

Order Number

472

API Number

30-025-24657

Operator

John H. Hendrix Corporation

County

Lea

Order Date

7-21-11

Well Name

Elliott B-17

Number

4

Location

G

17

225

37E

UL

Sec

T (+Dir)

R (+Dir)

Oil %

40%

Gas %

40%

Pool 1

6660

Blinebru Oil + Gas

Pool 2

60240

Tubb Oil + Gas

40%

40%

Pool 3

19190

Drinkard

20%

20%

Pool 4

Comments:

Posted in RBDMs COH 7-21-2011

DOWNHOLE COMMINGLE CALCULATIONS:

30-025-24657
DHC-HOB-472

OPERATOR: John H. Hendrix Corp

PROPERTY NAME: Elliott B-17

WNULSTR: 4- G-17-225-37E

SECTION I:	ALLOWABLE AMOUNT
POOL NO. 1 <u>Blinebry O + G</u>	<u>107</u> <u>428</u> MCF
POOL NO. 2 <u>Tubb Oil + G</u>	<u>142</u> <u>284</u> MCF
POOL NO. 3 <u>Drinkard</u>	<u>142</u> <u>852</u> MCF
POOL NO. 4 _____	_____ MCF
POOL TOTALS <u>391</u> <u>1564</u>	

SECTION II:	<u>Oil</u>	<u>Gas</u>
POOL NO. 1 <u>Blinebry Oil + Gas</u>	<u>40%</u>	<u>40%</u>
POOL NO. 2 <u>Tubb Oil + Gas</u>	<u>40%</u>	<u>40%</u>
POOL NO. 3 <u>Drinkard</u>	<u>20% x 391 = 78.2</u>	<u>20%</u>
POOL NO. 4 _____	<u>< 78 ></u>	

<u>OIL</u>	<u>GAS</u>
SECTION III: <u>20% x 142 = 710</u>	_____

SECTION IV:	
<u>40% x 710 = 284</u>	<u>< 284 ></u>
<u>40% x 710 = 284</u>	<u>< 284 ></u>
<u>20% x 710 = 142</u>	<u>< 142 ></u>

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 88201

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-24657

5. Indicate Type of Lease

STATE ☐ FEE ☐ Federal

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Elliott B-17

8. Well Number 4

9. OGRID Number 012024

10. Pool name or Wildcat
Blinebry, Tubb, DrinkardSUNDRY 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 G : 1980 feet from the North line and 1980 feet from the East line
Section 17 Township 22S Range 37E NMPM Lea County11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3395' GL

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐OTHER: ☐OTHER: ☐

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, TUBB OIL & GAS, AND DRINKARD POOL IN THE SUBJECT WELL.
SEE SUPPORTING DATA ON ATTACHED SHEET.

Also see BLM Sundry Notice NOI to perforate Tubb zone and DHC w/existing Blinebry, Drinkard perfs.

Spud Date:

Rig Release Date:

DHC HOB-472

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 07/11/11

Type or print name, Carolyn Doran Haynes

E-mail address: cdoranhaynes@jhhc.org

PHONE: 432-684-6631

For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

JUL 21 2011

Conditions of Approval (if any):

ELLIOTT B-17 #4

Unit Letter G – 1980' FNL & 1980' FEL Sec 17, T22S, R37E, Lea County, NM API # 30-025-24657

1. Division Order that established pre-approved pools: Order No. R-11363
2. Pools to be commingled – Blinebry Oil & Gas (6660), Tubb Oil & Gas (60240), and Drinkard Pool (19190).
3. Blinebry Oil & Gas Perfs – 5493-5717'
Tubb Oil & Gas Perfs – 6135-6254'
Drinkard Pool Perfs – 6378-6484'
4. All zones are intermediate crude and commingling will not reduce the value of the production.
5. Ownership between pools is identical.
6. Anticipated production:

Blinebry Oil & Gas	2 BOPD	20 MCFPD
Tubb Oil & Gas	2 BOPD	20 MCFPD
Drinkard Pool	1 BOPD	10 MCFPD

Total	5 BOPD	50 MCFPD
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7. The proposed allocation to be as follows

	<u>Oil %</u>	<u>Gas%</u>
Blinebry Oil & Gas	40%	40%
Tubb Oil & Gas	40%	40%
Drinkard Pool	20%	20%
Total	100%	100%

If post- workover tests show a significant change in percentages, it will be requested.

