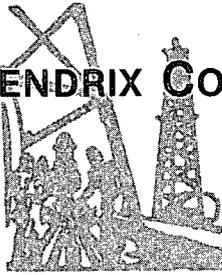


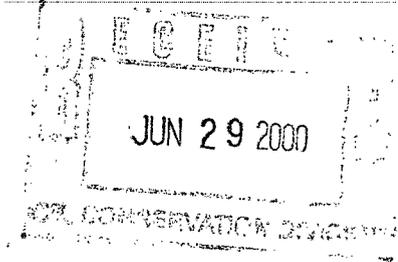
JOHN H. HENDRIX CORPORATION



MAILING ADDRESS
P.O. BOX 3040
MIDLAND, TX 79702-3040

(915) 684-6631
FAX (915) 684-7317
110 N. MARIENFELD, SUITE 400
MIDLAND, TEXAS 79701-4412

June 27, 2000



New Mexico Energy, Minerals
and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Attn: Mr. Michael E. Stogner

RE: Elliott B-12 Well No. 2
Lea County, New Mexico

Dear Mr. Stogner:

As per your attached letter, please find the following:

- 1) Exhibit I - Current Wellbore Schematic
- 2) Exhibit II - Proposed Wellbore Schematic
- 3) Also find BLM Sundry Notice and State of New Mexico Well Location and Acreage Dedication plat.

Thank you and if I may be of further assistance regarding this matter, please call.

Yours very truly,

A handwritten signature in cursive script that reads "Ronnie H. Westbrook".

Ronnie H. Westbrook
Vice President

RHW/ah



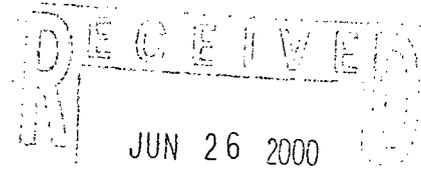
NEW MEXICO ENERGY, MINERALS and
NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

June 22, 2000

John H. Hendrix Corporation
P. O. Box 3040
Midland, Texas 79702-3040



Attention: **Ronnie H. Westbrook**
Vice-President

Re: *Administrative application for an unorthodox Blinebry infill gas well location within an existing standard 160-acre gas spacing and proration unit comprising the NW/4 of section 12, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, for the Elliott "B-12" Well No. 2 (API No. 30-025-25137), located 567 feet from the North line and 467 feet from the West line (Unit D) of Section 12.*

Dear Mr. Westbrook:

In order to complete my review of the subject application please provide me a detailed wellbore schematic of this well's current and proposed completion:

Thank you.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Roswell
William F. Carr, Legal Counsel for John H. Hendrix Corporation - Santa Fe

