

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

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

Form C-101  
May 27, 2004

MAY 13 2008

Submit to appropriate District Office

HOBBS OCD

AMENDED REPORT

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>4</sup> API Number 30-025-38923	
<sup>5</sup> Property Name Jalmat Field Yates Sand Unit		<sup>6</sup> Well No. 168	
<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 M	Section 12	Township 22-S	Range 35-E	Lot Idn	Feet from the 620	North/South line South	Feet from the 723	East/West line West	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 3597'
<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 5-20-08
Depth to Groundwater: 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% 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 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 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

DISTRICT I  
723 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

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 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 30-025 - 38923	Pool Code 33820	Pool Name Jalmat (T-Y-7 Rvrs)
Property Code 25191	Property Name JALMAT FIELD YATES SAND UNIT	Well Number 168
OGRID No. 184860	Operator Name MELROSE OPERATING COMPANY	Elevation 3597'

**Surface Location**

UL or lot No. M	Section 12	Township 22-S	Range 35-E	Lot Idn	Feet from the 620	North/South line SOUTH	Feet from the 723	East/West line WEST	County LEA
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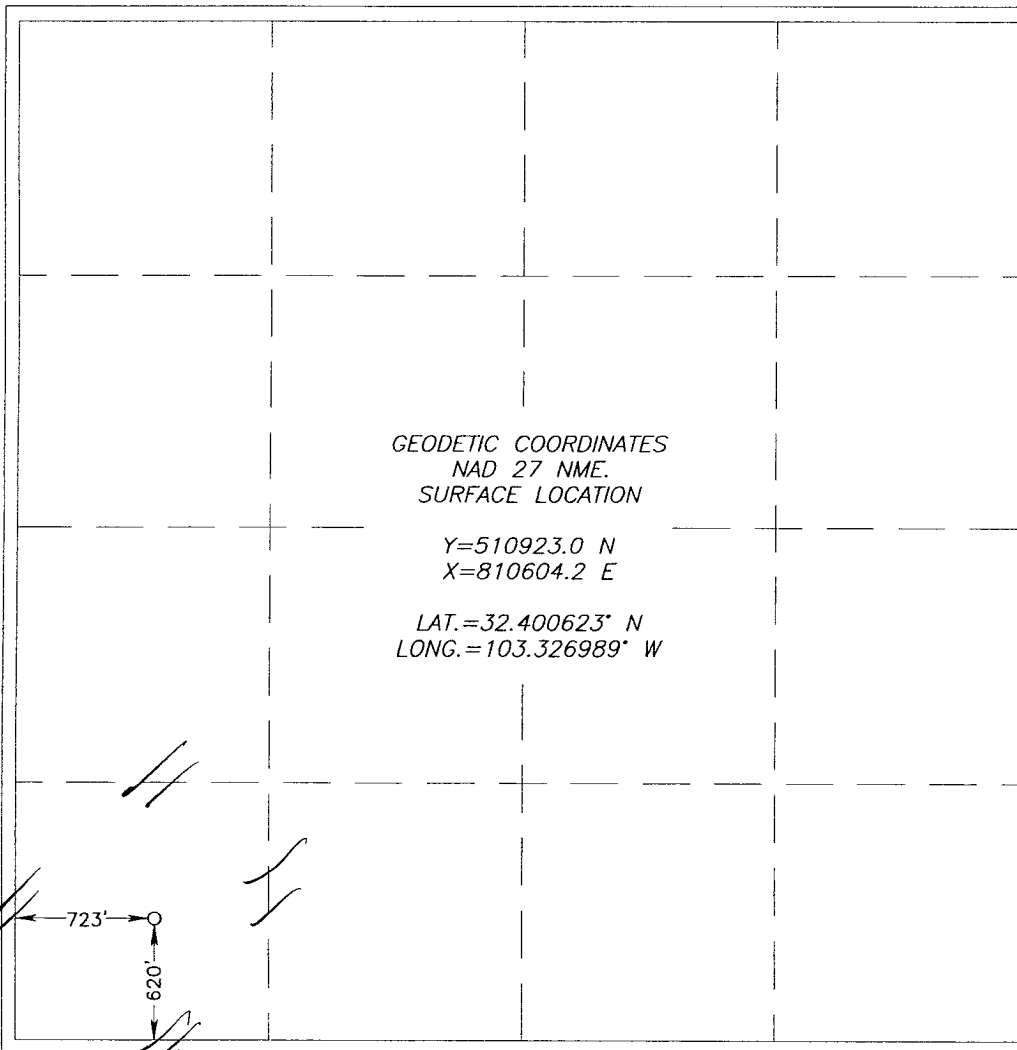
**Bottom Hole Location If Different From Surface**

