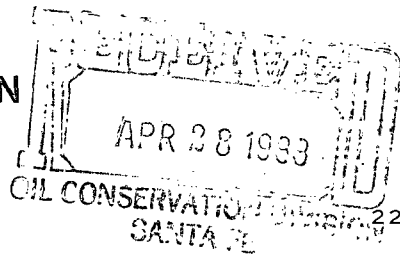
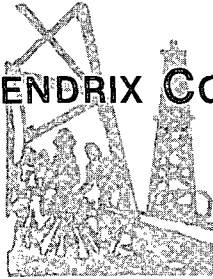


Release Date:
May 17, 1988

By DEC

JOHN H. HENDRIX CORPORATION



(915) 684-6631
223 WEST WALL, SUITE 525
MIDLAND, TEXAS 79701

April 26, 1988

NSL-252-(SD)
RULE-104F(E)

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

330 ENL
330 FEL
Section 18, T20S, R37E.
Eumont Gas Sever River Queen Gas Pool

Attention: Mr. David R. Catanach

NSP-83?

RE: Unorthodox Location and
Simultaneous Acreage Dedication -
Mexico No. 1 and Mexico No. 3
NE/4 Section 18, T20S - R37E
Lea County, New Mexico

Gentlemen:

John H. Hendrix Corporation respectfully requests administrative approval to recomplete the Mexico No. 1 well from the Eunice-Monument to the Eumont Gas at an unorthodox location in Unit A, Section 18; and simultaneously dedicate the Mexico No. 1 along with the currently producing Mexico No. 3 Eumont Gas well to the current 160 acre proration unit consisting of the NE/4 Section 18, T20S - R37E, Lea County, New Mexico.

Approval of this request will protect correlative rights, promote conservation, and encourage the efficient recovery of gas reserves. The Mexico No. 1 well's unorthodox location was an orthodox location in the Eunice-Monument Oil Pool.

By copy of this letter, we are notifying the offset operators of this proposed unorthodox location and simultaneous dedication. If these operators have no objections we ask that they execute the attached waiver and return one copy to the NMOCD and another to me at the letterhead address.

Yours very truly,

Ronnie H. Westbrook
Ronnie H. Westbrook

RHW/ah
Enclosures
Offset Operators (Certified Mail)
NMOCD District I, Hobbs, New Mexico

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☐

DEEPEN ☐

PLUG BACK ☒

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

John H. Hendrix Corporation

3. ADDRESS OF OPERATOR

223 W. Wall, Suite 525, Midland, TX 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

Unit Letter A, 330 ft. fr. North Line and 330

ft. fr. East Line, Section 18, T-20-S, R-37-E, NMPM

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

3 Miles South of Monument

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

19. PROPOSED DEPTH

20. ROTARY OR CABLE TOOLS

NA

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3564 ft. DF

22. APPROX. DATE WORK WILL START*

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17"	13-1/2"	50#	280'	250 sx.
12-1/4"	9-5/8"	36#	1136'	300 sx.
8-3/4"	7"	24#	3782'	300 sx.

Well temporarily shut down.

Propose to MI & RU pulling unit.

Set CIBP @ 3450' & cap w/ 20' cement.

Perf. 7" csg. 3260' - 3395' - Eumont Queen Gas Zone.

Treat perfs. w/ 3000 gals. 15% NE-HCL.

Flush w/ 25 bbls. produced wtr.

Swab & test.

Return to production.

BOP & Series 900, 3000# WP, double w/ one set blind rams, one set pipe rams.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

James H. Woodruff

TITLE

Vice-President

DATE

3/7/88

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OPERATIONS CONT

SUBMIT IN TRIPlicate
(Other Instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

LC 031621 (b)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

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" for such proposals.)

