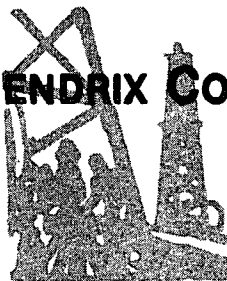


RELEASE 5-18-93

JOHN H. HENDRIX CORPORATION



OIL CONSERVATION DIVISION
RECEIVED

93 APR 29 AM 9 05

(915) 684-6631
223 WEST WALL, SUITE 525
MIDLAND, TEXAS 79701

April 26, 1993

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: Mr. David R. Catanach

RE: Downhole Commingling Request
Cossatot "B" No. 3 Lease
Unit N, Section 12, T22S -
R37E, Lea County, New Mexico

Gentlemen:

John H. Hendrix Corporation respectfully requests administrative approval to downhole commingle the South Brunson Drinkard-Abo and Wantz Granite Wash production. Approval of this request will protect correlative rights, and encourage the efficient recovery of oil and gas reserves.

Currently the well is dual completed with the South Brunson Drinkard Abo flowing up the casing and Wantz Granite Wash pumped up the tubing.

By copy of this letter, we are notifying the offset operators of this proposed commingling. If these operators have no objections, we ask that they execute the attached waiver and return two copies to the N.M.O.C.D.

Enclosed is pertinent data supporting this application as outlined in Rule 303-A. If additional information is necessary, please contact me at (915) 684-6631.

Sincerely,


Lee Wood

LW/ah
Enclosures

COSSATOT "B" NO. 3
PERTINENT INFORMATION

- A) John H. Hendrix Corporation
223 W. Wall, Suite 525
Midland, TX 79701
- B) Cossatot "B" No. 3
Unit N, Section 12, T22S - R37E
Lea County, New Mexico
Commingled Zones: South Brunson Drinkard-Abo and
Wantz Granite Wash
- C) A lease plat is attached showing the location of this well. (Exhibit 1)
- D) The Form C-116 is included to show current status of South Brunson Drinkard-Abo Oil Zone and Wantz Granite Wash Zone. (Exhibit 2)
- E) Production decline curves for the South Brunson Drinkard-Abo and Wantz Granite Wash are attached. (Exhibit 3)
- F) Due to the fact the well would be produced in a pumped off condition, it is respectfully requested that the BHP data be waived.
- G) Due to the fact these zones are already commingled in many wells, it is requested that the gas analysis requirements be waived.
- H) Working interest and royalty ownership in the two zones is the same.
- I) The following percentages are suggested based on the analysis of past and current production.

| | <u>Anticipated Production</u> | | | <u>MCFPD</u> |
|----------------------------|-------------------------------|-------------|--------------|--------------|
| | <u>Oil %</u> | <u>BOPD</u> | <u>Gas %</u> | |
| Wantz Granite Wash | 80% | 4 | 40% | 26 |
| South Brunson Drinkard-Abo | 20% | 1 | 60% | 39 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total | 100% | 5 | 100% | 65 |

Submit 2 copies to Appropriate District Office.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-116
Revised 1/1/89

GAS - OIL RATIO TEST

| | | | | | | | | | | | | | |
|---|----------------------|--|----------------|---|--------------------------------|-----------------------------|----------------------------|-------------------------------|----------------------------------|-------------------------------------|--|----------------------------------|--|
| Operator John H. Hendrix Corporation | | Pool South Brunson Drinkard-Abo Pool | | County Lea, NM | | | | | | | | | |
| Address 223 W. Wall, Suite 525, Midland, TX 79701 | | TYPE OF TEST - (X) <input checked="" type="checkbox"/> TEST - (X) | | Schedul <input checked="" type="checkbox"/> Scheduled <input type="checkbox"/> Special | | | | | | | | | |
| LEASE NAME Cossatot "B" | WELL NO. 3 | LOCATION | | | DATE OF TEST 2/22/93 | CHOKE SIZE F Open | TBG. PRESS. 60 M | DAILY ALLOW-ABLE 24 | LENGTH OF TEST HOURS 0 | Completion <input type="checkbox"/> | | Special <input type="checkbox"/> | GAS - OIL RATIO CU.FT/BBL. 38000 |
| | | U N | S 12 | T 22 | | | | | | R 37 | | | |
| EXHIBIT 2 | | | | | | | | | | | | | |

Instructions:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.
Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

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

Signature

Lee Wood

Printed name and title

4/26/93

Date

(915) 684-6631

Telephone No.

