

# JOHN H. HENDRIX CORPORATION



MAILING ADDRESS  
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110 N. MARIENFELD, SUITE 400  
MIDLAND, TEXAS 79701-4412

April 26, 2006

New Mexico Oil Conservation Division  
1625 N. French Drive  
Hobbs, NM 88241

Attention: Chris Williams

RE: Britt B-18 Lease  
Lea County, NM  
Form C-136

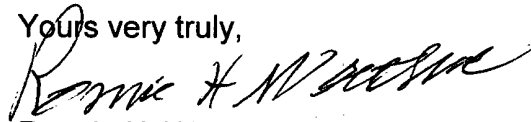


Dear Sirs:

Please find attached your Form C-136 to allow a central point of delivery and compression. Approval of this will allow the Britt B-18 No. 6 to resume producing and allow Britt B-18 No. 3 and No. 4 to continue producing.

Please call if you have any questions. Thank you for your consideration in this matter.

Yours very truly,

  
Ronnie H. Westbrook

RHW/ah  
Attachments

**ATTACHMENTS TO FORM C-136**

**BRITT B-18 LEASE**

**RULE 403.B(2)**

1. Attached as Exhibit 1 showing the lease as outlined in yellow and the wells to be tied into a central point of delivery circled in red. The lease is NW/4 NW/4 S/2 NW/4 & SE/4 Section 18, T20S, R37E, Lea County, New Mexico. All working interest and royalty interest are the same.

A. Wells to be metered separately.

None

B. Wells which will not be metered separately.

- |    |                  |                      |
|----|------------------|----------------------|
| 1. | Britt B-18 No. 3 | API No. 30-025-06154 |
| 2. | Britt B-18 No. 4 | API No. 30-025-06155 |
| 3. | Britt B-18 No. 6 | API No. 30-025-06157 |



2. Allocating production will be based on quarterly well tests by shutting in a well and using the subtraction method or by installing a loop in the flow line and installing a vane type gas meter.
3. See attached 10 year curves for all wells. It should be noted that all wells are marginal. If this is not approved it will be necessary to P&A these wells. John H. Hendrix Corporation believes that these wells have economic potential with gas compression at a CPD.
4. The gas transporter connected to this CPD will be Duke Energy Field Services, LP.

Your favorable response will be appreciated.

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 Dr.  
Santa Fe, NM 87505

Form C-136  
Revised June 10, 2003

Submit Original  
Plus 4 Copies  
to appropriate  
District Office

**APPLICATION FOR APPROVAL TO USE AN ALTERNATE GAS MEASUREMENT METHOD**  
Rule 403.B(1) or (2)

Operator Name: John H. Hendrix Corporation Operator No. 012024  
Operator Address: P. O. Box 3040, Midland, TX 79702-3040  
Lease Name: Britt B-18 Type: State  Federal  Fee   
Location: NW/4 NW/4 S/2 NW/4 & SE/4 Sec. 18, T20S, R37E, Lea County, NM  
Pool: Eumont Yates 7 Rvrs Queen  
Requested Effective Time Period: Beginning 5/1/06 Ending Until economic limit is reached

**APPROVAL PROCEDURE: RULE 403.B.(1)**

Please attach a separate sheet with the following information.

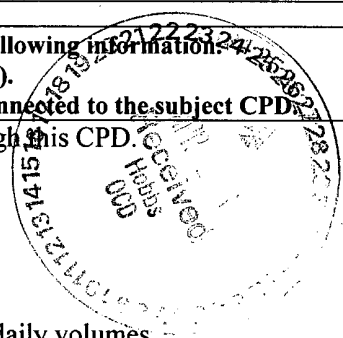
- 1) A list of the wells (including well name, number, ULSTR location, and API No.) included in this application.
- 2) A one year production history of each well included in this application (showing the annual and daily volumes).
- 3) The established or agreed-upon daily producing rate for each well and the effective time period.
- 4) Designate wells to be equipped with a flow device (required for wells capable of producing 5 MCF per day or more).
- 5) The gas transporter(s) connected to each well.

**APPROVAL PROCEDURE: RULE 403.B.(2)** Please attach a separate sheet with the following information.

A separate application is required for each Central Point Delivery (CPD).

Working interest, royalty and overriding royalty ownership must be common for all wells to be connected to the subject CPD.

- 1) An ownership plat showing a description of the lease and all of the wells to be produced through this CPD.
  - a) List the wells which will be metered separately, including API No.
  - b) List the wells which will not be metered separately, including API No.
- 2) Describe the proposed method of allocating production from non-metered wells.
- 3) A one year production history of the wells which will not be metered showing the annual and daily volumes.
- 4) The gas transporter(s) connected to this CPD.



