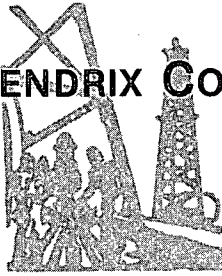


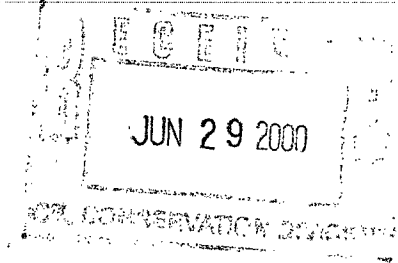
JOHN H. HENDRIX CORPORATION



MAILING ADDRESS
P.O. BOX 3040
MIDLAND, TX 79702-3040

(915) 684-6631
FAX (915) 684-7317
110 N. MARIENFELD, SUITE 400
MIDLAND, TEXAS 79701-4412

June 27, 2000



New Mexico Energy, Minerals
and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Attn: Mr. Michael E. Stogner

RE: Elliott B-12 Well No. 2
Lea County, New Mexico

Dear Mr. Stogner:

As per your attached letter, please find the following:

- 1) Exhibit I - Current Wellbore Schematic
- 2) Exhibit II - Proposed Wellbore Schematic
- 3) Also find BLM Sundry Notice and State of New Mexico Well Location and Acreage Dedication plat.

Thank you and if I may be of further assistance regarding this matter, please call.

Yours very truly,

A handwritten signature in cursive script, reading 'Ronnie H. Westbrook'.

Ronnie H. Westbrook
Vice President

RHW/ah



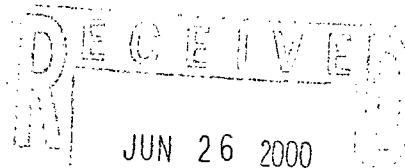
NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

June 22, 2000

John H. Hendrix Corporation
P. O. Box 3040
Midland, Texas 79702-3040



Attention: Ronnie H. Westbrook
Vice-President

Re: *Administrative application for an unorthodox Blinebry infill gas well location within an existing standard 160-acre gas spacing and proration unit comprising the NW/4 of section 12, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, for the Elliott "B-12" Well No. 2 (API No. 30-025-25137), located 567 feet from the North line and 467 feet from the West line (Unit D) of Section 12.*

Dear Mr. Westbrook:

In order to complete my review of the subject application please provide me a detailed wellbore schematic of this well's current and proposed completion:

Thank you.

