

Order Number
DHC
HOB-0311

API Number
30-0225-07036

Operator
John H Hendrix Corp

County
Lea / Fed

Order Date
4/29/10

Well Name
EM Elliott

Number
1

Location
215
T (+Dir)

UL
E

Sec
35

R (+Dir)
37e

Oil %
40%

Gas %
50%

Blindery DAG <OIL>

50%

Pool 1

40%

Tubb DAG <OIL>

25%

Pool 2

20%

Drinkard

25%

Pool 3

Pool 4

Comments
Posted RBOMS 4/29/10 dm

DOWNHOLE COMMINGLE CALCULATIONS:

DHL-HOB-0371

API # 30-025-07036

OPERATOR: John H Hendrix Corp

PROPERTY NAME: EM Elliott

WNULSTR: #1-E, 35-21s-37e

SECTION I:

POOL NO.	ALLOWABLE AMOUNT	MCF	
1 <u>Blinberry O&G (O.I.)</u>	<u>107</u>	<u>428</u>	<u>4000</u>
2 <u>Tubb O&G (O.I.)</u>	<u>142</u>	<u>185</u>	<u>2000</u>
3 <u>Drinkard</u>	<u>142</u>	<u>852</u>	<u>6000</u>
4 _____			
POOL TOTALS		<u>391</u>	<u>1564</u>

SECTION II:

POOL NO.	OIL	GAS
1 <u>Blinberry O&G (OIL)</u>	<u>40%</u>	<u>50%</u>
2 <u>Tubb O&G (OIL)</u>	<u>40%</u>	<u>25%</u>
3 <u>Drinkard</u>	<u>20% x 391 = 78.2</u>	<u>25%</u>
4 _____		

OIL

GAS

SECTION III:

20% x 142 = 284

SECTION IV:

40% x 710 = 284
40% x 710 = 284
20% x 710 = 142

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

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

WELL API NO. 30-025-07036
5. Indicate Type of Lease STATE [] FEE []
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name E.M. Elliott
8. Well Number 1
9. OGRID Number 012024
10. Pool name or Wildcat Blinebry, Tubb, Drinkard
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3378' GL

SUNDRY NOTICES AND REPORTS ON WELLS
1. Type of Well: Oil Well [X] 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 E : 1980 feet from the North line and 560 feet from the West line
Section 35 Township 21S Range 37E NMPM Lea County

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [] PLUG AND ABANDON [] TEMPORARILY ABANDON [] CHANGE PLANS [] PULL OR ALTER CASING [] MULTIPLE COMPL [] DOWNHOLE COMMINGLE [X]
SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] P AND A [] CASING/CEMENT JOB []
OTHER: [] OTHER: []

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 BLINEBRY OIL & GAS, TUBB OIL & GAS AND WANTZ ABO IN THE SUBJECT WELL. SEE SUPPORTING DATA ON ATTACHED SHEET.

Also see BLM Sundry Notice NOI to perforate Tubb zone and DHC w/existing Blinebry and Drinkard DHC Order No. R-5936 (1979).

DHC-HOB-0371

Spud Date: []

Rig Release Date: []

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 4/23/10

Type or print name Carolyn Doran Haynes E-mail address: cdoranhaynes@jhhc.org PHONE: 432-684-6631 For State Use Only

APPROVED BY: [] TITLE DATE APR 29 2010

Conditions of Approval (if any):

E. M. ELLIOTT #1

**Unit Letter E – 1980’ FNL & 560’ FWL
Sec 35, T21S, R37E, Lea County, NM
API # 30-025-07036**

1. Division Order that established pre-approved pools: Order No. R-11363
2. Pools to be commingled – Blinebry Oil & Gas (6660), Tubb Oil & Gas (60240) AND Drinkard Pool (19190).
3. Blinebry Oil & Gas Perfs – 5499-5893’
Tubb Oil & Gas Perfs – 6000-6200’
Drinkard Pool Perfs – 6257-6457’
4. All zones are intermediate crude and commingling will not reduce the value of the production.
5. Ownership between pools is identical.
6. Anticipated production:

Blinebry Oil & Gas	2 BOPD	140 MCFPD
Tubb Oil & Gas	2 BOPD	70 MCFPD
Drinkard Pool	1 BOPD	70 MCFPD
Total	5 BOPD	280 MCFPD

7. The proposed allocation to be as follows

	<u>Oil %</u>	<u>Gas%</u>
Blinebry Oil & Gas	40%	50%
Tubb Oil & Gas	40%	25%
Drinkard Pool	20%	25%
Total	100%	100%

If post- workover tests show a significant change in percentages, it will be requested.

