

PNRM0502030323

C-103 Received 1-14-2005
DHC No. Assigned 1-20-2005

Order Number

HOB-0104

API Number

30-025-06783

Operator

John H. Hendrix

County

Lea

Order Date

Well Name

Chevron S.E. Cone

Number

001

K

UL

26

Sec

Location

215

T (+Dir)

37E

R (+Dir)

Pool 1

06660

Blinebry Oil + Gas (Oil)

Oil %

50%

Gas %

50%

Pool 2

60240

Tubb Oil + Gas (Oil)

50%

50%

Pool 3

Pool 4

Comments:

Work completed effective _____
Work cancelled effective _____
Supplement _____

1-20-2005
Posted to
R-BOMB 

DOWNHOLE COMMINGLE CALCULATIONS:

30-025-06783

OPERATOR: John H. Hendrix Corp.

HOB-0104

PROPERTY NAME: Chevron S. E. Cone

WNULSTR: 1-K, 26-21-37

06660

SECTION I:
POOL NO. 1 B Linebry Oil + Gas (Oil) ALLOWABLE AMOUNT
107 428 MCF 4000.

60240

POOL NO. 2 Tubb Oil + Gas (Oil) 142 284 MCF 2000

POOL NO. 3 _____ MCF

POOL NO. 4 _____ MCF

POOL TOTALS 249 712

SECTION II:

POOL NO. 1 B Linebry Oil + Gas (Oil) Oil Gas
50% 50%

POOL NO. 2 Tubb Oil + Gas (Oil) 50% X 249 = 124.50 50%

POOL NO. 3 _____

POOL NO. 4 _____

OIL

GAS

SECTION III:

107 ÷ 50% = 214

SECTION IV:

214 X 50% = 107

214 X 50% = 107

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
 May 27, 2004

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

WELL API NO.	30-025-06783
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	Cone, S. E. Chevron
8. Well Number	1
9. OGRID Number	012024
10. Pool name or Wildcat	Blinebry Oil & Tubb Oil

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 K : 1980 feet from the South line and 1980 feet from the West line
 Section 26 Township 21S Range 37E NMPM County Lea

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

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:

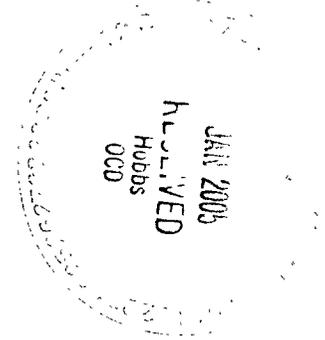
- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- OTHER:
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING/CEMENT JOB
- OTHER:
- ALTERING CASING
- P AND A

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 DHC Tubb Oil and Blinebry Oil pools in the subject well. See supporting data on attached sheet.



DHC Order No. HOB-0104

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Ronnie H. Westbrook TITLE Vice President DATE 01/12/2005

Type or print name Ronnie H. Westbrook E-mail address: _____ Telephone No. (432)684-6631

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER

Conditions of Approval (if any): _____ DATE JAN 20 2005

CONE, S. E. CHEVRON

1. Division order number that established pre-approved pool – Order No. R-11363.
2. Pools to be commingled – Tubb Oil (60240) and Blinebry Oil (6660).
3. Blinebry Perfs. – 5800 – 5917'
Tubb Perfs. – 6012 – 6275' – Not perforated yet
4. Both zones are intermediate crude and commingling will not reduce the value of the production.
5. Ownership between the two pools is identical.
6. The Chevron S. E. Cone currently produces 2 BOPD plus 86 MCF from the Blinebry. The Drinkard produces 1 BOPD plus 21 MCFPD. It is planned to ZA the Drinkard with a BP and perf. and frac the Tubb. We expect the Tubb to be very marginal. The proposed initial allocation to be as follows:

Blinebry Oil – 50%	Blinebry Gas - 50%
Tubb Oil - 50%	Tubb Gas – 50%

If the Tubb tests at a rate significantly different than the assumed percentages. A revised allocation will be submitted.

