

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. | 30-025-06859 |
| 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 | Linam |
| 8. Well Number | 3 |
| 9. OGRID Number | 012024 |
| 10. Pool name or Wildcat | Penrose-Skelly; Grayburg |

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 A : 990 feet from the North line and 330 feet from the East line
 Section 29 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 _____

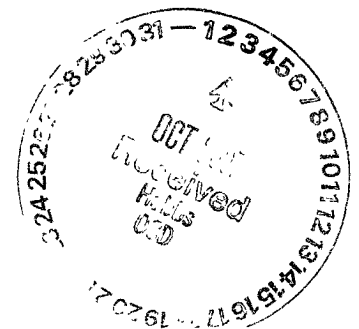
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

| | | | |
|--|---|--|--|
| NOTICE OF INTENTION TO: | | 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: <input type="checkbox"/> | | OTHER: P&A Tubb & Blinebry, RC in PSG | <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.

- 9-8-07 Set 5-1/2" CIBP at 6075' + 35' cement to P&A Tubb. Set 5-1/2" CIBP at 5550' + 35' cement to P&A Blinebry.
- 9-10-07 Perf. Penrose-Skelly; Grayburg 3650' to 3823' w/ 18 holes. Acidized perms. w/ 2700 gals. 15% NEFe acid.
- 9-12-07 Fraced down 3-1/2" tbg. w/ 75,000# 16/30 sd. in 33,250 gals. gelled fresh wtr.
- 9-14-07. Ran 2-7/8" tbg. set at 3966'.
- 9-19-07 Ran rods & set pumping unit and started pumping.
- 9-24-07 Tested 73 BOPD + 196 BWPD & 265 MCFPD.



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 10/02/2007

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

APPROVED BY: Chad Williams TITLE DISTRICT SUPERVISOR/GENERAL MANAGER DATE 10 10 2007

2A Blinebry 046 (Pro Gas) & Tubb 046 (Pro Gas)