

NRM0826140388

C-103 Received 6-5-2008
DHL No. Assigned 9-17-2008

Order Number	API Number	Operator	County			
HOB-0080A	30-025-09989	John H. Hendrix Corporation	Lea			
Order Date	Well Name	Number	Location			
	Brunson C	007	P UL	3 Sec	22S T (+Dir)	37E R (+Dir)
		Oil %	Gas %			
Pool 1	72480	Blinbry Oil+Gas (Pro Gas)	33%	50%		
Pool 2	60240	Tubb Oil+Gas (Oil)	33%	40%		
Pool 3	19190	Drinkard	34%	10%		
Pool 4						
Comments:						

Posted to
RBDML
9-17-2008

30-025-09989

HOB-0080-A

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: John H. Hendrix Corporation

PROPERTY NAME: Brunson C

WNULSTR: 7-P, 3-22-37

	SECTION I:	ALLOWABLE AMOUNT	
72480	POOL NO. 1 <u>Blinebry Oil Gas (Pro Gas)</u>	<u>999</u>	<u>9999</u> MCF <u>99999</u>
60240	POOL NO. 2 <u>Tubb Oil & Gas (Oil)</u>	<u>142</u>	<u>284</u> MCF <u>2000</u>
19190	POOL NO. 3 <u>Drinkard</u>	<u>142</u>	<u>852</u> MCF <u>6000</u>
	POOL NO. 4 _____		
		<u>284</u>	<u>1136</u> MCF
		<u>POOL TOTALS</u>	

	SECTION II:	Oil	Gas
	POOL NO. 1 <u>Blinebry Oil & Gas (Pro Gas)</u>	<u>33%</u>	<u>50%</u>
	POOL NO. 2 <u>Tubb Oil & Gas (Oil)</u>	<u>33%</u>	<u>40%</u>
	POOL NO. 3 <u>Drinkard</u>	<u>34% X 284 = 96.56</u>	<u>10%</u>
	POOL NO. 4 _____		

	<u>OIL</u>	<u>GAS</u>
SECTION III:	<u>142 ÷ 34% = 417.647 (418)</u>	_____
SECTION IV:	<u>418 X 33% = 137.94 (138)</u>	_____
	<u>418 X 33% = 137.94 (138)</u>	_____
	<u>418 X 34% = 142.12 (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
 1000 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.	30-025-09989 /
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	Brunson C /
8. Well Number	7 /
9. OGRID Number	012024 /
10. Pool name or Wildcat	Bli - Tubb & Drinkard

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 P : 760 feet from the South line and 560 feet from the East line
 Section 3 Township 22S 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:		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"/>	
OTHER: <u>DHC</u> <input checked="" type="checkbox"/>		OTHER: Complete in Tubb & DHC w/Bli/Tubb/Drinkard <input checked="" 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 AMEND DHC ORDER NO. HOB-0080 TO INCLUDE TUBB GAS IN THE SUBJECT WELL. SEE SUPPORTING DATA ON ATTACHED SHEET.

RECEIVED
 JUN 05 2008
HOBBS OCD

DHC Order No. HOB-0080-A

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 05/28/2008

For print name Ronnie H. Westbrook E-mail address: ronnie@jhnc.org Telephone No. (432)684-6631

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE SEP 16 2008

**BRUNSON C NO. 7
UNIT P, 760' FSL & 560' FEL
SEC. 3, T22S – R37E
LEA COUNTY, NEW MEXICO**

1. Division Order that established pre-approved pools. Order No. R-11363
2. Pools to be commingled – Blinebry Gas (72480), Tubb Oil & Gas (60240) & Drinkard (19190)
3. Blinebry Perfs. – 5410 – 5570'
Tubb Perfs. – 5920 – 6184'
Drinkard Perfs. – 6240 – 6346'
4. All zones are intermediate crude and commingling will not reduce the value of the production.
5. Ownership between pools is identical.
6. Current production, production prior to TA or anticipated production.