**Applicant will be responsible for filing OCD Form C-111 for the CPD.**

**OPERATOR**

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: Ronnie H. Westbrook

Printed Name & Title: Ronnie H. Westbrook  
Vice President

E-mail Address: \_\_\_\_\_

**OIL CONSERVATION DIVISION**

This approval may be cancelled at anytime that operating conditions indicate that re-tests may be necessary to prevent waste and protect correlative rights.

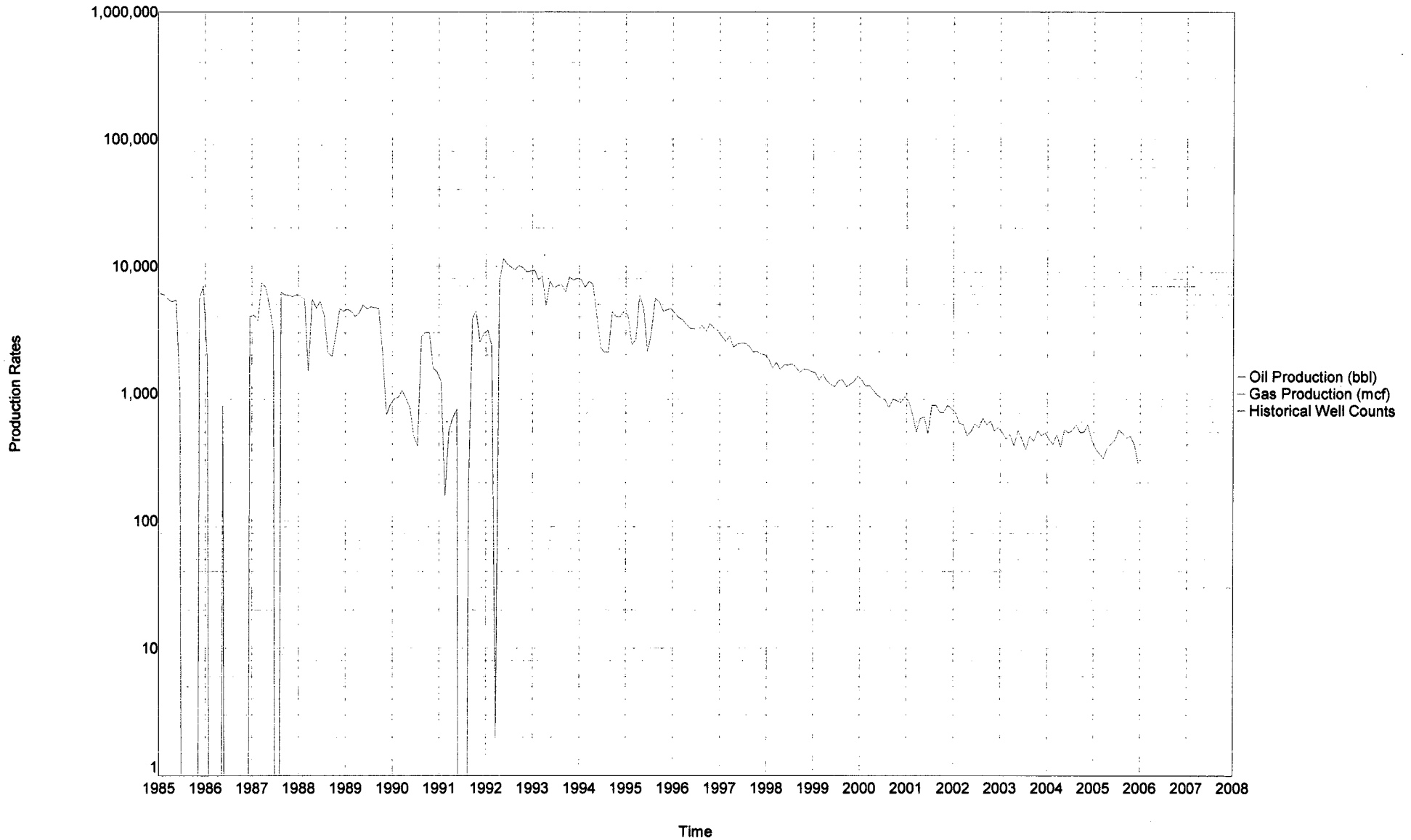
Approved Until: - 5/1/2011

By: Chris Williams

Title: Dist. Supervisor

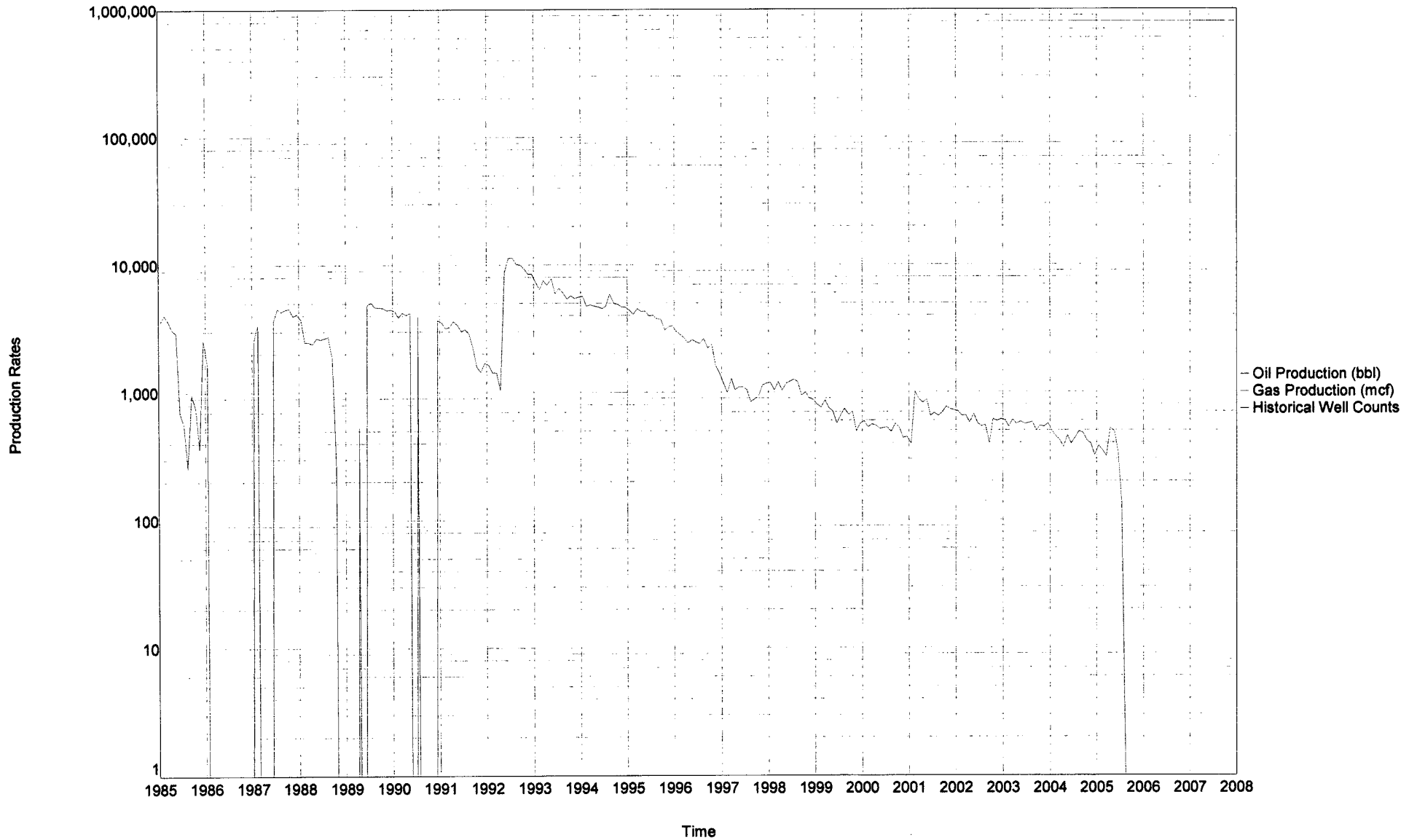
Lease Name: BRITT B 18  
County, State: LEA, NM  
Operator: HENDRIX JOHN H CORPORATION  
Field: EUMONT  
Reservoir: YATES-SEVEN RIVERS-Q  
Location: 18 20S 37E

BRITT B 18 - EUMONT #3



Lease Name: BRITT B 18  
County, State: LEA, NM  
Operator: HENDRIX JOHN H CORPORATION  
Field: EUMONT  
Reservoir: YATES-SEVEN RIVERS-Q  
Location: 18 20S 37E

BRITT B 18 - EUMONT #6



Lease Name: BRITT B 18  
County, State: LEA, NM  
Operator: HENDRIX JOHN H CORPORATION  
Field: EUMONT  
Reservoir: YATES-SEVEN RIVERS-Q  
Location: 18 20S 37E

BRITT B 18 - EUMONT ~~2~~ 4

