

PNR M0705259751

C-103 Received 1-17-2007

DHC No. Assigned 2-21-2007

Order Number

HOB-0189

API Number

30-025-24434

Operator

John H. Hendrix Corp.

County

Lea

Order Date

Well Name

Sun Dangle

Number

005

Location

K

13

22S

37E

UL

Sec

T (+Dir)

R (+Dir)

Oil %

50%

Gas %

50%

Pool 1

06660

Blinebry Oil + Gas (Oil)

Pool 2

60240

Tubb Oil + Gas (Oil)

Pool 3

Pool 4

Comments:

Work completed effective _____
Work cancelled effective _____
Supplement _____

Posted to
R BDM &
2-21-2007

30-025-24434
HOB-0189

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: John H. Hendrix Corp.

PROPERTY NAME: Sun Danglade

WNULSTR: 5-K, 13-22-37

	SECTION I:	ALLOWABLE AMOUNT	
06660	POOL NO. 1 <u>Blinebry Oil & Gas (Oil)</u>	<u>107</u>	<u>428</u> MCF 4000
60240	POOL NO. 2 <u>Tubb Oil & Gas (Oil)</u>	<u>142</u>	<u>284</u> MCF 2000
	POOL NO. 3 _____	_____	_____ MCF
	POOL NO. 4 _____	_____	_____ MCF
	POOL TOTALS	<u>249</u>	<u>712</u>

SECTION II:		Oil	Gas
POOL NO. 1	<u>Blinebry Oil & Gas (Oil)</u>	$50\% \times 249 = 124.50$	50%
POOL NO. 2	<u>Tubb Oil & Gas (Oil)</u>	50%	50%
POOL NO. 3	_____		
POOL NO. 4	_____		

	<u>OIL</u>	<u>GAS</u>
SECTION III:	$107 \div 50\% = 214$	_____
SECTION IV:	$214 \times 50\% = 107$	_____
	$214 \times 50\% = 107$	_____
	_____	_____
	_____	_____

Submit 3 Copies to Appropriate District Office
 District I
 1625 N French Dr, Hobbs, NM 88240
 District II
 1301 W Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd, Aztec, NM 87410
 District IV
 100 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO.	30-025-24434
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Sun Danglede
8. Well Number	5
9. OGRID Number	012024
10. Pool name or Wildcat	Blinebry/Tubb

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
 John H. Hendrix Corporation

3. Address of Operator
 P. O. Box 3040
 Midland, TX 79702-3040

4. Well Location
 Unit Letter K : 1650 feet from the South line and 1980 feet from the West line
 Section 13 Township 22S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3330' RT

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: DHC Blinebry/Tubb <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

THIS IS A REQUEST TO DHC BLINEBRY OIL & GAS & TUBB OIL & GAS IN THE SUBJECT WELL. SEE SUPPORTING DATA ON ATTACHED SHEET.

DHC Order No. HOB-0189

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Ronnie H. Westbrook TITLE Vice President DATE 01/12/2007

Name or print name Ronnie H. Westbrook E-mail address: Telephone No. (432)684-6631

For State Use Only Chris Williams
 APPROVED BY: Chris Williams, District Supervisor TITLE DATE FEB 22 2007

Conditions of Approval (if any):

SUN DANGLADE NO. 5

Unit K – 1650' FSL & 1980' FWL
Sec. 13, T22S – R38E, Lea County, NM

1. Division Order that established pre-approved pools. Order No. R-11363.
2. Pools to be commingled – Blinebry Oil & Gas (6660) and Tubb Oil & Gas (60240)
3. Blinebry Perfs. – 5410 – 5827'
Tubb Perfs. – 5945 – 6175'
4. All zones are intermediate crude and commingling will not reduce the value of the production.
5. Ownership between pools is identical.
6. Estimated production.

Blinebry	4 BOPD	50 MCFPD
Tubb Oil & Gas	4 BOPD	50MCFPD
Total	8 BOPD	100 MCFPD

7. The proposed allocation to be as follows:

	<u>Oil %</u>	<u>Gas</u>
Blinebry Oil & Gas	50%	50%
Tubb Oil & Gas	50%	50%
Total	100%	100%

If testing after completion determines appreciable differences in estimated percentages, they will be changed.

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State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO.	30-025-24434
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Cossatot H
8. Well Number	2
9. OGRID Number	012024
10. Pool name or Wildcat	Wantz Granite Wash/Brunson Drinkard Abo, S.

