

77COH0932152001

Order Number

DHC
HDB-0345

API Number

30-025-10439

Operator

John H Hendrix Corp

County

Lea/Kee

Order Date

11/09/09

Well Name

Lee

Number

1

Location

E

UL

23

Sec

225

T (+Dir)

37e

R (+Dir)

Pool 1

06660

Blinberry 8+G <0.1>

Oil %

50%

Gas %

50%

Pool 2

60240

Tubb 8+G <0.1>

50%

50%

Pool 3

Pool 4

Comments:

CH 11-17-09 In RBDms

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: John H Hendrix Corp

PROPERTY NAME: Lee

WNULSTR: #1-I, 23-225-37e

SECTION I:		ALLOWABLE AMOUNT		
POOL NO. 1	<u>Blinebry O&G (Oil)</u>	<u>107</u>	<u>428</u> MCF	<u>4000</u>
POOL NO. 2	<u>Tubb O&G (Oil)</u>	<u>142</u>	<u>248</u> MCF	<u>2000</u>
POOL NO. 3	_____	_____	_____ MCF	
POOL NO. 4	_____	_____	_____ MCF	
		POOL TOTALS	<u>249</u>	<u>676</u>

SECTION II:				
POOL NO. 1	<u>Blinebry O&G</u>	<u>Oil</u>		<u>GAS</u>
POOL NO. 2	<u>Tubb O&G</u>	<u>50%</u>		<u>50%</u>
POOL NO. 3	_____			
POOL NO. 4	_____			
		<u>50% x 249 = 124.5</u>		<u>50%</u>
		<u>(125)</u>		

	<u>OIL</u>	<u>GAS</u>
SECTION III:	<u>50% ÷ 142 = 294</u>	_____
SECTION IV:	<u>50% x 294 = 147</u>	_____
	<u>50% x 294 = 147</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

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OCT 21 2009

HOBBSOCD

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

WELL API NO. 30-025-10439
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 Lee
8. Well Number 1
9. OGRID Number 012024
10. Pool name or Wildcat Blinebry Oil & Gas

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 I : 1980 feet from the South line and 660 feet from the East line
 Section 23 Township 22S Range 37E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3318' 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"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input checked="" 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 BLINEBRY OIL & GAS AND TUBB OIL & GAS IN THE SUBJECT WELL. SEE SUPPORTING DATA ON ATTACHED SHEET.

DHC-HOB-0345

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 10/20/09

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 NOV 09 2009
 Conditions of Approval (if any):

LEE #1

**Unit Letter I – 1980' FSL & 660' FEL
Sec 23, T22S, R37E, Lea County, NM
API # 30-025-10439**

1. Division Order that established pre-approved pools: Order No. R-11363
2. Pools to be commingled – Blinebry Oil & Gas (6660) and Tubb Oil & Gas (60240).
3. Tubb Oil & Gas Perfs – 5914' - 6202'
Blinebry Oil & Gas Perfs – 5543 – 5889'
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:

Blinebry Oil & Gas	1 BOPD	25 MCFPD
Tubb Oil & Gas	1 BOPD	25 MCFPD
Total	2 BOPD	50 MCFPD

7. The proposed allocation to be as follows

	<u>Oil %</u>	<u>Gas%</u>
Blinebry Oil & Gas	50%	50%
Tubb Oil & Gas	50%	50%
Total	100%	100%

If further 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

AMENDED REPORT

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OCT 21 2009

HOBSUCD

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-10439		² Pool Code 60240		³ Pool Name Tubb Oil & Gas	
⁴ Property Code 005195		⁵ Property Name Lee			⁶ Well Number 1
⁷ OGRID No. 012024		⁸ Operator Name John H. Hendrix Corporation			⁹ Elevation 3318' GR

¹⁰ Surface Location

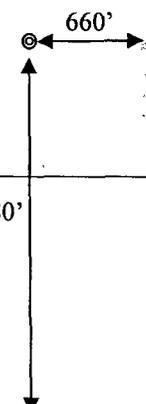
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	23	22S	37E		1980	South	660	East	Lea

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.

16				¹⁷ OPERATOR CERTIFICATION <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>	
				 Signature _____ Date 10/20/09	
				Carolyn Doran Haynes Printed Name	
				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>	
					
				Date of Survey _____ Signature and Seal of Professional Surveyor _____	
				Certificate Number _____	

