

Order Number
 DHC
 #08-0372

API Number
 30-025-25024

Operator
 John H Hendrix Corp

County
 Lea / Fee

Order Date
 5/6/10

Well Name
 Cossatot L

Number
 1

UL
 N

Location
 225

Sec
 11

R(+Dir)
 37e

Oil %
 66%

Gas %
 66%

Pool 1
 62700

Pool 2
 62730

Pool 3
 [Empty]

Pool 4
 [Empty]

Oil %
 66%

Gas %
 34%

Oil %
 34%

Gas %
 [Empty]

Comments: Roster RBDMs 5/2/10 dm

DOWNHOLE COMMINGLE CALCULATIONS:

DHC-HOB-0372
API# 30-025-25024

OPERATOR: John H Hendrix Corp

PROPERTY NAME: Cossatot L

WNULSTR: #1-N, 11-225-37E

SECTION I:		ALLOWABLE AMOUNT	
POOL NO. 1	<u>Wantz Abo</u>	<u>187</u>	<u>1122</u> MCF <u>6000</u>
POOL NO. 2	<u>Wantz Granite Wash</u>	<u>187</u>	<u>374</u> MCF <u>2000</u>
POOL NO. 3	_____	_____	_____ MCF
POOL NO. 4	_____	_____	_____ MCF
POOL TOTALS		<u>374</u>	<u>1496</u>

SECTION II:		<u>Oil</u>	<u>GAS</u>
POOL NO. 1	<u>Wantz Abo</u>	<u>66%</u>	<u>66%</u>
POOL NO. 2	<u>Wantz Granite Wash</u>	<u>34% x 374 = 127.16</u>	<u>34%</u>
POOL NO. 3	_____	_____	_____
POOL NO. 4	_____	_____	_____

	<u>OIL</u>	<u>GAS</u>
SECTION III:	<u>34% x 187 = 550</u>	_____
SECTION IV:	<u>66% x 550 = 363</u>	_____
	<u>34% x 550 = 187</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
 June 19, 2008

RECEIVED
 MAY 05 2010
 HOBBS

OIL CONSERVATION DIVISION
 2220 South St. Francis Dr.
 Santa Fe, NM 87505

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)		WELL API NO. 30-025-25024 ✓
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator John H. Hendrix Corporation		6. State Oil & Gas Lease No.
3. Address of Operator P. O. Box 3040, Midland, TX 79702-3040		7. Lease Name or Unit Agreement Name Cossatot L ✓
4. Well Location Unit Letter <u>N</u> : <u>470</u> feet from the <u>South</u> line and <u>2350</u> feet from the <u>West</u> line Section <u>11</u> Township <u>22S</u> Range <u>37E</u> NMPM <u>Lea</u> County		8. Well Number <u>1</u> ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3351' GL		9. OGRID Number <u>012024</u> ✓
10. Pool name or Wildcat Wantz Granite Wash		10. Pool name or Wildcat Wantz Granite Wash

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input 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.

THIS IS A REQUEST TO DHC WANTZ ABO AND THE WANTZ GRANITE WASH IN THE SUBJECT WELL. SEE SUPPORTING DATA ON ATTACHED SHEET.

DHC. AOB. 0372

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 4/30/10

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

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE MAY 06 2010
 Conditions of Approval (if any):

COSSATOT L #1

**Unit Letter N – 470' FSL & 2350' FWL
Sec 11, T22S, R37E, Lea County, NM
API # 30-025-25024**

1. Division Order that established pre-approved pools: Order No. R-11363
2. Pools to be commingled –Wantz Abo (62700), and Wantz Granite Wash (62730).
3. Wantz Granite Wash Perfs – 7166-7302'
Wantz Abo Perfs – 6500-7166'
4. All zones are intermediate crude and commingling will not reduce the value of the production.
5. Ownership between pools is identical.
6. Current or Anticipated production:

Wantz Abo	4 BOPD	30 MCFPD
Wantz Granite Wash	2 BOPD	15 MCFPD
Total	6 BOPD	45 MCFPD

7. The proposed allocation to be as follows

	<u>Oil %</u>	<u>Gas%</u>
Brunson Drinkard ^{Wantz} Abo, South	66%	66%
Wantz Granite Wash	34%	34%
Total	100%	100%

If further tests show a significant change in percentages, it will be requested.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 & 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 30-025-25024 ✓	² Pool Code 62700 ✓	³ Pool Name Wantz Abo ✓
⁴ Property Code 005159 ✓	⁵ Property Name Cossatot L. ✓	
⁷ OGRID No. 012024 ✓	⁸ Operator Name John H. Hendrix Corporation ✓	
		⁶ Well Number 1 ✓
		⁹ Elevation 3351' GL

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
N	11	22S	37E		470	South	2350	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.