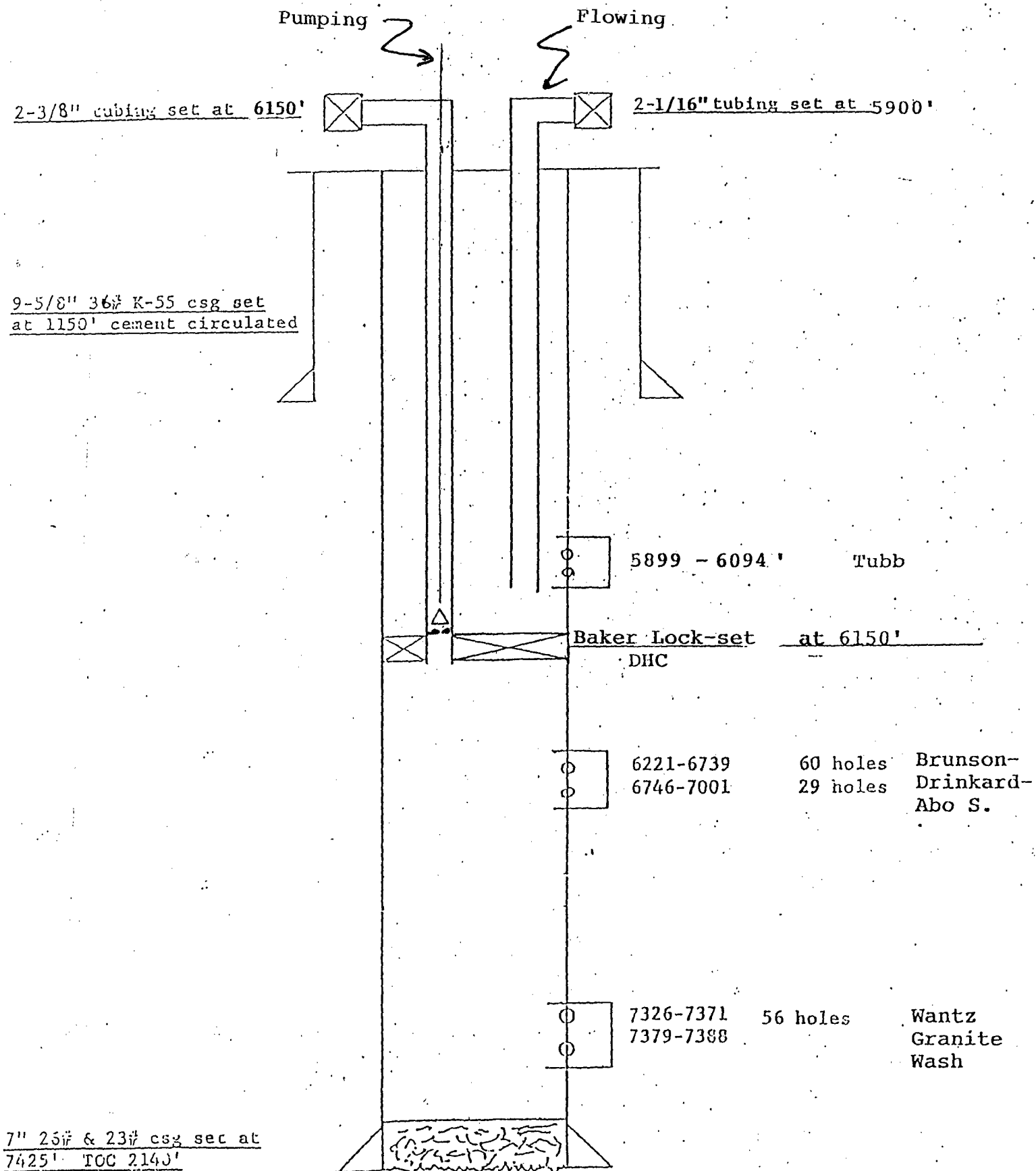
Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Roswell
William F. Carr, Legal Counsel for John H. Hendrix Corporation - Santa Fe