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District III
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District IV
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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

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-02S-24657	² Pool Code 19190	³ Pool Name Drinkard Pool
⁴ Property Code 05175	⁵ Property Name Elliott B-17	⁶ Well Number 4
⁷ OGRID No. 012024	⁸ Operator Name John H. Hendrix Corporation	⁹ Elevation 3395' GL

¹⁰ Surface Location

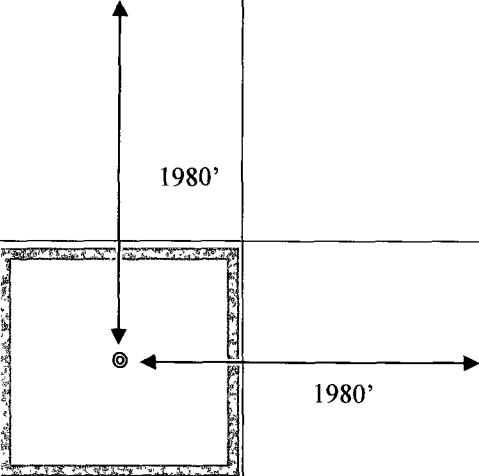
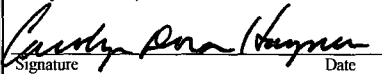
UL or lot no. G	Section 17	Township 22S	Range 37E	Lot Idn	Feet from the 1980	North/South line North	Feet from the 1980	East/West line East	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. DAC-HOB-472
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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 7/2/11 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

District I
1625 N. French Dr., Hobbs, NM 88240

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1301 W. Grand Avenue, Artesia, NM 88210

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

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State of New Mexico

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Revised October 12, 2005

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-24657	² Pool Code 60240	³ Pool Name Tubb Oil & Gas
⁴ Property Code 05175	⁵ Property Name Elliott B-17	⁶ Well Number 4
⁷ OGRID No. 012024	⁸ Operator Name John H. Hendrix Corporation	⁹ Elevation 3395' GL

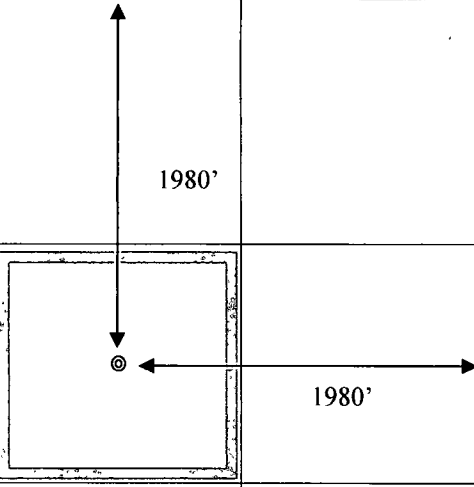
¹⁰ Surface Location

UL or lot no. G	Section 17	Township 22S	Range 37E	Lot Idn	Feet from the 1980	North/South line North	Feet from the 1980	East/West line East	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 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. DHC-HDB-472						

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 <u>Carolyn Doran Haynes</u> Date <u>7/12/11</u> Printed Name <u>Carolyn Doran Haynes</u>
					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

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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

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Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-24657		² Pool Code 6660		³ Pool Name Blaine Oil & Gas	
⁴ Property Code 05175		⁵ Property Name Elliott B-17			⁶ Well Number 4
⁷ OGRID No. 012024		⁸ Operator Name John H. Hendrix Corporation			⁹ Elevation 3395' GL

¹⁰ Surface Location

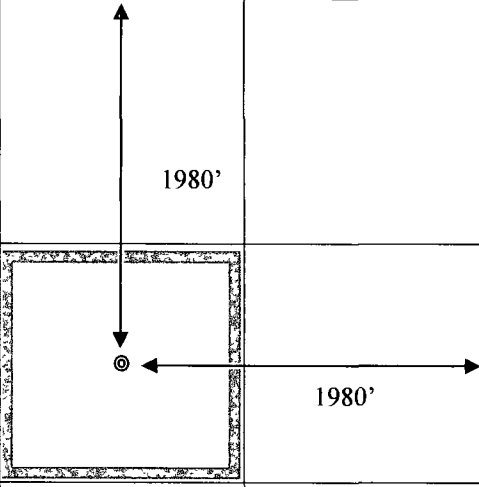
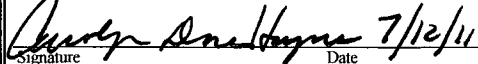
UL or lot no. G	Section 17	Township 22S	Range 37E	Lot Idn	Feet from the 1980	North/South line North	Feet from the 1980	East/West line East	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. DHC-HOB-472
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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 7/12/11 Carolyn Doran Haynes Printed Name	
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	Date of Survey Signature and Seal of Professional Surveyor	
	Certificate Number	

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

JUL 18 2011

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NM 00440 89872
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
John H. Hendrix Corporation

3a. Address
P. O. Box 3040 Midland, TX 79702-3040

3b. Phone No. (include area code)
432-684-6631

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
UL G, Sec 17, T22S, R37E (1980' FNL & 1980' FEL)