Blinebry Gas	1 BOPD	50 MCFPD
Tubb Oil & Gas	1 BOPD	40 MCFPD
Drinkard	1 BOPD	10 MCFPD
Total	3 BOPD	100 MCFPD

7. The proposed allocation to be as follows:

	<u>Oil%</u>	<u>Gas%</u>
Blinebry Gas	33%	50%
Tubb Oil & Gas	33%	40%
Drinkard	34%	10%
Total	100.0%	100.0%

WELL LOCATION AND ACREAGE DEDICATION PLAT

Supersides C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

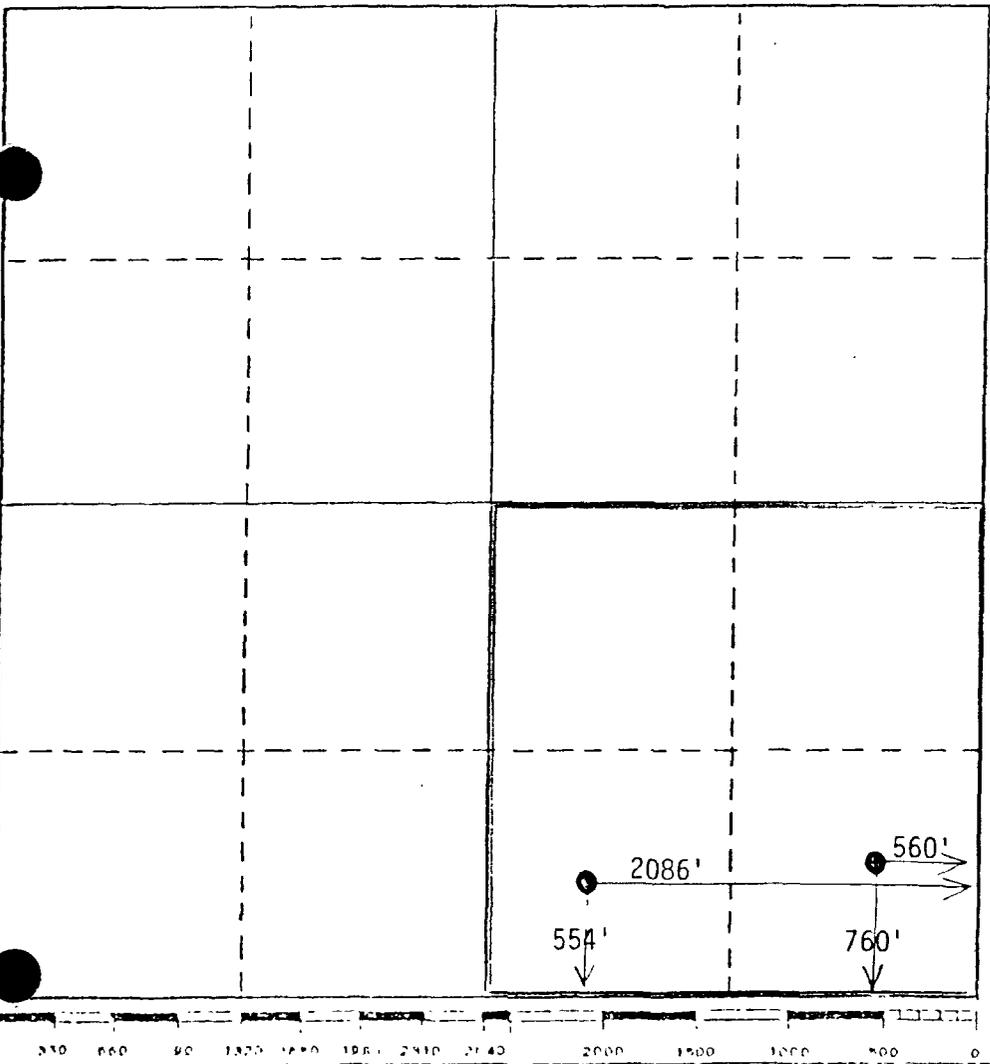
Operator John H. Hendrix		Lease Brunson C			Well No. #7
Unit Letter P	Section 3	Township 22-S	Range 37-E	County Lea	
Actual Entry Location of Well: 760 feet from the South line and 560 feet from the East line.					
Ground Level Elev. 3390'	Producing Formation Blinebry		Pool Blinebry (Gas)		Dedicated Acreage 160

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name: John H. Hendrix

Position: Production Clerk

Company: John H. Hendrix

Date: October 19, 1976

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 knowledge and belief.