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

HOEBS OFFICE OCC
Date 5-31-61

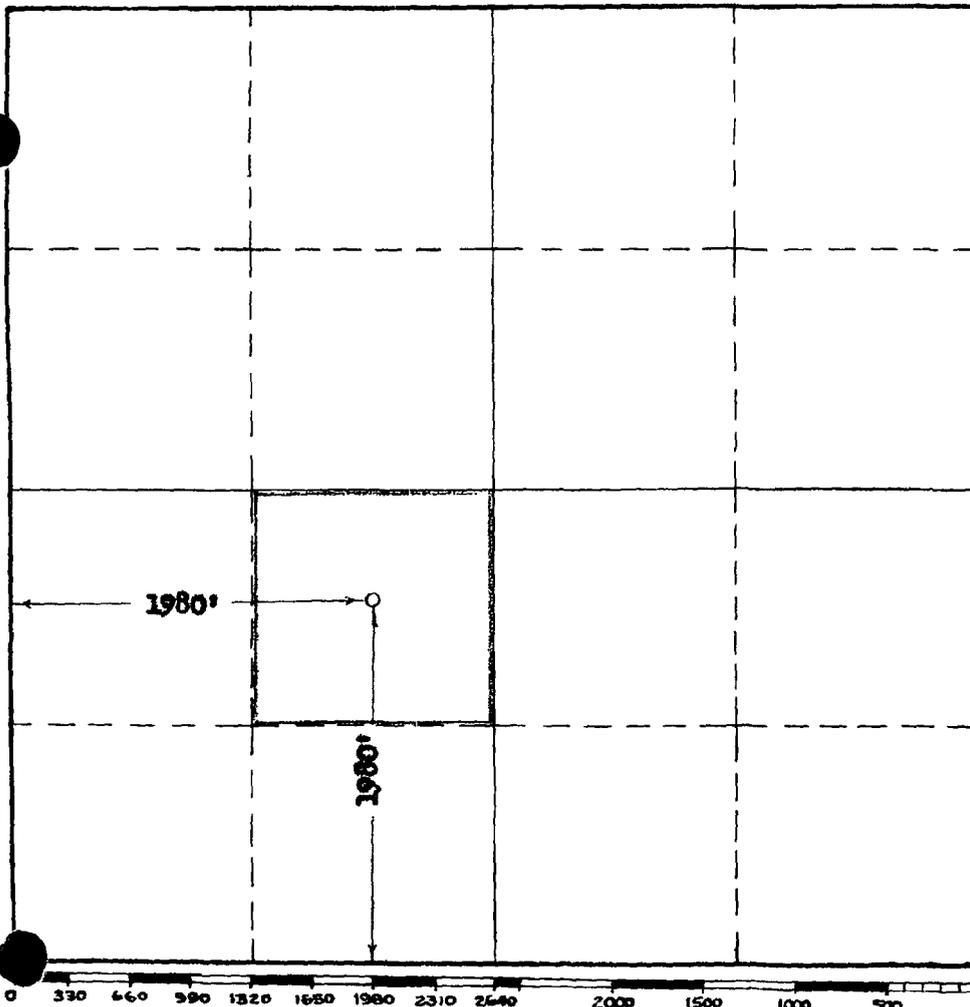
Section A.

Operator Gulf Oil Corporation Lease S. E. Cone 1961 MAY 31 PM 2:14
Well No. 1 Unit Letter K Section 26 Township 21-S Range 37-E NMPM
Located 1980 Feet From South Line, 1980 Feet From West Line
County Los G. L. Elevation 3446' Dedicated Acreage 40 Acres
Name of Producing Formation Elinebry Pool Elinebry

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes No
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes No . If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

<u>Owner</u>	<u>Land Description</u>

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

Gulf Oil Corporation

(Operator)

John Russell
(Representative)

Box 2167, Hobbs, N. M.

Address

This is to certify that the well location shown on the plat in Section B 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. _____

(See instructions for completing this form on the reverse side)