1. OIL WELL ☐ GAS WELL ☒ OTHER		7. UNIT AGREEMENT NAME	
2. NAME OF OPERATOR John H. Hendrix Corporation		8. FARM OR LEASE NAME Mexico	
3. ADDRESS OF OPERATOR 223 W. Wall, Suite 525, Midland, TX 79701		9. WELL NO. 1	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface Unit Letter A, 330 ft. fr. the North Line and 330 ft. fr. the East Line, Section 18, T-20-S, R-37-E, NMMP		10. FIELD AND POOL, OR WILDCAT Eumont Gas	
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 18, T20S-R37E		12. COUNTY OR PARISH Lea	
14. PERMIT NO. NA		13. STATE NM	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 3564' DF			

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF	☐	PULL OR ALTER CASING	☐
FRACTURE TREAT	☐	MULTIPLE COMPLETE	☐
SHOOT OR ACIDIZE	☒	ABANDON*	☐
REPAIR WELL	☐	CHANGE PLANS	☐
(Other)	Perf. Queen and Treat		

WATER SHUT-OFF	☐	REPAIRING WELL	☐
FRACTURE TREATMENT	☐	ALTERING CASING	☐
SHOOTING OR ACIDIZING	☐	ABANDONMENT*	☐
(Other)			

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all horizontal/vertical depths pertinent to this work.) *

Well temporarily shut down.
Propose to MI & RU pulling unit.
Set CIBP @ 3450' & cap w/ 20' cement.
Perf. 7" csg. 3260' - 3395' - Eumont Queen Gas Zone.
Treat perfs. w/ 3000 gals. 15% NE-HCL.
Flush w/ 25 bbls. produced wtr.
Swab & test.
Return to production.

MAR 2 3 1988

RECEIVED

RECEIVED
MAR 10 12 21 PM '88
CARLSB. DIST. OFFICE
AREA HEADQUARTERS

18. I hereby certify that the foregoing is true and correct

SIGNED John H. Hendrix TITLE Vice-President DATE 3/7/88

(This space for Federal or State office use)

APPROVED BY [Signature] TITLE CHIEF, MINERAL RESOURCES DATE 3-22-88

CONDITIONS OF APPROVAL, IF ANY:

Subject to Unorthodox Location (SJS)
Like Approval Non-Standard Proration
by State
*See Instructions on Reverse Side

All distances must be from the outer boundaries of the Section.

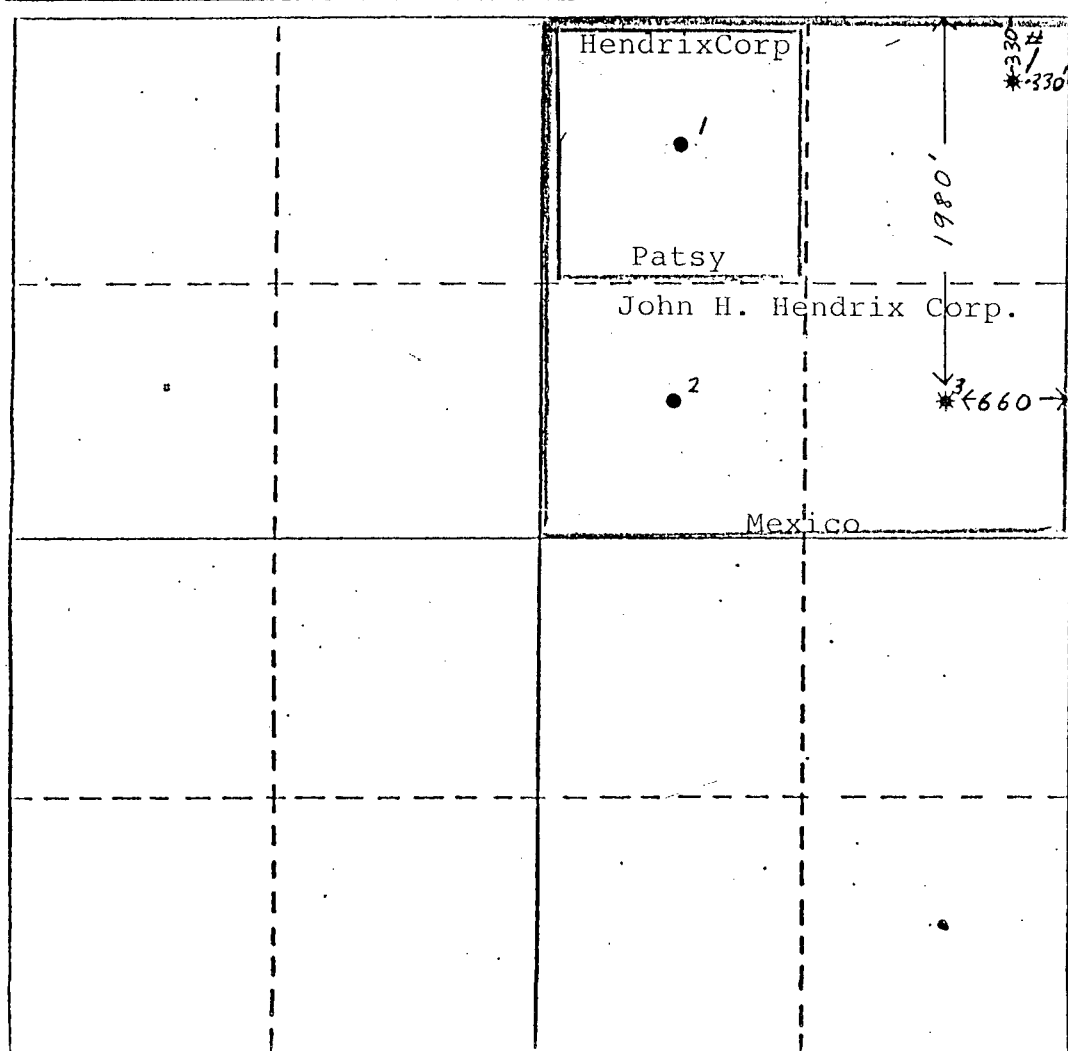
Operator John H. Hendrix Corporation			Lease Mexico			Well No. 1		
Unit Letter A	Section 18	Township 20 South	Range 37 East	County Lea				
Actual Footage Location of Well: 330 feet from the North line and 330 feet from the East line								
Ground Level Elev. 3557		Producing Formation Queen		Pool Eumont Gas			Dedicated Acreage: 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