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-07036		² Pool Code 6660		³ Pool Name Blinebry Oil & Gas	
⁴ Property Code 018389		⁵ Property Name E. M. Elliott			⁶ Well Number J
⁷ OGRID No. 012024		⁸ Operator Name John H. Hendrix Corporation			⁹ Elevation 3378'

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
E	35	21S	37E		1980	North	560	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 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

	<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> 4/23/10 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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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-07036		² Pool Code 60240		³ Pool Name Tubb Oil & Gas	
⁴ Property Code 018389		⁵ Property Name E. M. Elliott			⁶ Well Number 1
⁷ OGRID No. 012024		⁸ Operator Name John H. Hendrix Corporation			⁹ Elevation 3378'

¹⁰ Surface Location

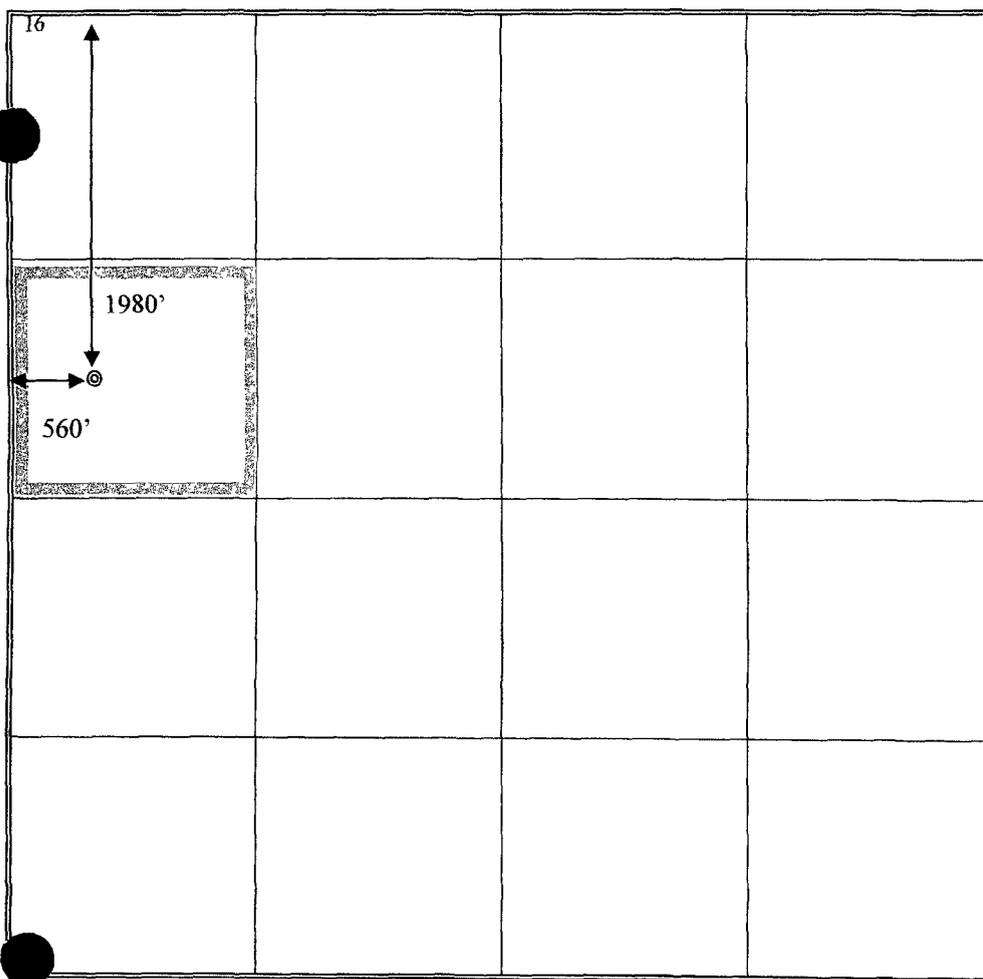
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	35	21S	37E		1980	North	560	West	Lea

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UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

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¹⁷ OPERATOR CERTIFICATION
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Carolyn Doran Haynes 4/27/10
Signature Date

Carolyn Doran Haynes
Printed Name

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.