Submit 2 copies to Appropriate District Office.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-116
Revised 1/1/89

GAS - OIL RATIO TEST

| | | | | | | | | | | | | | |
|--|---------------|--|--|--|-------------------------|--------------------|-------------------|-----------------------|----------------------------|-------------------|------------|--|--------------------------------------|
| Operator John H. Hendrix Corporation | | Pool Wantz Granite Wash | | County Lee, NM | | | | | | | | | |
| Address 223 W. Wall, Suite 525, Midland, TX 79701 | | TYPE OF TEST - (X) <input checked="" type="checkbox"/> TEST - (X) | | Completion <input type="checkbox"/> Special <input type="checkbox"/> | | | | | | | | | |
| LEASE NAME Cossatot "B" | WELL NO. 3 | LOCATION U S T R | | | DATE OF TEST 1/24/93 | CHOKE SIZE Open | TBG. PRESS. 30 | DAILY ALLOW-ABLE M | LENGTH OF TEST HOURS 24 | PROD. DURING TEST | | | GAS - OIL RATIO CU/FT/BBL 4667 |
| | | WATER BBL.S. | | | | | | | | GRAV. OIL BBL.S. | GAS M.C.F. | | |
| EXHIBIT 2 | | | | | | | | | | | | | |

Instructions:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

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

Signature

Lee Wood

Printed name and title

4/26/93

Date

(915) 684-6631

Telephone No.

