292' FSL & 1352' FEL

ELEVATION 3582'

OPERATOR MELROSE OPERATING COMPANY

LEASE CONE JALMAT YATES POOL UNIT

U.S.G.S. TOPOGRAPHIC MAP

OIL CENTER, NM

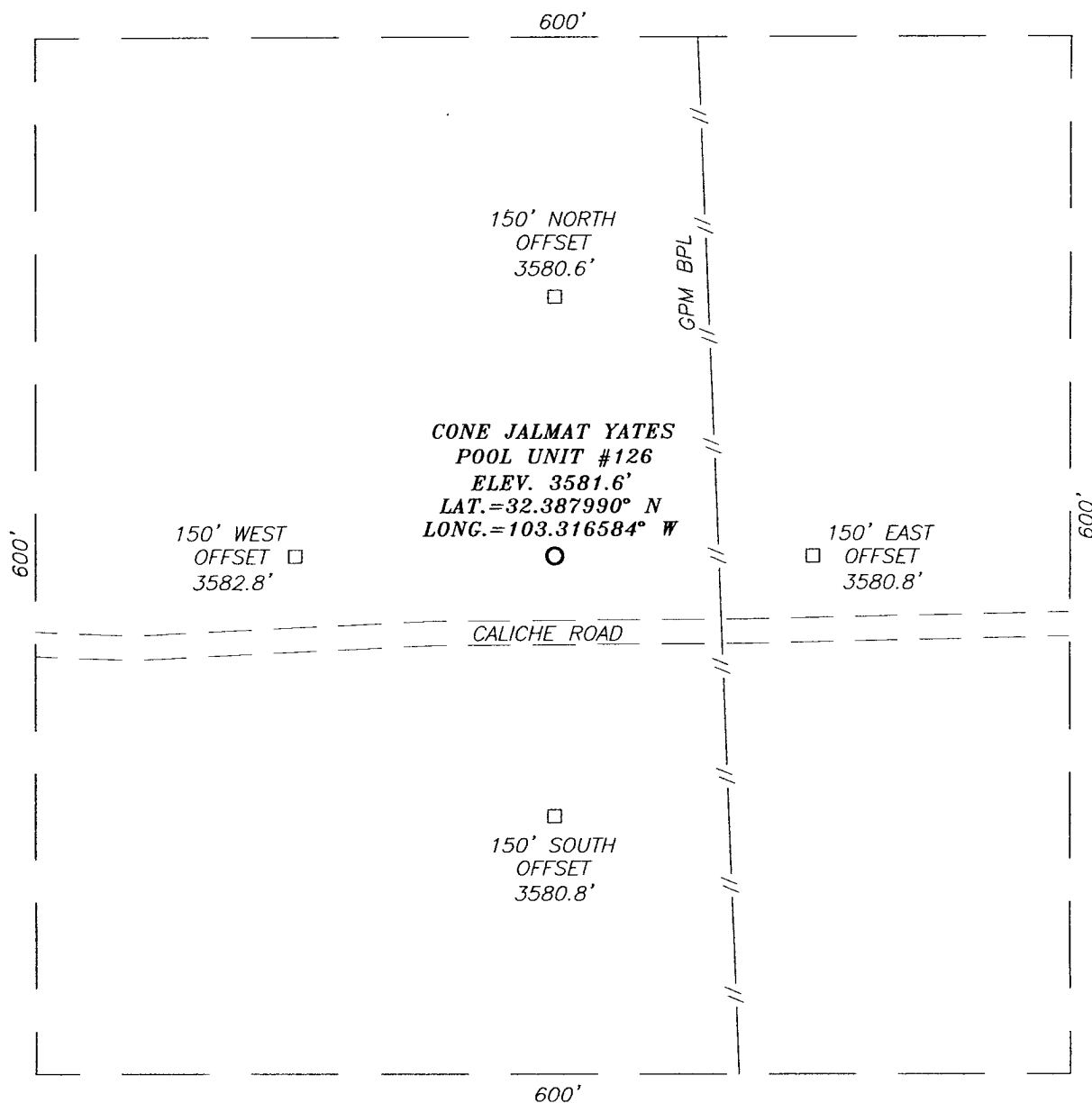


PROVIDING SURVEYING SERVICES  
SINCE 1946

**JOHN WEST SURVEYING COMPANY**

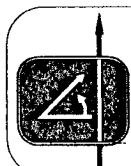
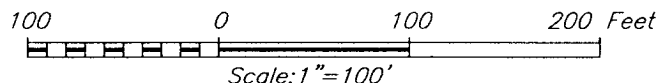
412 N. DAL PASO  
HOBBS, N.M. 88240  
(505) 393-3117

**SECTION 13, TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M.,**  
 LEA COUNTY, NEW MEXICO



**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF COUNTY ROAD #E21 (DELAWARE BASIN ROAD) AND CALICHE ROAD (LYNX ROAD), GO WEST ON LYNX ROAD APPROX. 0.1 MILE. TURN RIGHT AND GO NORTH APPROX. 0.13 MILES. TURN LEFT AND GO WEST APPROX. 800 FEET. THIS LOCATION IS APPROX. 40 FEET NORTH.