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
 John H. Hendrix Corporation

3. Address of Operator
 P. O. Box 3040
 Midland, TX 79702-3040

4. Well Location
 Unit Letter K : 1650 feet from the South line and 1980 feet from the West line
 Section 13 Township 22S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3339' DF

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater >60 Distance from nearest fresh water well >1000' Distance from nearest surface water >1000'

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Recomplete in Blinebry - Tubb & DHC <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- Set RBP at 6200' to TA Wantz Granite Wash and Brunson-Drinkard Abo, S. perfs. 6296 - 7462'. Note: Has unrecoverable fish at 6236'.
- Perf. Tubb - 5945 - 6175' & Blinebry - 5410 - 5827'.
- Acidize & frac.
- DHC - Tubb & Blinebry.
- CHANGE WELL NAME TO SUN DANGLADE NO. 5 AS WORKING INTEREST IS DIFFERENT IN THE TUBB-BLINEBRY THAN IN THE WANTZ GRANITE WASH & BRUNSON DRINKARD, ABO, S.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Ronnie H. Westbrook TITLE Vice President DATE 01/09/2007

or print name Ronnie H. Westbrook E-mail address: _____ Telephone No. (432)684-6631

For State Use Only
 APPROVED BY: Chris Williams, District Supervisor TITLE _____

DATE FEB 22 2007

Conditions of Approval (if any): _____

District I
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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 87505

Submit to appropriate District Office

AMENDED REPORT

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

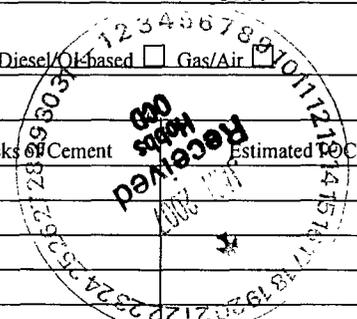
¹ Operator Name and Address John H. Hendrix Corporation P. O. Box 3040 Midland, TX 79702-3040		² OGRID Number 012024
³ Property Code 005155 005230		³ API Number 30-025-24434
⁵ Property Name Sun Danglade		⁶ Well No 5
⁹ Proposed Pool 1 Blinebry Oil & Gas		¹⁰ Proposed Pool 2 Tubb Oil & Gas

7 Surface Location									
UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Westline	County
K	13	22S	37E		1650	South	1980	West	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/Westline	County

Additional Well Information					
¹¹ Work Type Code	¹² Well Type Code	¹³ Cable/Rotary	¹⁴ Lease Type Code	¹⁵ Ground Level Elevation	
A	O		P	3330'	
¹⁶ Multiple	¹⁷ Proposed Depth	¹⁸ Formation Blinebry/Tubb		¹⁹ Contractor	²⁰ Spud Date
Depth to Groundwater > 60'		Distance from nearest fresh water well > 1000'		Distance from nearest surface water > 1000'	
Pit: Liner: Synthetic <input type="checkbox"/> milsthick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____					
Closed-Loop System <input type="checkbox"/> Steel pits to be used Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> 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
			NC		



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.

- Set RBP at 6200' to TA Wantz Granite Wash and Brunson-Drinkard Abo, S. perms. 6296 - 7462'. Note: Has unrecoverable fish at 6236'.
- Perf. Tubb - 5945 - 6175' & Blinebry - 5410 - 5827'.
- Acidize & frac.
- DHC - Tubb & Blinebry.
- CHANGE WELL NAME TO SUN DANGLADE NO. 5 AS WORKING INTEREST IS DIFFERENT IN THE TUBB-BLINEBRY THAN IN THE WANTZ GRANITE WASH & BRUNSON DRINKARD, ABO, S.

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 <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved by:	<i>Chris Williams</i>
Printed name. Ronnie H. Westbrook <i>Ronnie H. Westbrook</i>	Title: Chris Williams, District Supervisor	
Vice President	Approval Date. FEB 22 2007	Expiration Date.
E-mail Address:		
Date: 01/09/2007	Phone: (432)684-6631	Conditions of Approval Attached <input type="checkbox"/>

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

' API Number 30-025-24434	' Pool Code 60240	' Pool Name Tubb Oil & Gas
' Property Code 005155 005230	' Property Name Sun Danglade	' Well Number 5
' OGRID No. 012024	' Operator Name John H. Hendrix Corporation	' Elevation 3339' DF

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	13	22S	37E		1650	South	1980	West	Lea

¹¹ 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.	

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>16</p>	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order hereafter entered by the division.</p> <p><i>Ronnie H. Westbrook</i> 01/09/2007 Signature Date</p> <p>Ronnie H. Westbrook Printed Name</p>
	<p>¹⁸ 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.</p> <p>Date of Survey Signature and Seal of Professional Surveyor</p>
	<p>Certificate Number</p>

District I
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

' API Number 30-025-24434	' Pool Code 06660	' Pool Name Blinebry Oil & Gas
' Property Code 005155 005230	' Property Name Sun Dangle	' Well Number 5
' OGRID No. 012024	' Operator Name John H. Hendrix Corporation	' Elevation 3339' DF

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	13	22S	37E		1650	South	1980	West	Lea

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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.						

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<p>16</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order hereinafter entered by the division.</i></p> <p><i>Ronnie H. Westbrook</i> Signature 01/09/2007 Date</p> <p>Ronnie H. Westbrook Printed Name</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Date of Survey Signature and Seal of Professional Surveyor</p>
	<p>Certificate Number</p>