Date of Survey
Signature and Seal of Professional Surveyor

Certificate Number

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State of New Mexico
Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-07036		² Pool Code 19190		³ Pool Name Drinkard	
⁴ Property Code 018389		⁵ Property Name E. M. Elliott			⁶ Well Number 1
⁷ OGRID No. 012024		⁸ Operator Name John H. Hendrix Corporation			⁹ Elevation 3378'

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
E	35	21S	37E		1980	North	560	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 40		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 	¹⁷ OPERATOR CERTIFICATION 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. Signature: <i>Carolyn Doran Haynes</i> Date: 4/23/10 Carolyn Doran Haynes Printed Name
	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. Date of Survey Signature and Seal of Professional Surveyor
	Certificate Number

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

APR 28 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **John H. Headrix Corporation**

3a. Address
P. O. Box 3040, Midland, TX 79702

3b. Phone No. (include area code)
432-684-6631

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1980' FNL & 560' FWL
 UL E, Sec 35, T21S, R37E**

5. Lease Serial No.
NMLC067908

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
E. M. ELLIOTT #1

9. API Well No.
30-025-07036

10. Field and Pool, or Exploratory Area
DHC Blinebry/Drinkard

11. County or Parish, State
Lea, Co, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other DHC new Tubb perfs
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	w/ Blinebry and
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Drinkard zones

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

During routine pump change operation in March 2010, the "tag for fill" @ 6290' indicated most of the Drinkard perfs are covered with fill. This is a request to DHC Blinebry (6660), Tubb (60240) and Drinkard zones in the subject well.

The Blinebry and Drinkard zones are DHC by Order No. R-5936 in 1979.

Remedial and recompleat procedure proposal for your approval:

- Clean out wellbore to RBP @ 6470'**
- Perforate Tubb zone 6000-6200'**
- Acidize Blinebry, Tubb and Drinkard zones**
- Return to production as DHC wellbore Blinebry, Tubb an Drinkard.**
- Form 3160-4 Well Recompleat Report and 3160-5 Subsequent Report will be filed when work is completed.**
- Work will begin after approval is granted.**

For your review, supporting data is attached, including NMOCD Form C-103 for DHC request and Form C-102 for location and dedication.

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed)

Carolyn Doran Haynes

Title **Engineer**

Signature

Carolyn Doran Haynes

Date

04/23/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

EM Elliott #1

1980' FNL & 560' FWL, Sec 35, T21S, R37E, Lea County, New Mexico

UL E

KDB ELEV is 3378'

17 1/2" hole

13 3/8" 32# @ 236' w/200 sx cmt

API # 30-025-07036

OGRID # 012024

Fed. NMLC 067908

10 5/8" hole

9 5/8" 36# csg @ 2632' w/400 sx cmt

TOC @ 3500'

Tbg: 2 3/8": 172 jts, TAC, 26 jts, SN, PS, BPMA
 Rods: 65-7/8"; 173-3/4"; 8-7/8"
 EOT @ 6236, SN @ 6200'; TAC @ 5386'

8 3/4" hole

DHC Order No. R-5936 (1979)

Blinebry Perfs @ 5634-5772' (sqzd 1997)

Blinebry Perfs @ 5499-5893' (2000)

Fill and junk @ 6290' (2010)

Drinkard Perfs @ 6257-6415' (1997)

Drinkard Perfs @ 6425-6457'

BP @ 6470' (1963)

7" 23 & 26# csg @ 6481' w/500 sx TOC 3500'

TD = 6549' PBSD = 6470'

Drawn	BY
2010	JHHC

John H. Hendrix Corporation
 110 North Marienfeld Suite 400
 Midland, TX 79702

EM Elliott #1
 1980' FNL & 560' FWL
 SEC 35, T21S, R37E
 Lea County New Mexico