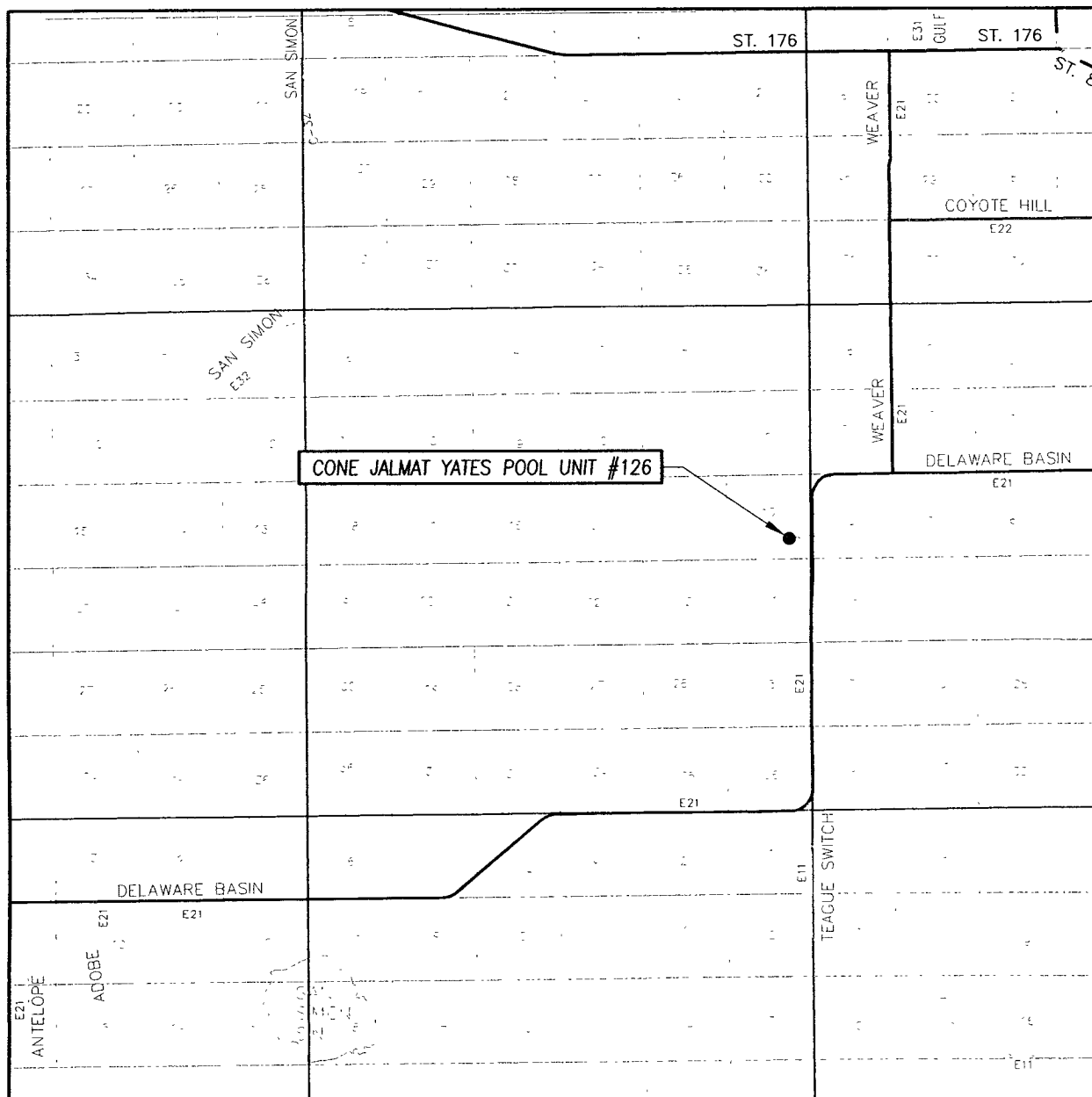
PROVIDING SURVEYING SERVICES  
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**JOHN WEST SURVEYING COMPANY**  
 412 N. DAL PASO  
 HOBBS, N.M. 88240  
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**MELROSE OPERATING COMPANY**

CONE JALMAT YATES POOL UNIT #126 WELL  
 LOCATED 1292 FEET FROM THE SOUTH LINE  
 AND 1352 FEET FROM THE EAST LINE OF SECTION 13,  
 TOWNSHIP 22 SOUTH, RANGE 35 WEST, N.M.P.M.,  
 LEA COUNTY, NEW MEXICO.

|                         |                     |
|-------------------------|---------------------|
| Survey Date: 4/24/08    | Sheet 1 of 1 Sheets |
| W.O. Number: 08.11.0573 | Dr By: DSS          |
| Date: 4/30/08           | 08110573            |
|                         | Scale: 1"=100'      |

# VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 13 TWP. 22-S RGE. 35-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

DESCRIPTION 1292' FSL & 1352' FEL

ELEVATION 3582'

OPERATOR MELROSE OPERATING COMPANY

LEASE CONE JALMAT YATES POOL UNIT



PROVIDING SURVEYING SERVICES  
SINCE 1946

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