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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Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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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



**OPERATOR CERTIFICATION**

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.

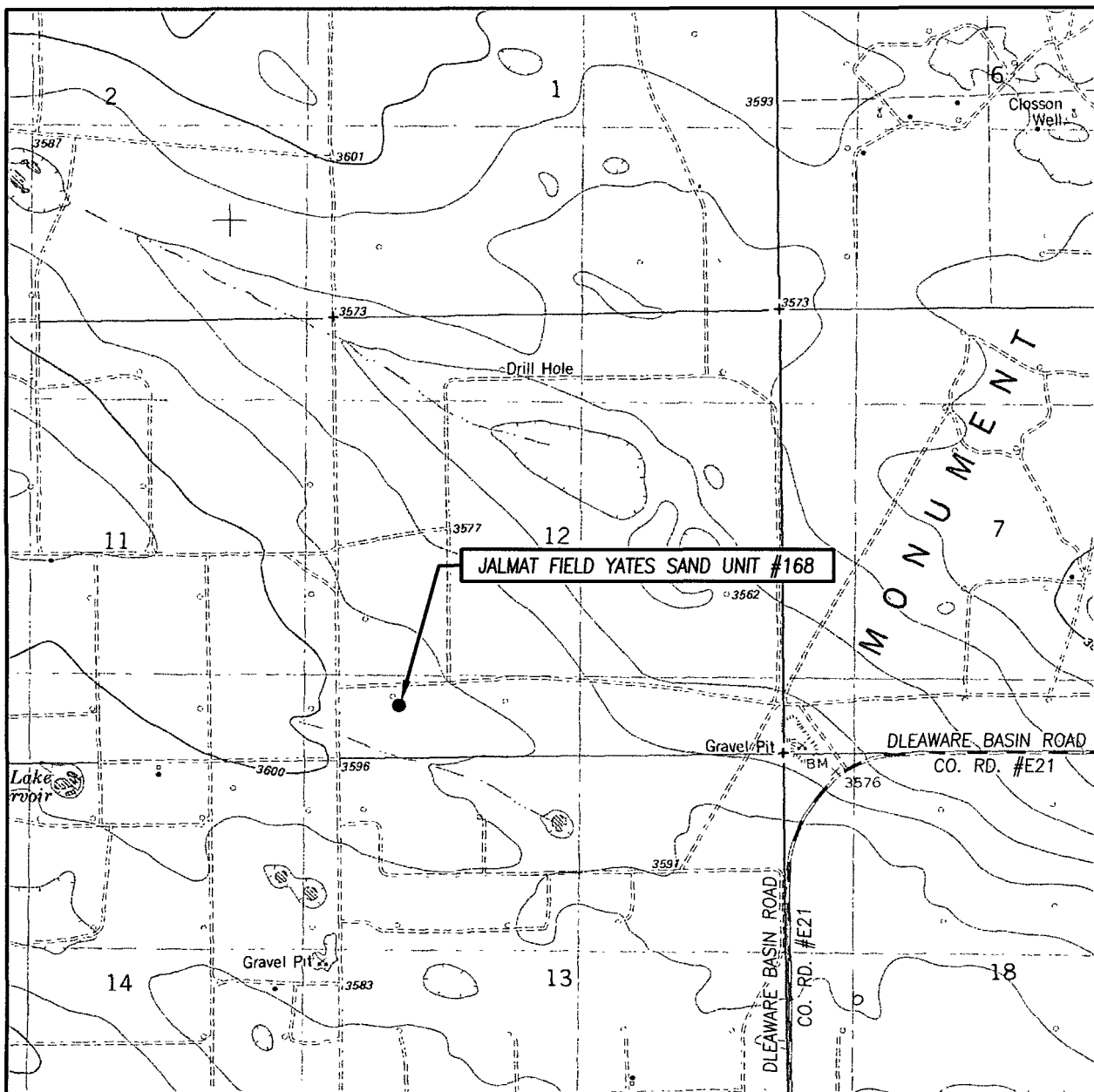
*Ann E. Ritchie* 5-6-08  
Signature Date  
Ann E. Ritchie  
Printed Name

