

Order Number

DAC
HOB 502

API Number

30-025-21602

Operator

John H. Hendrix Corp

County

Lea

Order Date

10-5-2012

Well Name

Sar Keys 1A

Number

2

Location

H

UL

26

Sec

215

T (+Dir)

37E

R (+Dir)

Pool 1

6660

Blinebry Oil + Gas

Oil %

30

Gas %

25

Pool 2

60240

Tubb Oil + Gas

30

30

Pool 3

19190

Drinkard

20

20

Pool 4

62700

Wantz Abo

20

25

Comments

Posted in RBOMS 10-5-2012 CHM

DOWNHOLE COMMINGLE CALCULATIONS:

30-025-21602

OPERATOR: John H. Hendrix Corp DHC-HOB-502

PROPERTY NAME: Sar Keys A

WNULSTR: 2-H-26-215-37E

SECTION I:		ALLOWABLE AMOUNT	
POOL NO. 1	<u>Blinebry Oil + Gas</u>	<u>107</u>	<u>428</u> MCF
POOL NO. 2	<u>Tubb Oil + Gas</u>	<u>142</u>	<u>284</u> MCF
POOL NO. 3	<u>Drinkard</u>	<u>142</u>	<u>852</u> MCF
POOL NO. 4	<u>Wantz Abo</u>	<u>187</u>	<u>1122</u> MCF
	POOL TOTALS	<u>578</u>	<u>2686</u>

SECTION II:		<u>Oil</u>	<u>Gas</u>
POOL NO. 1	<u>Blinebry Oil + Gas</u>	30%	25%
POOL NO. 2	<u>Tubb Oil + Gas</u>	30%	30%
POOL NO. 3	<u>Drinkard</u>	20%	20%
POOL NO. 4	<u>Wantz Abo</u>	20% x 578 = 115.6	25%
		<u>416.6</u>	

SECTION III: OIL GAS

$20\% \div 187 = 935$ <935>

SECTION IV:

$30\% \times 935 = 280.5$ <281>

$30\% \times 935 = 280.5$ <281>

$20\% \times 935 = 187$ <187>

$20\% \times 935 = 187$ <187>

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
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 June 19, 2008

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

WELL API NO.	30-025-21602
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	Sarkeys A
8. Well Number	2
9. OGRID Number	012024
10. Pool name or Wildcat	DHC Blinebry Drinkard, Wantz Abo
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	3378' GR

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 H : 1650 feet from the North line and 990 feet from the East line
 Section 26 Township 21S Range 37E NMPM Lea County

OCT 05 2012
 RECEIVED

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input 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 Down Hole Commingle the Blinebry Oil & Gas, Tubb Oil & Gas, Drinkard and Wantz Abo producing zones in the subject well. See supporting data on attached sheet.

Presently the subject well is DHC Blinebry, Drinkard and Wantz Abo under Order No. R-5961, approved March 30, 1979.

Spud Date: Rig Release Date:

DHC-HOB-502

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Carolyn Doran Haynes TITLE Engineer DATE 10/05/12

Type or print name Carolyn Doran Haynes E-mail address: cdoranhaynes@jhnc.org PHONE: 432-684-6631

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE OCT 05 2012

Conditions of Approval (if any):

OCT 09 2012

SARKEYS A #2

Unit Letter H – 1650’ FNL & 990’ FEL Sec 26, T21S, R37E, Lea County, NM API # 30-025-21602

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), Drinkard Pool (19190) and Wantz Abo (62700).
3. New Tubb Oil & Gas Perfs – 6145-6280’
Existing Blinebry Oil & Gas Perfs – 5569-5861’
Existing Drinkard Perfs – 6445-6546’
Existing Wantz Abo Perfs – 6777-7213’
4. All zones are intermediate crude and commingling will not reduce the value of the production.
5. Ownership between pools in this wellbore is identical.
6. Current or Anticipated production:

Blinebry Oil & Gas	3 BOPD	25 MCFPD
Tubb Oil & Gas	3 BOPD	30 MCFPD
Drinkard Pool	2 BOPD	20 MCFPD
Wantz Abo	2 BOPD	25 MCFPD
Total	10 BOPD	100 MCFPD

7. The proposed allocation to be as follows

	<u>Oil %</u>	<u>Gas%</u>
Blinebry Oil & Gas	30%	25%
Tubb Oil & Gas	30%	30%
Drinkard Pool	20%	20%
Wantz Abo	20%	25%
Total	100%	100%

If further tests show a significant difference in allocation percentages, it will be revised.

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
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Santa Fe, NM 87505

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

HOBBS OCS
OCT 05 2012

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-21602		² Pool Code 60240		³ Pool Name Tubb Oil & Gas	
⁴ Property Code 005218		⁵ Property Name Sarkeys A			⁶ Well Number 2
⁷ OGRID No. 012024		⁸ Operator Name John H. Hendrix Corporation			⁹ Elevation 3378' GL

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
H	26	21S	37E		1650	North	990	East	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

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. DHC-HOB-502
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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.

16		<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 heretofore entered by the division</i></p> <p><i>Carolyn Doran Haynes</i> 10/5/12 Signature Date</p> <p>Carolyn Doran Haynes 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>

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OCT 05 2012

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-21602	² Pool Code 6660	RECEIVED ³ Name Blinbery Oil & Gas
⁴ Property Code 005218	⁵ Property Name Sarkeys A	
⁷ OGRID No. 012024	⁸ Operator Name John H. Hendrix Corporation	⁶ Well Number 2
		⁹ Elevation 3378' GL

¹⁰ Surface Location

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				<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>

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OCT 05 2012

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATED PLAT

¹ API Number 30-025-21602		² Pool Code 62700		³ Pool Name Wantz Abo	
⁴ Property Code 005218		⁵ Property Name Sarkeys A			⁶ Well Number 2
⁷ OGRID No. 012024		⁸ Operator Name John H. Hendrix Corporation			⁹ Elevation 3378' GL

¹⁰ Surface Location

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

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⁴ Property Code 005218		⁵ Property Name Sarkeys A			⁶ Well Number 2
⁷ OGRID No. 012024		⁸ Operator Name John H. Hendrix Corporation			⁹ Elevation 3378' GL

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¹² Dedicated Acres: 40
¹³ Joint or Infill:
¹⁴ Consolidation Code:
¹⁵ Order No.: **DHC-HOB-502**

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