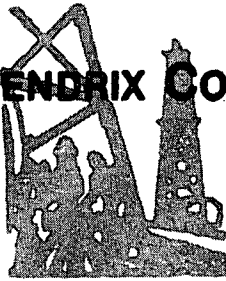


RELEASE 5.19.93

JOHN H. HENDRIX CORPORATION



OIL CONSERVATION DIVISION
RECEIVED

'93 APR 30 AM 9:12 (915) 684-6631

223 WEST WALL, SUITE 525
MIDLAND, TEXAS 79701

April 27, 1993

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

Attention: Mr. David R. Catanach

RE: Downhole Commingling Request
Cossatot "B" No. 2 Lease
Unit M, Section 12, T22S -
R37E, Lea County, New Mexico

Gentlemen:

John H. Hendrix Corporation respectfully requests administrative approval for an exception to Rule 303-A to permit the downhole commingling of production in the above subject well from the South Brunson Drinkard-Abo and Wantz Granite Wash Pools in Lea County, New Mexico.

Currently, the well is dual completed with the South Brunson Drinkard-Abo flowing up the annulus and the Wantz Granite Wash flowing up the tubing. Approval of this request will protect correlative rights, promote conservation and encourage the efficient recovery of oil and gas reserves.

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

COSSATOT "B" NO. 2

PERTINENT INFORMATION

- A) John H. Hendrix Corporation
223 W. Wall, Suite 525
Midland, TX 79701
- B) Cossatot "B" No. 2
Unit M, 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 obvious low productivity of this well and 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>	
South Brunson	25%	1	60%	38
Drinkard-Abo				
Wantz Granite	75%	4	40%	25
Wash				
Total	100%	5	100%	63

PERTINENT INFORMATION

PAGE NO. 2

- J) By copy of this letter, we are notifying the offset operators of this proposed commingling by certified mail.

32025

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				County Lea NM										
Address 223 W. Wall, Suite 525, Midland, TX 79701		TYPE OF TEST - (X)		Scheduled <input checked="" type="checkbox"/> Special <input type="checkbox"/>		Completion <input type="checkbox"/>		Special <input type="checkbox"/>								
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT/88L.	
		U	S	T	R							WATER BBL.S.	GRAY. OIL BBL.S.	GAS M.C.F.		
Cossatot "B"	2	M	12	22	37	1/30/93	F	64/64"	60	M	24	0	36.6	1	22	22000
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.

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

Signature

Lee Wood

Lee Wood

Printed name and title

4/28/93

Date

(915) 684-6631

Telephone No.

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

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		Pool				County										
John H. Hendrix Corporation		Wantz Granite Wash				Lea NM										
Address		223 W. Wall, Suite 525, Midland, TX 79701		TYPE OF TEST - (X)		Scheduled <input checked="" type="checkbox"/> Completion <input type="checkbox"/> Special <input type="checkbox"/>										
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	SIZE	CHOKE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST		GAS - OIL RATIO CU FT/BBL.		
		U	S	T	R							WATER BBL.S.	GRAV. OIL BBL.S.		GAS M.C.F.	
Cossatot "B"	2	M	12	22	37	2/20/93	F	Open	45	M	24	1	39.8	3	14	4663
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