7. If Unit of CA/Agreement, Name and/or No

8. Well Name and No.
Elliott B-17 No. 4

9. API Well No.
30-025-24657

10. Field and Pool or Exploratory Area
Blinebry Oil & Gas

11. Country or Parish, State
Lea County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other DHC Blinebry, Tubb, Drinkard zones
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation. Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

This is a request to Down-Hole-Comingle (DHC) the following pools in the subject well: Blinebry Oil & Gas (6660), Tubb Oil & Gas (60240), and Drinkard Pool (19190). This DHC request has been submitted to the NMOC on July 13, 2011. The supporting data sheet is attached to this Sundry Notice of Intent. The procedure below will be used to perform this action upon approval of the DHC. Casing repair will also be performed by installing a 4" flush jt liner @ approx 4700-5000'. Severely damaged csg was noted during the last service event as 4' of steel was recovered from the well bore while fishing a stuck tbg anchor.

Form 3160-5 Subsequent Report and Form 3160-4 Well Recompletion Report will be filed after approved work is completed.

MIRU. POOH. GIH and perf Tubb zone @ 6135-6254' Acidize existing Blinebry perms (5493-5717') and new Tubb perms w/2500 gal 15% HCl. Swab back spent acid fluids. Swab test Blinebry/Tubb zones. GIH, clean out and wash off sand and retrieve RBP @ 6272'. TFF. CO to 6500'+. (Existing Drinkard Perfs @ 6378-6484') GIH w/ pkr and set @ 6250' and acidize Drinkard perms w/ 1500 gal 15% HCl. Swab back spent acid fluids. Swab test Drinkard zone. POOH. Set 4" flush-jt liner over casing damage @ 4980' and previous csg repairs @ 4725-4975'. GIH w/ tbg, pump and rods. Return to production. Test DHC well: Blinebry, Tubb, Drinkard.

**SUBJECT TO LIKE
APPROVAL BY STATE**

DHC-HOB-472

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Carolyn Doran Haynes

Title Engineer

Signature

Carolyn Doran Haynes

Date 07/11/2011

[Signature]

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

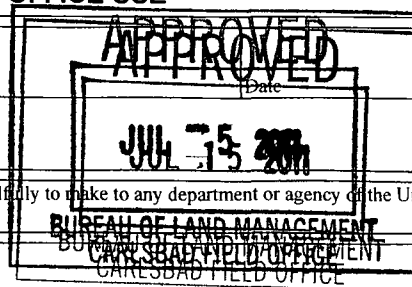
Title

Office

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)



ELLIOTT B-17 #4

1980' FNL & 1980' FEL, Sec 17, T22S, R37E, Lea County, New Mexico

UL G

GR is 3395'

API # 30-025-24657

OGRID # 012024

Prop Code: 05175

8 5/8" 28# csg @ 1100" cmt w/500 sx circ

TOC 1600' (TS 1974)

Tbg: 153 jts 2 3/8" tbg, TAC, 30 jts, SN, PS, BPMA
Rods: 71 - 7/8", 147 - 3/4", 9 - 7/8" (2011)

Proposed 2011:

Perf Tubb @
6135-6254'. Pull
BP @ 6272'; DHC
Blinbry, Tubb,
Drinkard. Acidize
all. Repair Csg
damage w/4"
scab liner

sqz 110 sx cmt to repair csg leak @ 4725-4975' (2007)

Csg damage ~ 6' removed @ 4980' (2011)

Blinebry Perfs @ 5493-5717' (1992)

Baker Lok-set @ 6272' + sand 5996' (1992)

Drinkard @ 6378-6484' (1974)

TFF @ 6985' (1992)

CIBP @ 7100' + 2 sx cmt (1974)

Devonian perfs @ 7290-7421' (1974)

5 1/2" 15.5 & 17# csg @ 7431' w/1350 sx

TD = 7443'

Drawn	BY
2011	Proposed

John H. Hendrix Corporation
110 North Marienfeld Suite 400
Midland, TX 79702

Elliott B-17 #4
1980' FNL & 1980' FEL
SEC 17, T22S, R37E
Lea County New Mexico

ELLIOTT B-17 #4

**Unit Letter G – 1980' FNL & 1980' FEL
Sec 17, T22S, R37E, Lea County, NM
API # 30-025-24657**

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Drinkard Pool Perfs – 6378-6484'
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5. Ownership between pools is identical.
6. Anticipated production:

Blinebry Oil & Gas	2 BOPD	20 MCFPD
Tubb Oil & Gas	2 BOPD	20 MCFPD
Drinkard Pool	1 BOPD	10 MCFPD

Total 5 BOPD 50 MCFPD

7. The proposed allocation to be as follows

	<u>Oil %</u>	<u>Gas%</u>
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