**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.

RONALD J. EIDSON  
APR 23, 2008  
NEW MEXICO  
DSS  
Date Surveyed  
Signature & Seal of  
Professional Surveyor  
3239  
Certificate No. GARY G. EIDSON 12641  
RONALD J. EIDSON 3239

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'  
OIL CENTER, NM

SEC. 12 TWP. 22-S RGE. 35-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO


DESCRIPTION 620' FSL & 723' FWL

ELEVATION 3597'

OPERATOR MELROSE  
OPERATING COMPANY

LEASE JALMAT FIELD YATES SAND UNIT

U.S.G.S. TOPOGRAPHIC MAP  
OIL CENTER, NM

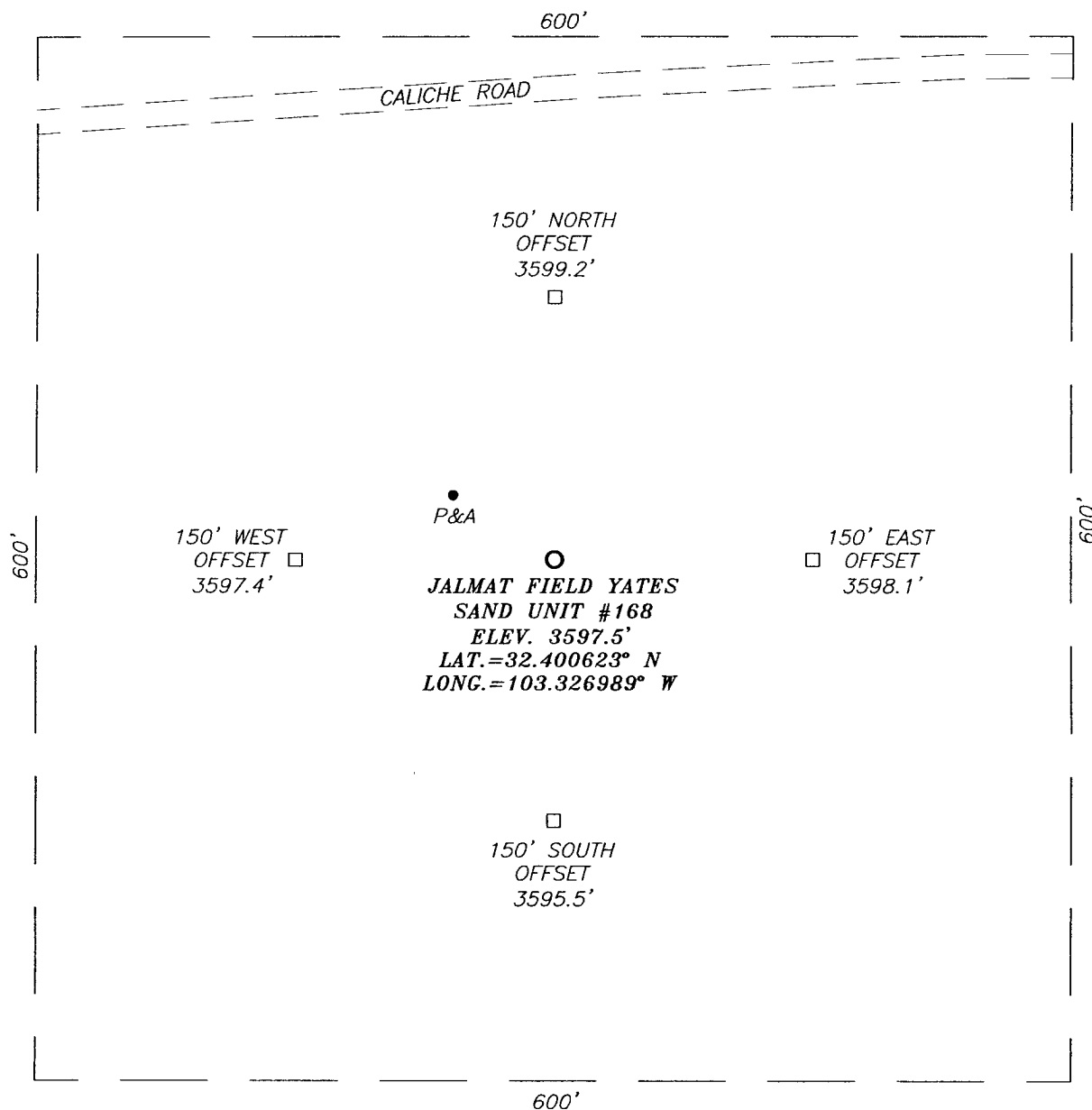


PROVIDING SURVEYING SERVICES  
SINCE 1946

**JOHN WEST SURVEYING COMPANY**

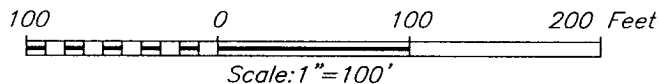
412 N. DAL PASO  
HOBBS, N.M. 88240  
(505) 393-3117

**SECTION 12, TOWNSHIP 22 SOUTH, RANGE 35 EAST, N.M.P.M.,**  
 LEA COUNTY, NEW MEXICO



**DIRECTIONS TO LOCATION**

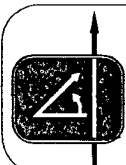
FROM THE INTERSECTION OF COUNTY ROAD #E21 (DELAWARE BASIN ROAD) AND COUNTY ROAD #E21 (WEAVER ROAD), GO WEST ON DELAWARE BASIN ROAD APPROX. 1.0 MILES. TURN RIGHT AND GO NORTH AND WEST 1.2 MILES. THIS LOCATION IS APPROX. 250 FEET SOUTH.