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

Ronnie H. Westbrook

Name
Ronnie H. Westbrook

Position
Vice-President

Company
John H. Hendrix Corp.

Date
March 7, 1988

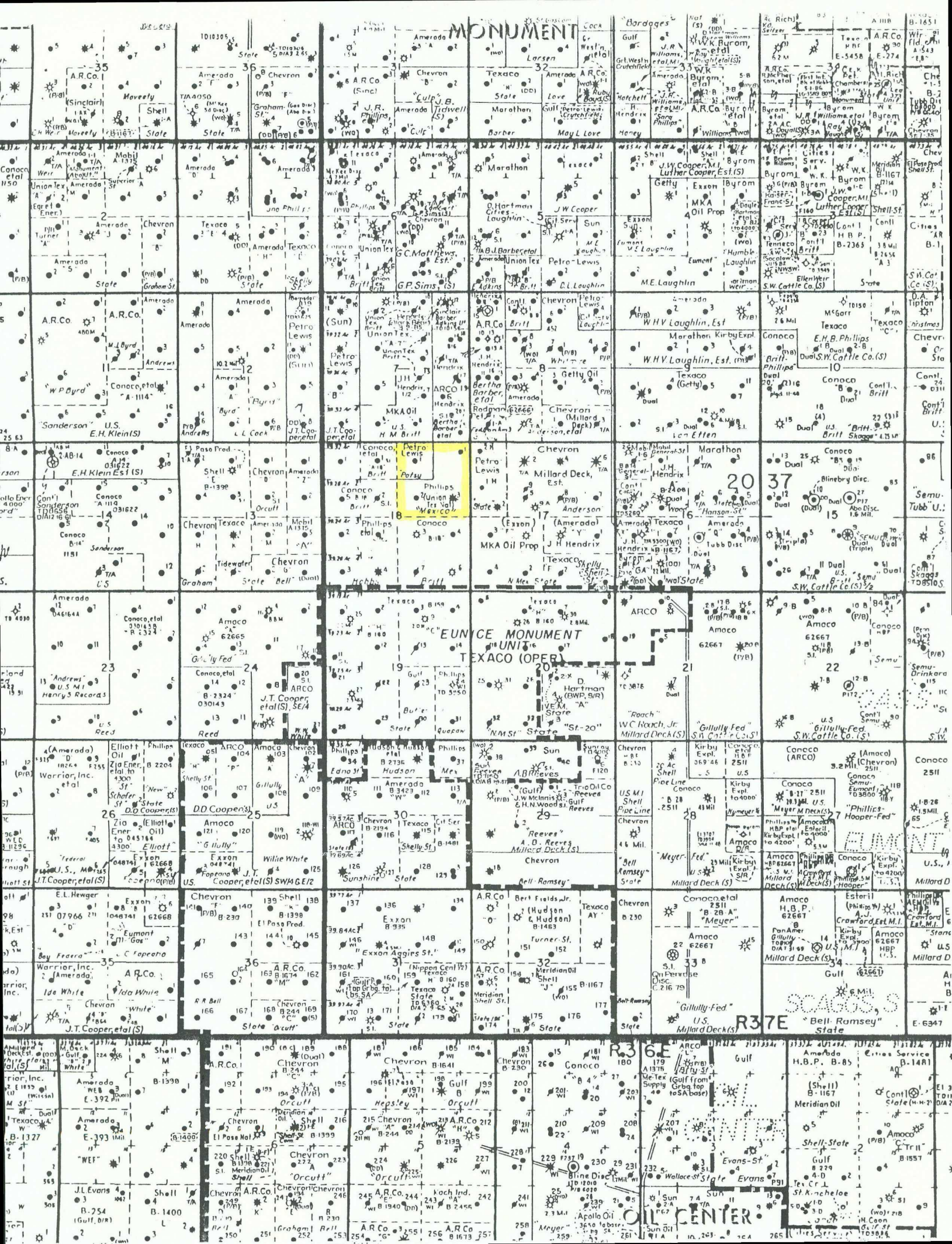
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