<div style="border: 1px solid black; padding: 5px;"> <p>¹⁶</p> </div>	<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 style="text-align: right;"><i>Carolyn Doran Havnes</i> 4/30/10 Signature Date</p> <p>Carolyn Doran Havnes Printed Name</p> <hr/> <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> <hr/> <p>Certificate Number _____</p>
--	---

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED
MAY 05 2010
HOBBSSUCD

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 30-025-25024 ✓	² Pool Code 62730 ✓	³ Pool Name Wantz Granite Wash ✓
⁴ Property Code 005159 ✓	⁵ Property Name Cossatot L ✓	
⁷ OGRID No. 012024 ✓	⁸ Operator Name John H. Hendrix Corporation ✓	⁶ Well Number 1 ✓
		⁹ Elevation 3351' GL

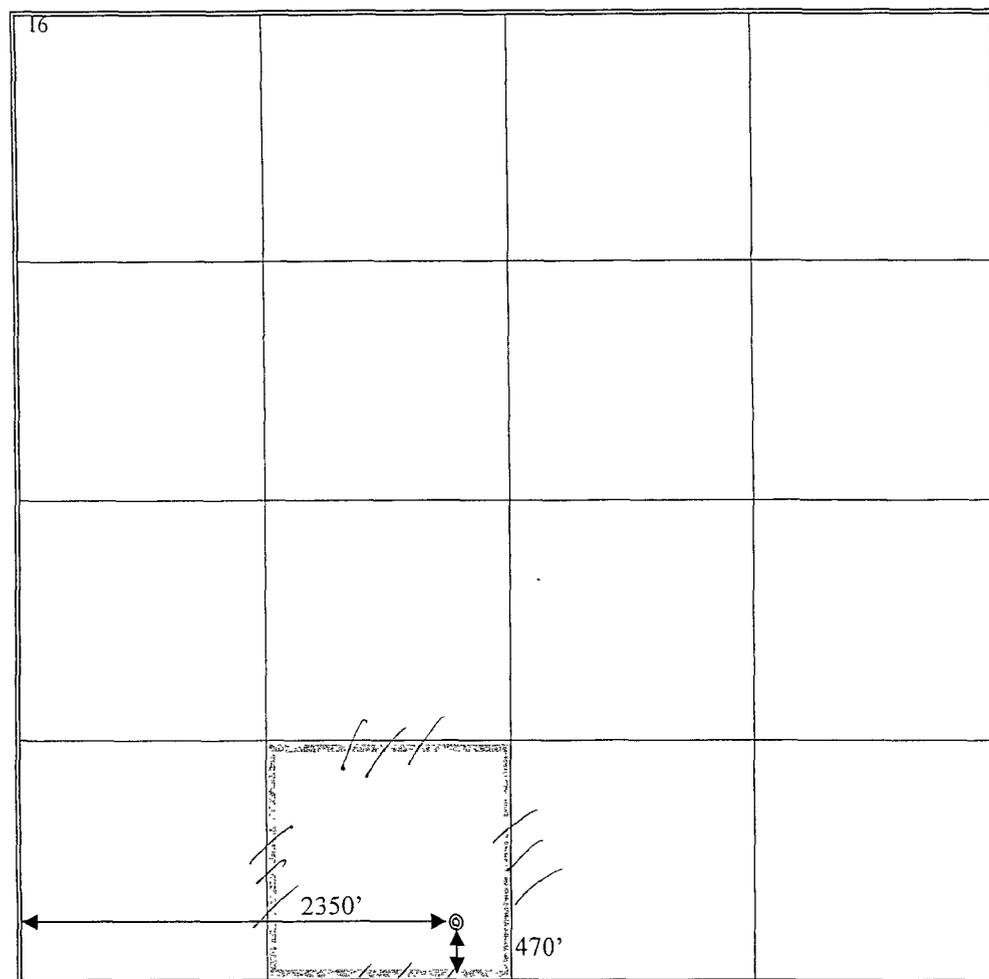
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	11	22S	37E		470	South	2350	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.



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

Carolyn Doran Haynes 4/30/10
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