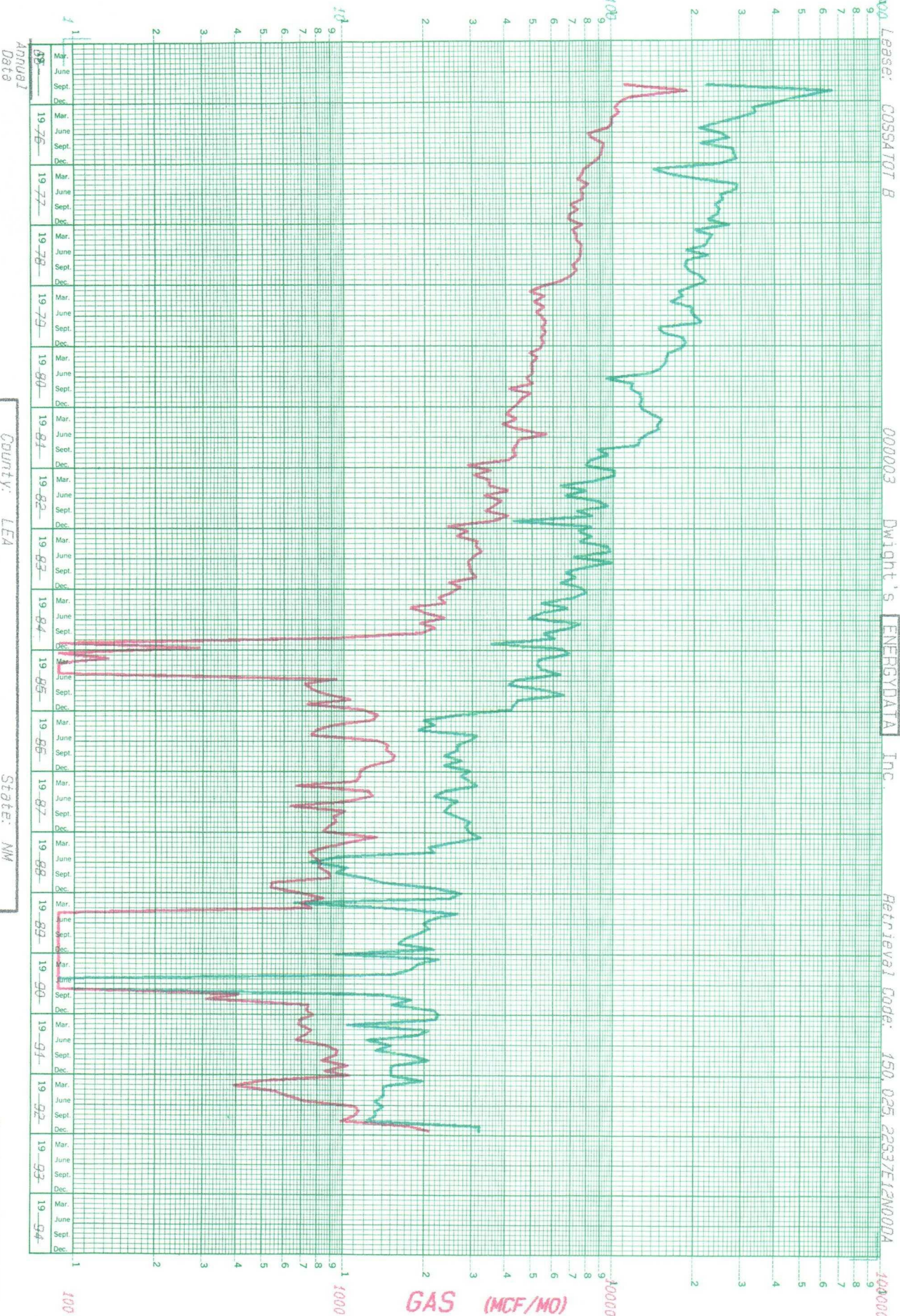
1000 Lease: COSSA T01 B

000003 Dwight's ENERGYDATA Inc.

Retrieval Code: 150, 025, 22537E12N000A

100000

OIL (BBL/MO)



Annual Date

County: LEA

State: NM

Field: BRUNSON SOUTH (DRINKARD ABO)

D4

Reservoir: DRINKARD ABO

Operator: HENDRIX JOHN H CORP

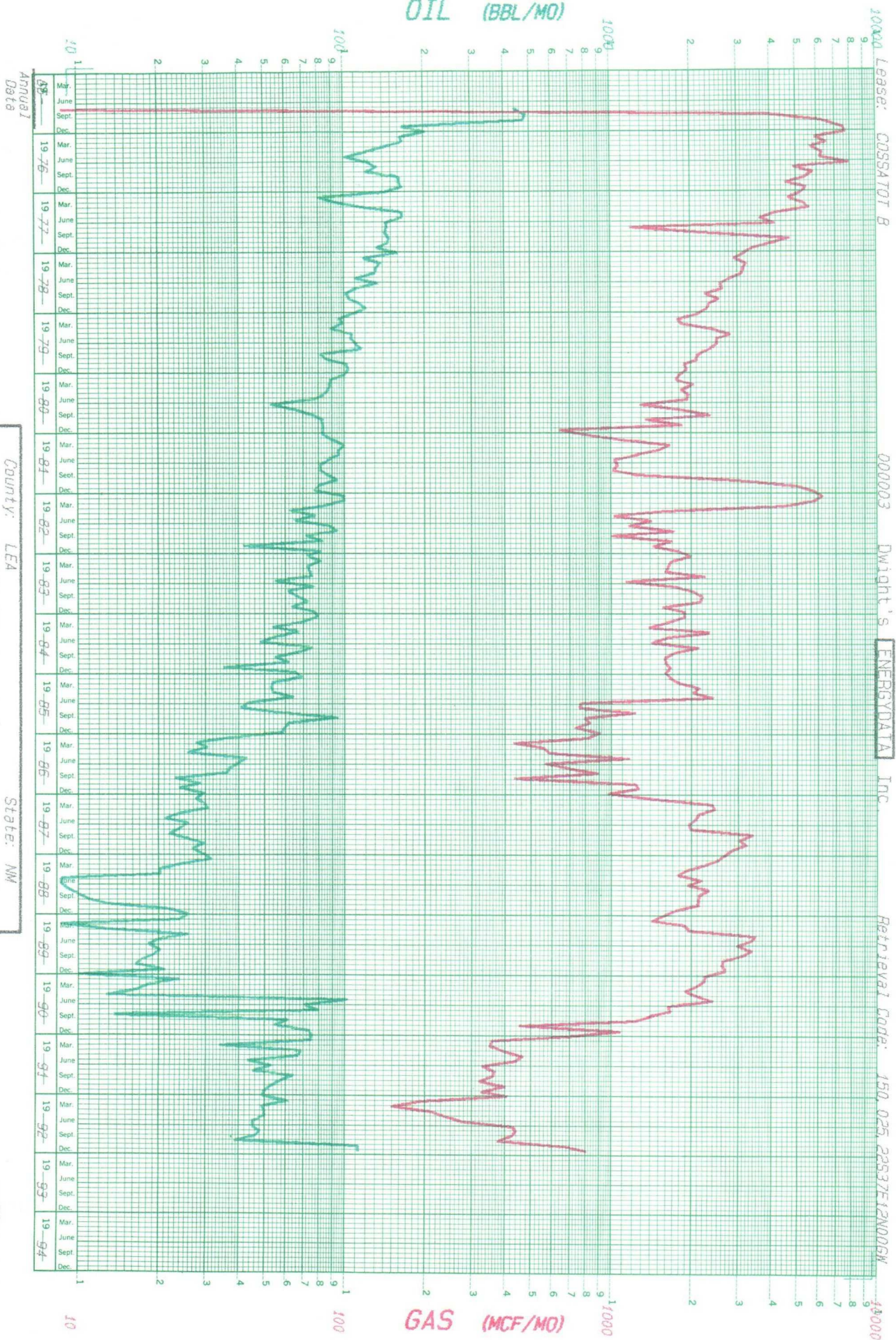
Oil Cum: 36729 Gas Cum: 1187061

Location: 12N 22S 47E

F.P. Date 06-73

Date: 01-18-93

EXHIBIT 3



F.P. Date 02-72

County: LEA State: NM

Field: WANTZ (GRANITE WASH)

Reservoir: GRANITE WASH

Operator: HENDRIX JOHN H CORP

Oil Cum: 35027 Gas Cum: 669626

Inactivation: 12M 225 37E

Date: 01-18-93

EXHIBIT 3

April 26, 1993

RE: Request to Downhole
Commingle (Cossatot "B" #3)
South Brunson Drinkard-Abo
and Wantz Granite Wash
Pools Unit N, Section 12,
T22S -R37E, Lea County,
New Mexico

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: David R. Catanach

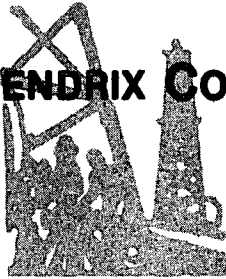
As an offset operator, the undersigned has no objection to the John H. Hendrix Corporation application to the downhole commingling of the South Brunson Drinkard-Abo and Wantz Granite Wash Pools in the captioned well bore.

Approved By: _____

Representing: _____

Date: _____

JOHN H. HENDRIX CORPORATION



(915) 684-6631
223 WEST WALL, SUITE 525
MIDLAND, TEXAS 79701

April 26, 1993

CERTIFIED MAIL

RE: Waiver Request to Downhole
Commingle South Brunson
Drinkard-Abo and Wantz
Granite Wash Pools,
Cossatot "B" No. 3;
Unit N, Section 12, T22S -
R37E, Lea County, New Mexico

TO: OFFSET OPERATORS

Attached is a copy of John H. Hendrix Corporation's administrative application for N.M.O.C.D. approval to downhole commingle South Brunson Drinkard-Abo and Wantz Granite Wash Pools in our Cossatot "B" No. 3. Approval of this application will promote conservation and encourage the efficient recovery of oil and gas reserves.