330 600 90 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600



OFFSET OPERATORS TO
HENDRIX'S MEXICO LEASE

Conoco, Inc.
P. O. Box 1959
Midland, TX 79702

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762

Union Texas Petroleum Corporation
4000 N. Big Spring, Suite 500
Midland, TX 79705

R. B. Honeyman, Jr.
P. O. Box 755
Hobbs, New Mexico 88240

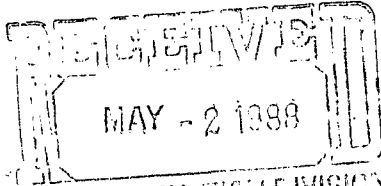


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

4-28-88

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161



OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC _____
NSL X _____
NSP _____
SWD _____
WFX _____
PMX _____

& Simultaneous Dedication w/# 3-H 18-20-37

Gentlemen:

I have examined the application for the:

John H. Hendrix Corp. Mexico #1-A 18-20-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

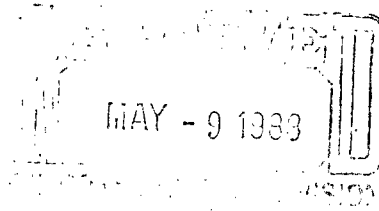
Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed



Production Department
Hobbs Division
North American Production



Conoco Inc.
P.O. Box 460
726 East Michigan
Hobbs, NM 88240
(505) 393-4141

May 5, 1988

New Mexico Oil Conversation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Attention William J. LeMay

Gentlemen:

Unorthodox Location and Simultaneous Acreage Dedication - Mexico No. 1 & Mexico No. 3 - John H. Hendrix Corporation

Conoco Inc. has approved, as offset operator, the John H. Hendrix Corporation request for waiver for their subject application. One copy is attached for your file and one copy has been returned to the Applicant.

Yours very truly,



H. A. Ingram
Conservation Coordinator

/tm

cc/enc: John H. Hendrix Corporation
223 West Wall, Suite 525
Midland, TX 79701

Unorthodox Location and
Simultaneous Acreage
Dedication Request
Mexico No. 1 & Mexico No. 3
NE/4 Section 18, T20S - R37E
Lea County, New Mexico

Mr. William J. LaMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: David R. Catanach

As an offset operator, the undersigned has no objection to the Hendrix application for an unorthodox location for the Mexico No. 1 and the simultaneous dedication of the Mexico No. 1 and Mexico No. 3 to the NE/4 Section 18, in the Eumont Gas.

Approved by: 

Representing: CONOCO INC.

Date: May 5, 1988