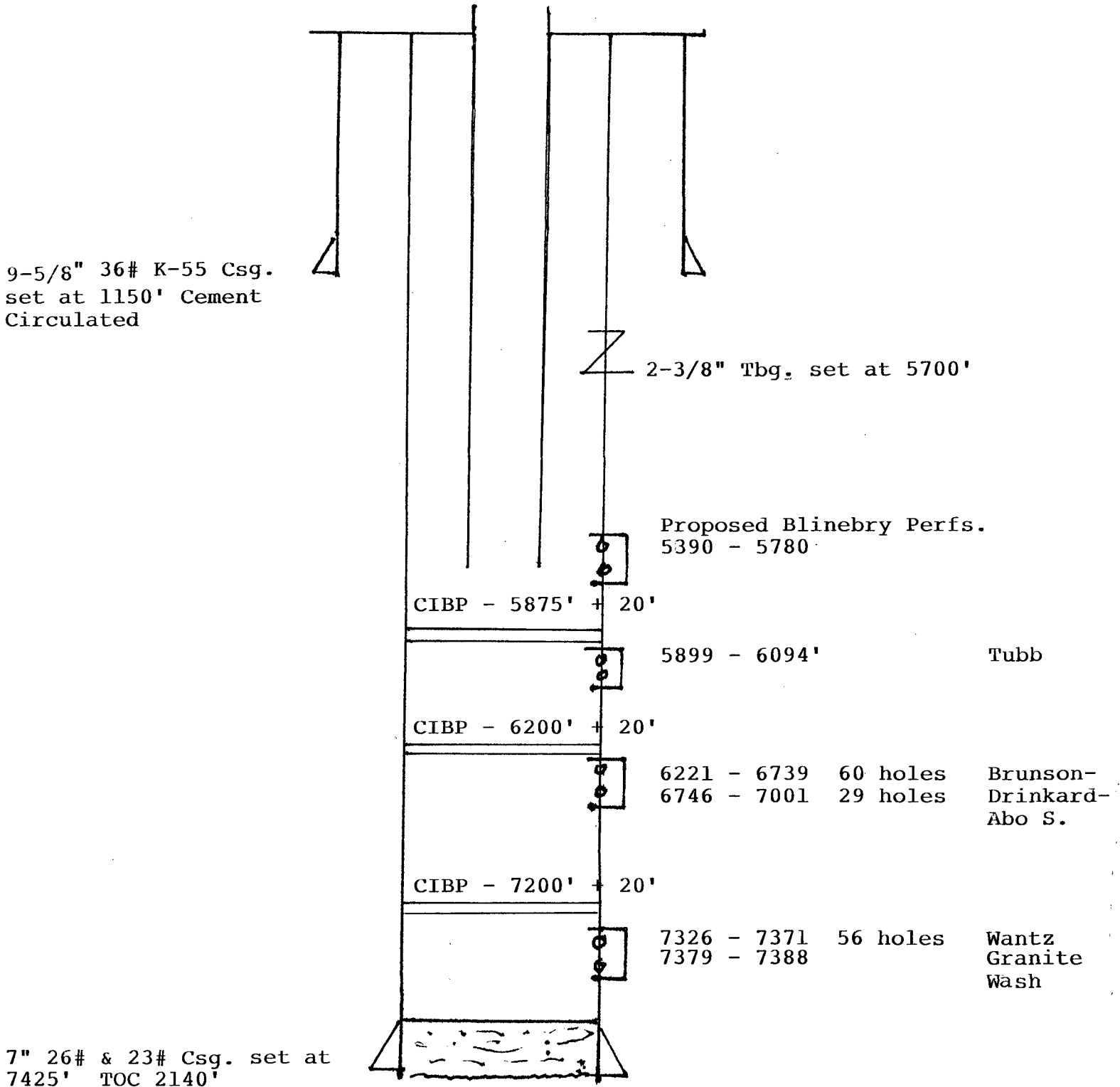
Exhibit 1

Elliott B-12 Well No. 2
Unit D, Sec. 12, T-22-S, R-37-E
Drinkard & Wantz (Granite Wash) Pool
Lea County, New Mexico



Elliott B-12 No. 2
Unit D, Section 12, T22S - R37E
Lea County, New Mexico

PROPOSED BLINEBRY GAS COMPLETION



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

John H. Hendrix Corporation

3. Address and Telephone No.

P. O. Box 3040, Midland, TX 79702-3040 (915) 684-6631

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

567' FNL & 467' FWL, Sec. 12, T22S, R37E

5. Lease Designation and Serial No.

NM-032369

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Elliott B-12 No. 2

9. API Well No.

30-025-25137

10. Field and Pool, or Exploratory Area

Blinebry Gas

11. County or Parish, State

Lea County, NM

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☒ Abandonment
☒ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other _____
- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

1. Set CIBP at 7200' to ZA Granite Wash (7223 - 7388')
2. Set CIBP at 6200' to ZA Brunson Drinkard Abo, S. (6221 - 7001')
3. Set CIBP at 5875' to ZA Tubb (5899 - 6094'). *CMT - ?*
4. Perf. Blinebry 5390' to 5780'. *on top*
5. Acidize and frac Blinebry.
6. Test well.
7. Well to be a Blinebry Gas well assigned to the communitized 160 acre unit located in the NW/4 Sec. 12, T22S, R37E.
8. The Elliott Hinton No. 1 located in Unit E presently produces from the Blinebry Gas. John H. Hendrix Corporation has requested from the NMOCD permission to simultaneous dedicate the two wells to the 160 acre proration unit.

RECEIVED

MAY 23 2000

BLM
ROSWELL, NM

RECEIVED
BUREAU OF LAND MGMT.
CANDLESAD RESOURCE AREA
2000 MAY 22 P 2:37

14. I hereby certify that the foregoing is true and correct

Signed *Ronny H. Westphal* Title Vice President Date 05/19/00

(This space for Federal or State office use)

Approved by *Suzanne*
Conditions of approval, if any:

Title *PO*

Date *5/24/00*

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

RECEIVED

Submit to

MAY 23 2000

BLM

ROSWELL, NM

Form C-102
Revised October 18, 1994
Instructions on back
Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number John H. Hendrix Corporation	2 Pool Code 72480	3 Pool Name Blinebry Gas
4 Property Code 005170	5 Property Name Elliott B-12	6 Well Number 2
7 OGRID No. 012024	8 Operator Name John H. Hendrix Corporation	9 Elevation 3350

10 Surface Location

UL or lot no. D	Section 12	Township 22S	Range 37E	Lot Idn	Feet from the 567	North/South line North	Feet from the 467	East/West Line West	County Lea
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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 160.00	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 #2				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Ronnie H. Westbrook Signature Ronnie H. Westbrook Printed Name Vice President Title 05-19-00 Date
				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 Surveyer: Certificate Number