Date Surveyed: _____

Registered Professional Engineer and/or Land Surveyor

Certificate No. _____

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
20 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

'API Number 30-025-09989		'Pool Code 60240		'Pool Name Tubb Oil & Gas	
'Property Code 005135		'Property Name Brunson "C"			'Well Number 7
'OGRID No. 012024		'Operator Name John H. Hendrix Corporation			'Elevation 3390' 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
P	3	22S	37E		760	South	560	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

" Dedicated Acres 40	" Joint or Infill	" Consolidation Code	" 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				<p>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.</p> <p><i>Ronnie H. Westbrook</i> Signature 02/14/2008 Date</p> <p>Ronnie H. Westbrook Printed Name</p>	
				<p>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.</p> <p>Date of Survey Signature and Seal of Professional Surveyor: Certificate Number</p>	

The diagram shows a rectangular area representing the well location. The left side is labeled '760' and the top side is labeled '560'. A dashed line indicates the boundary of the well location. The well is labeled '#7'.

NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

DUPLICATE

NOTICE OF INTENTION TO DRILL

RECORDED
SEP 8 1949
OFFICE

Notice must be given to the Oil Conservation Commission or its proper agent and approval obtained before drilling begins. If changes in the proposed plan are considered advisable, a copy of this notice showing such changes will be returned to the sender. Submit this notice in triplicate. One copy will be returned following approval. See additional instructions in Rules and Regulations of the Commission.

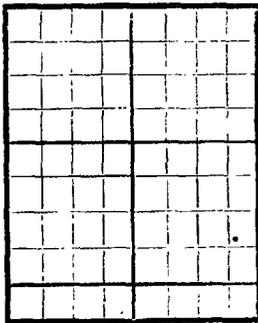
Hobbs, New Mexico

September 6, 1949

OIL CONSERVATION COMMISSION,
Santa Fe, New Mexico,

Gentlemen:

You are hereby notified that it is our intention to commence the drilling of a well to be known as
Cities Service Oil Company Brunson "C" Well No. 7 in SE SE
Company or Operator Lease
of Sec. 3, T 225, R 37E, N. M., P. M., Drinkard Field, Lea County.



AREA 640 ACRES

LOCATE WELL CORRECTLY

The well is 760 feet (N.) (S.) of the S line and 560 feet (E.) (W.) of the East line of Section 3-228-37E

(Give location from section or other legal subdivision lines. Cross out wrong directions.)

If state land the oil and gas lease is No. --- Assignment No. ---

If patented land the owner is Brunson

Address Junice, New Mexico

If government land the permittee is ---

Address ---

The lessee is Cities Service Oil Company

Address Empire-Masonic Building, Bartlesville, Oklahoma

We propose to drill well with drilling equipment as follows: Rotary all the way

The status of a bond for this well in conformance with Rule 39 of the General Rules and Regulations of the Commission is as follows: Approved

We propose to use the following strings of casing and to land or cement them as indicated:

Size of Hole	Size of Casing	Weight Per Foot	New or Second Hand	Depth	Landed or Cemented	Sacks Cement
17-1/4"	13-3/8"	36#	New	300'	Cemented	300 to surface
12-1/4"	8-5/8"	28#	New	2800'	Cemented	700
7-3/4"	5-1/2"	15.5#	New	6400'	Cemented	250

If changes in the above plan become advisable we will notify you before cementing or landing casing. We estimate that the first productive oil or gas sand should occur at a depth of about 6500 feet.

Additional information:

Approved SEP 9 1949, 19
except as follows:

Sincerely yours,

Cities Service Oil Company
Company or Operator

By [Signature]

Position District Superintendent

Send communications regarding well to

Name Cities Service Oil Company

Address Drawer G., Hobbs, New Mexico

OIL CONSERVATION COMMISSION,
By [Signature]
Title OIL & GAS INSPECTOR