Exhibit 1

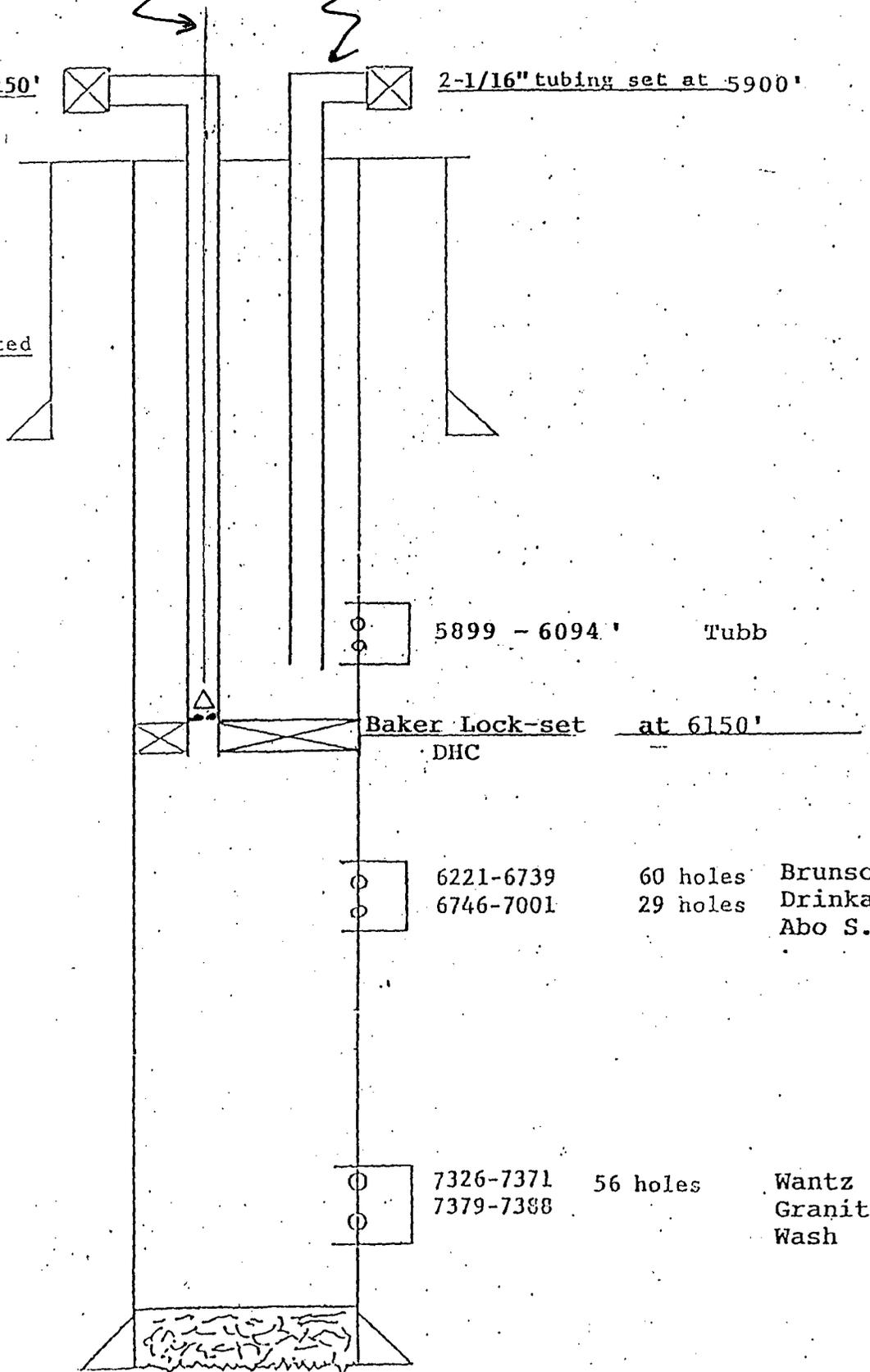
Elliott B-12 Well No. 2
Unit D, Sec. 12, T-22-S, R-37-E
Drinkard & Wantz (Granite Wash) Pool
Lea County, New Mexico

Pumping  Flowing 

2-3/8" casing set at 6150'

2-1/16" tubing set at 5900'

9-5/8" 36# K-55 csg set at 1150' cement circulated



5899 - 6094' Tubbs

Baker Lock-set at 6150'
DHC

6221-6739 60 holes Brunson-
6746-7001 29 holes Drinkard-
Abo S.

7326-7371 56 holes Wantz
7379-7388 Granite
Wash

7" 25# & 23# csg sec at 7425' TOC 214J'

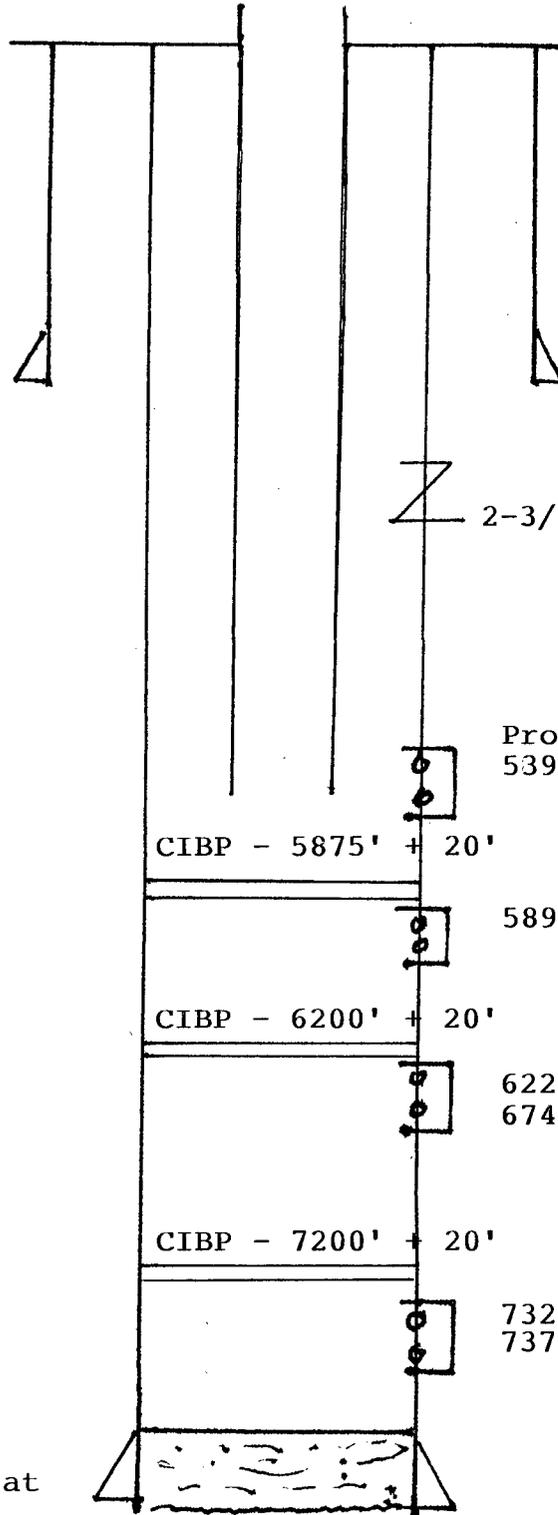
Elliott B-12 No. 2

Unit D, Section 12, T22S - R37E

Lea County, New Mexico

PROPOSED BLINEBRY GAS COMPLETION

9-5/8" 36# K-55 Csg.
set at 1150' Cement
Circulated



2-3/8" Tbg. set at 5700'

Proposed Blinebry Perfs.
5390 - 5780'

CIBP - 5875' + 20'

5899 - 6094'

Tubb

CIBP - 6200' + 20'

6221 - 6739 60 holes
6746 - 7001 29 holes

Brunson-
Drinkard-
Abo S.

CIBP - 7200' + 20'

7326 - 7371 56 holes
7379 - 7388

Wantz
Granite
Wash

7" 26# & 23# Csg. set at
7425' TOC 2140'

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

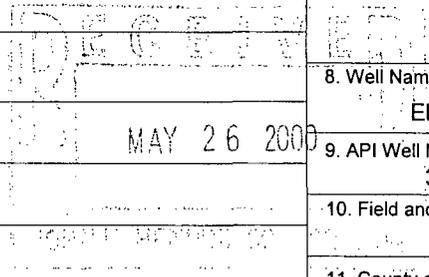
SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 John H. Hendrix Corporation

3. Address and Telephone No.
 P. O. Box 3040, Midland, TX 79702-3040 (915) 684-6631

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 567' FNL & 467' FWL, Sec. 12, T22S, R37E



5. Lease Designation and Serial No.
 NM-032369

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
 Elliott B-12 No. 2

9. API Well No.
 30-025-25137

10. Field and Pool, or Exploratory Area
 Blinebry Gas

11. County or Parish, State
 Lea County, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

- Set CIBP at 7200' to ZA Granite Wash (7223 - 7388')
- Set CIBP at 6200' to ZA Brunson Drinkard Abo, S. (6221 - 7001')
- Set CIBP at 5875' to ZA Tubb (5899 - 6094'). *CMT - ? on top*
- Perf. Blinebry 5390' to 5780'.
- Acidize and frac Blinebry.
- Test well.
- Well to be a Blinebry Gas well assigned to the communitized 160 acre unit located in the NW/4 Sec. 12, T22S, R37E.
- The Elliott Hinton No. 1 located in Unit E presently produces from the Blinebry Gas. John H. Hendrix Corporation has requested from the NMOCD permission to simultaneous dedicate the two wells to the 160 acre proration unit.



RECEIVED
 2000 MAY 22 1 P 2:37
 BUREAU OF LAND MGMT.
 CARLSBAD RESOURCE AREA

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

Signed *Romya Westbrook* Title Vice President

Date 05/19/00

(This space for Federal or State office use)

Approved by *Sue Law* Title *PO*

Date *5/24/00*

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

RECEIVED
Submit to
MAY 23 2000
BLM
ROSWELL, NM

Form C-102
Revised October 18, 1994
Instructions on back
Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number John H. Hendrix Corporation		2 Pool Code 72480		3 Pool Name Blinebry Gas	
4 Property Code 005170		5 Property Name Elliott B-12			6 Well Number 2
7 OGRID No. 012024		8 Operator Name John H. Hendrix Corporation			9 Elevation 3350

10 Surface Location

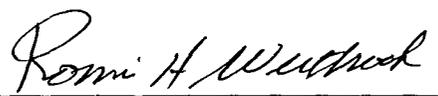
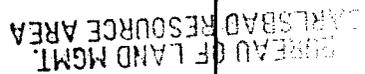
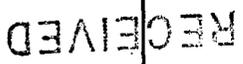
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
D	12	22S	37E		567	North	467	West	Lea

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

12 Dedicated Acres 160.00	13 Joint or Infill	14 Consolidation Code	15 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

16 #2	17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>		
	 Signature Ronnie H. Westbrook Printed Name Vice President Title 05-19-00 Date		
	18 SURVEYOR CERTIFICATION <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>		
 BUREAU OF LAND MGMT. CARLEBSAD RESOURCE AREA		Date of Survey Signature and Seal of Professional Surveyer:	
 RECEIVED 2000 MAY 22 P 2:38		Certificate Number	