**MELROSE OPERATING COMPANY**

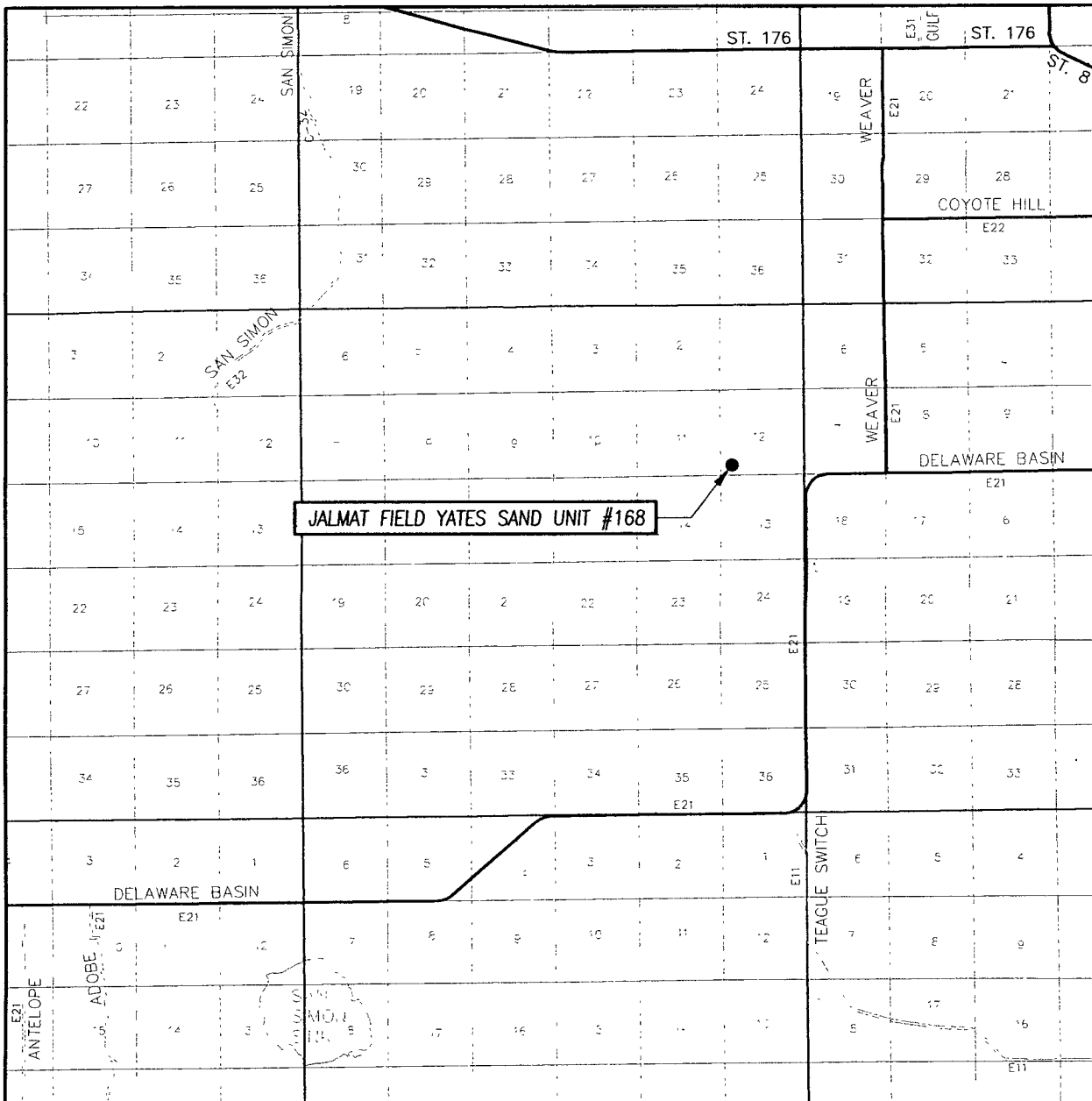
JALMAT FIELD YATES SAND UNIT #168 WELL  
 LOCATED 620 FEET FROM THE SOUTH LINE  
 AND 723 FEET FROM THE WEST LINE OF SECTION 12,  
 TOWNSHIP 22 SOUTH, RANGE 35 WEST, N.M.P.M.,  
 LEA COUNTY, NEW MEXICO.

Survey Date: 4/23/08	Sheet 1 of 1 Sheets
W.O. Number: 08.11.0559	Dr By: DSS
Date: 4/28/08	08110559
	Scale: 1"=100'



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

# VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 12 TWP. 22-S RGE. 35-E  
 SURVEY \_\_\_\_\_ N.M.P.M.  
 COUNTY LEA STATE NEW MEXICO  
 DESCRIPTION 620' FSL & 723' FWL  
 ELEVATION 3597'  
 OPERATOR MELROSE  
 OPERATING COMPANY \_\_\_\_\_  
 LEASE JALMAT FIELD YATES SAND UNIT



PROVIDING SURVEYING SERVICES  
 SINCE 1946  
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