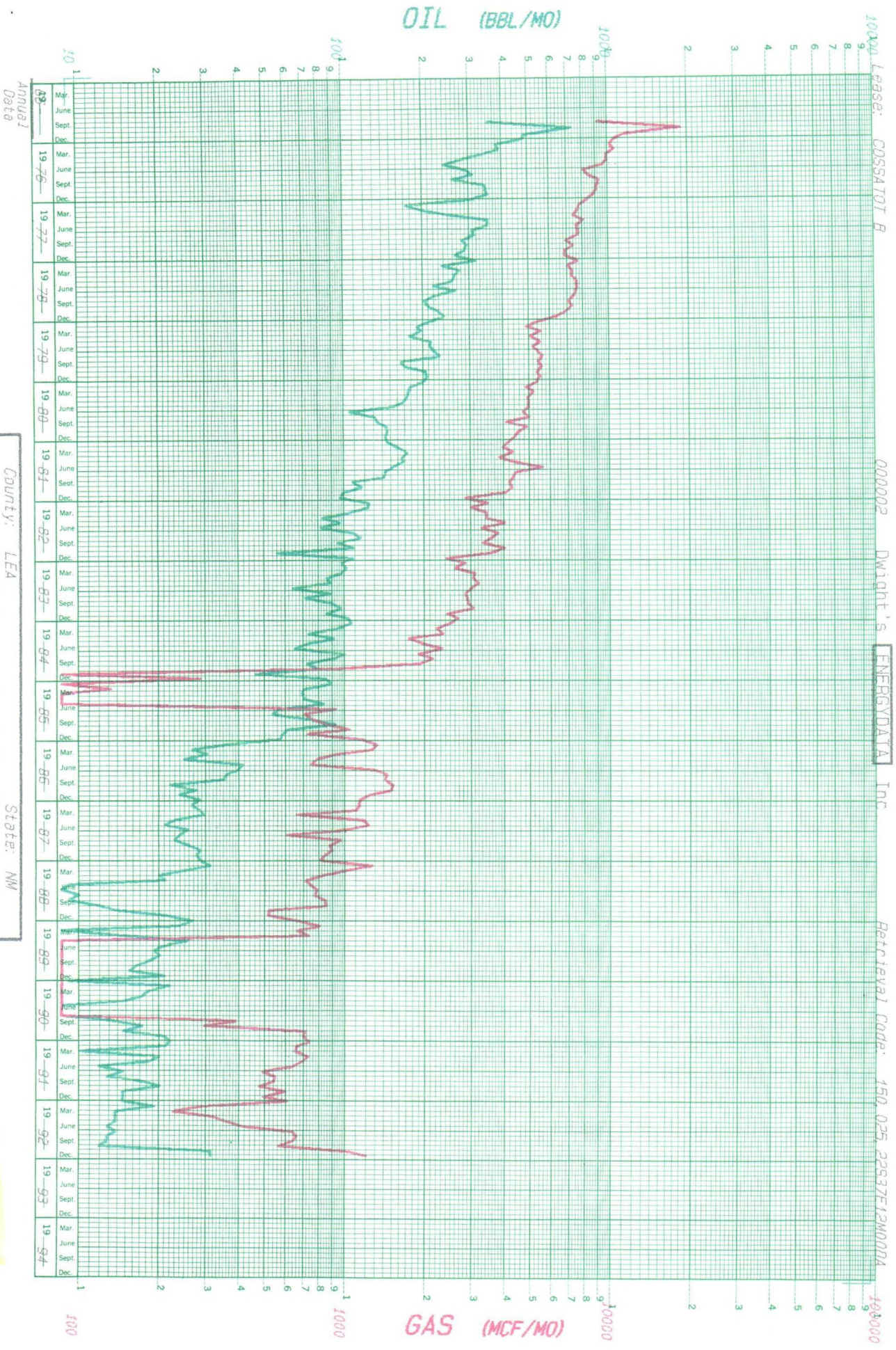
Printed name and title

4/28/93

(915) 684-6631

Date

Telephone No.



F.P. Date 08-73

County: LEA State: NM
 Field: BRUNSON SOUTH (DRINKARD ABO)
 Reservoir: DRINKARD ABO
 Operator: HENDRIX JOHN H CORP
 Oil Cum: 43473 Gas Cum: 1154899
 Location: 12W 22S 97E