As an offset operator, if you do not have any objections to the attached application, please sign the enclosed waivers and mail the two copies to the N.M.O.C.D. in Santa Fe and one copy to the N.M.O.C.D. in Hobbs. We would also request that you send a copy to John H. Hendrix Corporation in Midland. We have enclosed self addressed, stamped envelopes for your convenience.

If you have any questions, please call me at (915) 684-6631. Your prompt consideration in the above matter is appreciated.

Yours very truly,


Lee Wood

Attachments

OFFSET OPERATORS TO
JOHN H. HENDRIX CORPORATION'S
COSSATOT "B" NO. 3

Exxon Company USA
P. O. Box 1600
Midland, TX 79702

Mobil Exploration & Producing USA, Inc.
P. O. Box 633
Midland, TX 79702

Chevron USA Inc.
P. O. Box 670
Hobbs, NM 88240

Zachary Oil Operating Company
1212 Commerce Bldg.
Ft. Worth, TX 76102

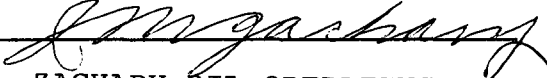
April 26, 1993

RE: Request to Downhole
Commingle (Cossatot "B" #3)
South Brunson Drinkard-Abo
and Wantz Granite Wash
Pools Unit N, Section 12,
T22S -R37E, Lea County,
New Mexico

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: David R. Catanach

As an offset operator, the undersigned has no objection to the John H. Hendrix Corporation application to the downhole commingling of the South Brunson Drinkard-Abo and Wantz Granite Wash Pools in the captioned well bore.

Approved By: 
Representing: ZACHARY OIL OPERATING COMPANY
Date: 4/30/93

OIL CONSERVATION DIVISION
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April 26, 1993

RE: Request to Downhole
Commingle (Cossatot "B" #3)
South Brunson Drinkard-Abo
and Wantz Granite Wash
Pools Unit N, Section 12,
T22S -R37E, Lea County,
New Mexico

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: David R. Catanach

As an offset operator, the undersigned has no objection to the John H. Hendrix Corporation application to the downhole commingling of the South Brunson Drinkard-Abo and Wantz Granite Wash Pools in the captioned well bore.

Approved By: 
Representing: ZACHARY OIL OPERATING COMPANY
Date: 4/30/93

OIL CONSERVATION DIVISION
RECEIVED

'93 JUN 7 AM 9 05

April 26, 1993

RE: Request to Downhole
Commingle (Cossatot "B" #3)
South Brunson Drinkard-Abo
and Wantz Granite Wash
Pools Unit N, Section 12,
T22S -R37E, Lea County,
New Mexico

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: David R. Catanach

As an offset operator, the undersigned has no objection to the John H. Hendrix Corporation application to the downhole commingling of the South Brunson Drinkard-Abo and Wantz Granite Wash Pools in the captioned well bore.

Approved By: C.H. Harper C.H. HARPER - PERMITS SUPERVISOR

Representing: EXXON CO., U.S.A.

Date: 5-28-93

OIL CONSERVATION DIVISION
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'93 MAY 21 AM 8 47

April 26, 1993

RE: Request to Downhole
Commingle (Cossatot "B" #3)
South Brunson Drinkard-Abo
and Wantz Granite Wash
Pools Unit N, Section 12,
T22S -R37E, Lea County,
New Mexico

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: David R. Catanach

As an offset operator, the undersigned has no objection to the John H. Hendrix Corporation application to the downhole commingling of the South Brunson Drinkard-Abo and Wantz Granite Wash Pools in the captioned well bore.

Approved By: Alan Le Bolling - Petr. Engr.

Representing: Chevron U.S.A.

Date: May 18, 1993



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
OIL CONSERVATION DIVISION RECEIVED
HOBBS DISTRICT OFFICE

4-30-93 '93 MAY 3 AM 9 52

BRUCE KING
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC ☒ _____
NSL _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

John H. Hendrix Corp. Cassatot B #3-N 12-22-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed