

pNRM 0428828600

C-103 Received 9-15-2004
DHC No. Assigned 10-14-2004

Order Number	API Number	Operator	County			
HOB-0097	30-025-36690	L. E. Jones Operating, Inc.	Lea			
Order Date	Well Name	Number	Location			
	McNeill 32	001	P UL	32 Sec	19 S T (+Dir)	38 E R (+Dir)
Pool 1	Order Number	Well Name	Oil %	Gas %		
	47395	Nadine Blinebry	30%	30%		
Pool 2	47510	Nadine Drinkard Abo	70%	70%		
Pool 3						
Pool 4						
Comments: Work completed effective _____ Work cancelled effective _____ Supplement _____						

10-14-2004
Posted to
RRBMA

3

DOWNHOLE COMMINGLE CALCULATIONS:

30-025-36690
HOB-0097

OPERATOR: L. E. Jones Operating, Inc.

PROPERTY NAME: McNeill 32

WNULSTR: 1-P, 32-19-38

47395
47510

SECTION I:		ALLOWABLE AMOUNT	
POOL NO. 1	<u>Nadine Blinebry</u>	<u>142</u>	<u>284</u> MCF <u>2000</u>
POOL NO. 2	<u>Nadine Drinkard Abo</u>	<u>187</u>	<u>9999</u> MCF <u>99999</u>
POOL NO. 3	_____	_____	_____ MCF
POOL NO. 4	_____	_____	_____ MCF
POOL TOTALS		<u>329</u>	_____

SECTION II:		Oil	Gas
POOL NO. 1	<u>Nadine Blinebry</u>	<u>30%</u>	<u>30%</u>
POOL NO. 2	<u>Nadine Drinkard Abo</u>	<u>70% X 329 = 230.30</u>	<u>70%</u>
POOL NO. 3	_____	_____	_____
POOL NO. 4	_____	_____	_____

	<u>OIL</u>	<u>GAS</u>
SECTION III:	<u>$142 \div 70\% = 202.86 (203)$</u>	_____
SECTION IV:	<u>$203 \times 30\% = 60.90 (61)$</u>	_____
	<u>$203 \times 70\% = 142.10 (142)$</u>	_____
	_____	_____
	_____	_____

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
 Revised June 10, 2003

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

WELL API NO. 30-025-36690
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 McNeill 32
8. Well Number 1
9. OGRID Number 180930
10. Pool name or Wildcat Nadine;Drinkard/Abo, Blinebry

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
 L.E. Jones Operating, Inc. 180930

3. Address of Operator
 P.O. Box 1185, Duncan, OK 73534

4. Well Location
 Unit Letter P : 334 feet from the South line and 669 feet from the East line
 Section 32 Township 19S Range 38E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3590 GL

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"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Downhole Commingle <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.

Please refer to Order No. R-11363

Plan to MIRU pulling unit. Install BOP. Perforate through 5-1/2" casing the following intervals: Nadine Drinkard-Abo (47510) perfs from 6982-7413' and Nadine Blinebry (47395) perfs from 6032-6130'. TIH w/ production equipment and begin producing well as downhole commingled.

Working, royalty and overriding royalty interests are identical in all commingled zones.

Commingling will not reduce value of production.

Well is located on private land.

Attachment: Pool allocation

DHC Order No. HOB-0097

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

SIGNATURE Dan W. Hammond TITLE Production Engineer DATE 09/09/04

Type or print name Dan W. Hammond E-mail address: dhammond@texhoma.net Telephone No. 580-255-1191

(This space for State use)

APPROVED BY Dan W. Hammond TITLE PETROLEUM ENGINEER DATE OCT 14 2004

Conditions of approval, if any:

Allocation of Production
L.E. Jones Operating, Inc. - McNeil 32 #1
Allocation by Pool - Nadine Drinkard-Abo & Nadine Blinebry

	Net Porosity Feet	Oil (BOPD)	Gas (MCFD)	Oil Alloc %	Gas Alloc %
Nadine Blinebry (47395)	20	6	6	30%	30%
Nadine Drinkard-Abo (47510)	47	13	14	70%	70%
Total	67	19	20	100%	100%

All allocations based on the ratio of net porosity feet.

FACSIMILE (FAX) TRANSMITTAL SHEET

TO:

COMPANY: State of New Mexico	
ATTN: Nelda	
TELEPHONE NO:	FAX NO: 505-393-0720

FROM:

COMPANY: L E JONES OPERATING INC	
SENDER'S NAME: Dan Hammond	
TELEPHONE NO: (580)255-1191	FAX NO: (580)255-1231

NUMBER OF PAGES:
(INCLUDING COVER) 2

DATE
TRANSMITTED: 10/14/04

COMMENTS:

Nelda
 Here is the plat you requested
 for API# 30-025-36690 for the
 Nadine; Blinberry. I will mail
 the original and 4 copies to you
 today.

Becky Sanner

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-1
Revised February 10, 19
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District II
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

PO Box 2088
Santa Fe, NM 87504-2088

AMENDED REPORT

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

District IV
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Number 30-025-366AD	2	Pool Code	3	Pool Name Nadine Blinberry
4	Property Code	5	Property Name McNeill "32"	6	Well Number No. 1
7	OGRID No.	8	Operator Name L.E. Jones Operating	9	Elevation 3590'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	32	19 S	38 E		334'	South	669'	East	Lea

¹¹Bottom 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	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNITL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.		
	Signature		
	Printed Name		
	Title		
Date			
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. March 14, 2004 Date of Survey			
Signature and Seal of Professional Surveyor			
Certificate Number 10324			

6 Miles SSW of Hobbs, New Mexico.

File No. A-2544

District I
1625 N. French Dr., Hobbs, NM 89240

District II
1301 W. Grand Ave., Artesia, NM 88210

District III
000 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
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
Permit 876

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36690	Pool Name NADINE;DRINKARD-ABO	Pool Code 47510
Property Code 33831	Property Name MCNEILL 32	Well No 001
OGRID No. 180930	Operator Name L E JONES OPERATING INC	Elevation 3590

Surface And Bottom Hole Location

UL or Lot P	Section 32	Township 19S	Range 38E	Lot Idn P	Feet From 334	N/S Line S	Feet From 669	E/W Line E	County Lea
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

			<input type="checkbox"/>

OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
Electronically Signed By: Dan Hammond
Title: Administrator
Date: 04/19/2004

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.
Surveyed By: Michael Stanford
Date of Survey: 03/14/2004
Certificate Number: 10324