Date: 01-18-93

EXHIBIT 3

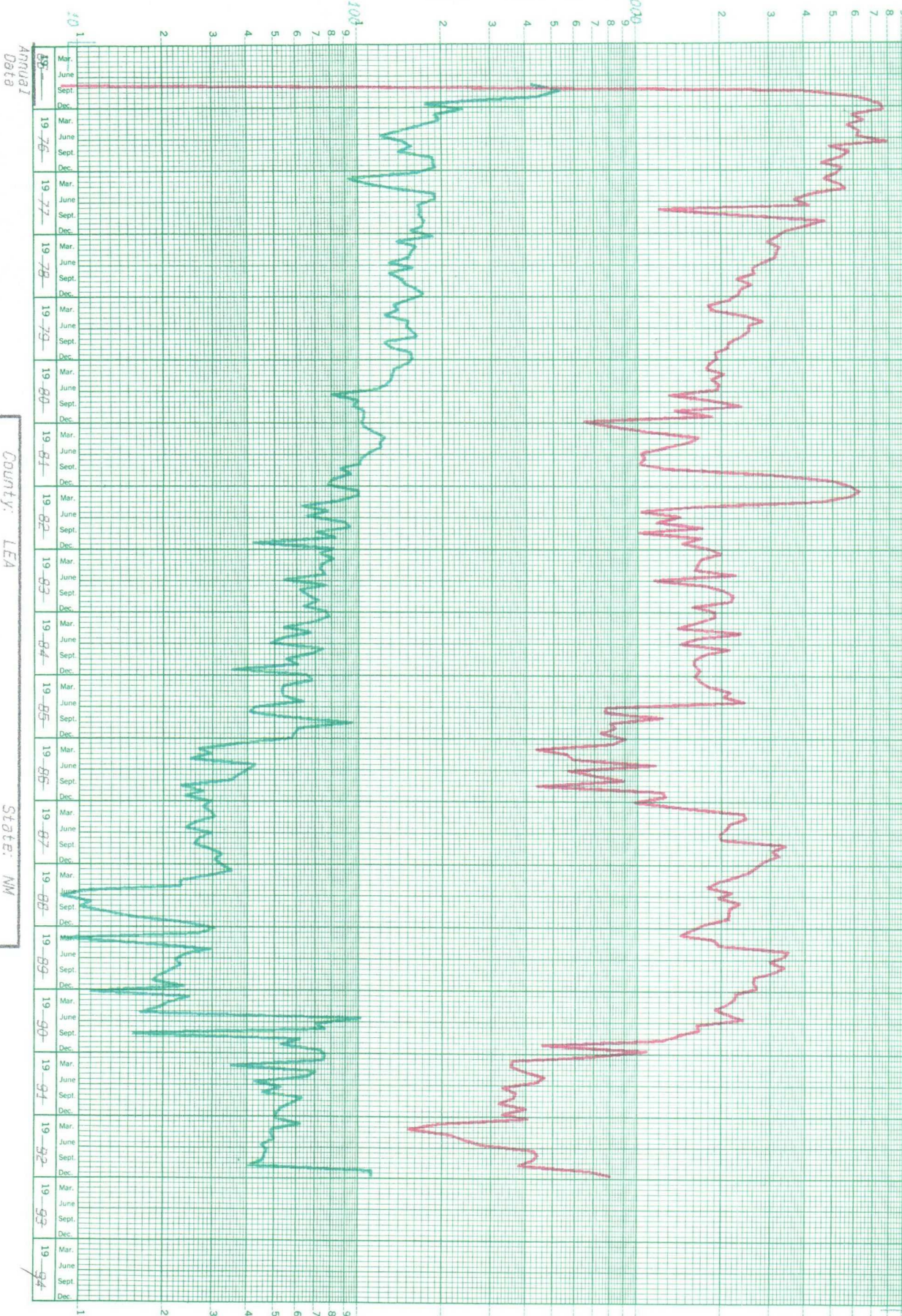
Lease: COSSA TOR B

000002 Dwight's ENERGYDATA INC.

Retrieval Code: 150 025 22537E12M00GW

10000

OIL (BBL/MO)



GAS (MCF/MO)

Annual Data

County: LEA

State: NM

Field: WANTZ (GRANITE WASH)

GW

Reservoir: GRANITE WASH

Operator: HENDRIX JOHN H CORP

Oil Cum: 37209 Gas Cum: 669583

Injection: 12M 225 97F

EXHIBIT 3

F.P. Date 01-72

Date: 01-18-93

April 27, 1993

RE: Request to Downhole
Commingle (Cossatot "B" #2)
South Brunson Drinkard-Abo
and Wantz Granite Wash
Pools, Unit M, 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

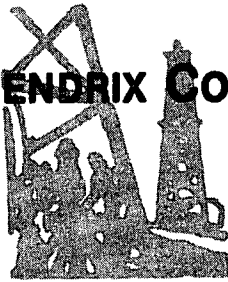
As an offset operator, the undersigned has no objection to the John H. Hendrix Corporation application to the downhole commingling of the South Brunson Drinkard-Abo and Wantz Granite Wash Pools in the captioned well bore.

Approved By: _____

Representing: _____

Date: _____

JOHN H. HENDRIX CORPORATION



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

April 27, 1993

CERTIFIED MAIL

RE: Waiver Request to Downhole
Commingle South Brunson
Drinkard-Abo and Wantz
Granite Wash Pools,
Cossatot "B" No. 2,
Unit M, 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. 2. 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,

A handwritten signature in dark ink, appearing to read 'Lee Wood', written over a horizontal line.

Lee Wood

Attachments

OFFSET OPERATORS TO
JOHN H. HENDRIX CORPORATION'S
COSSATOT "B" NO. 2

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

OIL CONSERVATION DIVISION
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April 27, 1993

RE: Request to Downhole
Commingle (Cossatot "B" #2)
South Brunson Drinkard-Abo
and Wantz Granite Wash
Pools, Unit M, 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 W. Bolling - Pet. Engr.
Representing: Chevron U.S.A.
Date: May 18, 1993



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

RECEIVED

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4-30-93

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 X _____
NSL _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

John W. Hendrix Corp. Cassatot B #2-M 12-22-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed