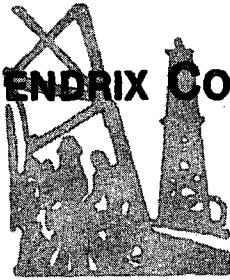


RELEASE 7-7-93

JOHN H. HENDRIX CORPORATION



OIL CONSERVATION DIVISION
RECEIVED

'93 JUN 14 AM 8 52

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

June 15, 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 "A" No. 1 Lease
Unit B, Section 12, T22S -
R37E, Lea County, New Mexico

Gentlemen:

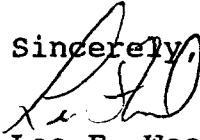
John H. Hendrix Corporation respectfully requests administrative approval to downhole commingle the South Brunson Drinkard-Abo and Blinebry production. Approval of this request will protect correlative rights, and encourage the efficient recovery of oil and gas reserves.

Currently the well is dual completed with the South Brunson Drinkard-Abo flowing up the casing and Blinebry flowing 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 F. Wood

LW/ah
Enclosures

COSSATOT "A" NO. 1
PERTINENT INFORMATION

- A) John H. Hendrix Corporation
223 W. Wall, Suite 525
Midland, TX 79701
- B) Cossatot "A" No. 1
Unit B, Section 12, T22S - R37E
Lea County, New Mexico
Commingled Zones: South Brunson Drinkard-Abo and
Blinebry
- 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 Blinebry Zone. (Exhibit 2)
- E) Production decline curves for the South Brunson Drinkard-Abo and Blinebry 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>	
Blinebry	90%	9	8%	18
South Brunson Drinkard-Abo	10%	1	92%	205
	—	—	—	—
Total	100%	10	100%	223

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

Form C-116
Revised 1/1/89

OIL CONSERVATION DIVISION

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

GAS - OIL RATIO TEST

Operator John H. Hendrix Corporation		Pool Blinebry		County Lea	
Address 223 W. Wall, Suite 525, Midland, TX 79701		TYPE OF TEST - (X) <input checked="" type="checkbox"/> TEST - (X)		Scheduled <input checked="" type="checkbox"/> <input type="checkbox"/>	
LEASE NAME Cossatot "A"		WELL NO. 1		LOCATION B	
				12 22 37	
				10/06/92 F	
				Open 60	
				M 24	
				0 37.9 3	
				32 10667	
				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 F. Wood

Printed name and title

6/16/93

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

Form C-116
Revised 1/1/89

OIL CONSERVATION DIVISION

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

GAS - OIL RATIO TEST

Operator John H. Hendrix Corporation		Pool South Brunson Drinkard-Abo		County Lea										
Address 223 W. Wall, Suite 525, Midland, TX 79701		TYPE OF TEST (X) <input checked="" type="checkbox"/> S		Completion <input type="checkbox"/> Special <input type="checkbox"/>										
LEASE NAME Cossatot "A"	WELL NO. 1	LOCATION U S T R			DATE OF TEST 8/10/92	S	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS 24	PROD. DURING TEST			GAS - OIL RATIO CU.FT/BBL.
		12	22	37							8/10/92	F	60	
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 F. Wood

Printed name and title

6/16/93

Date

(915) 684-6631

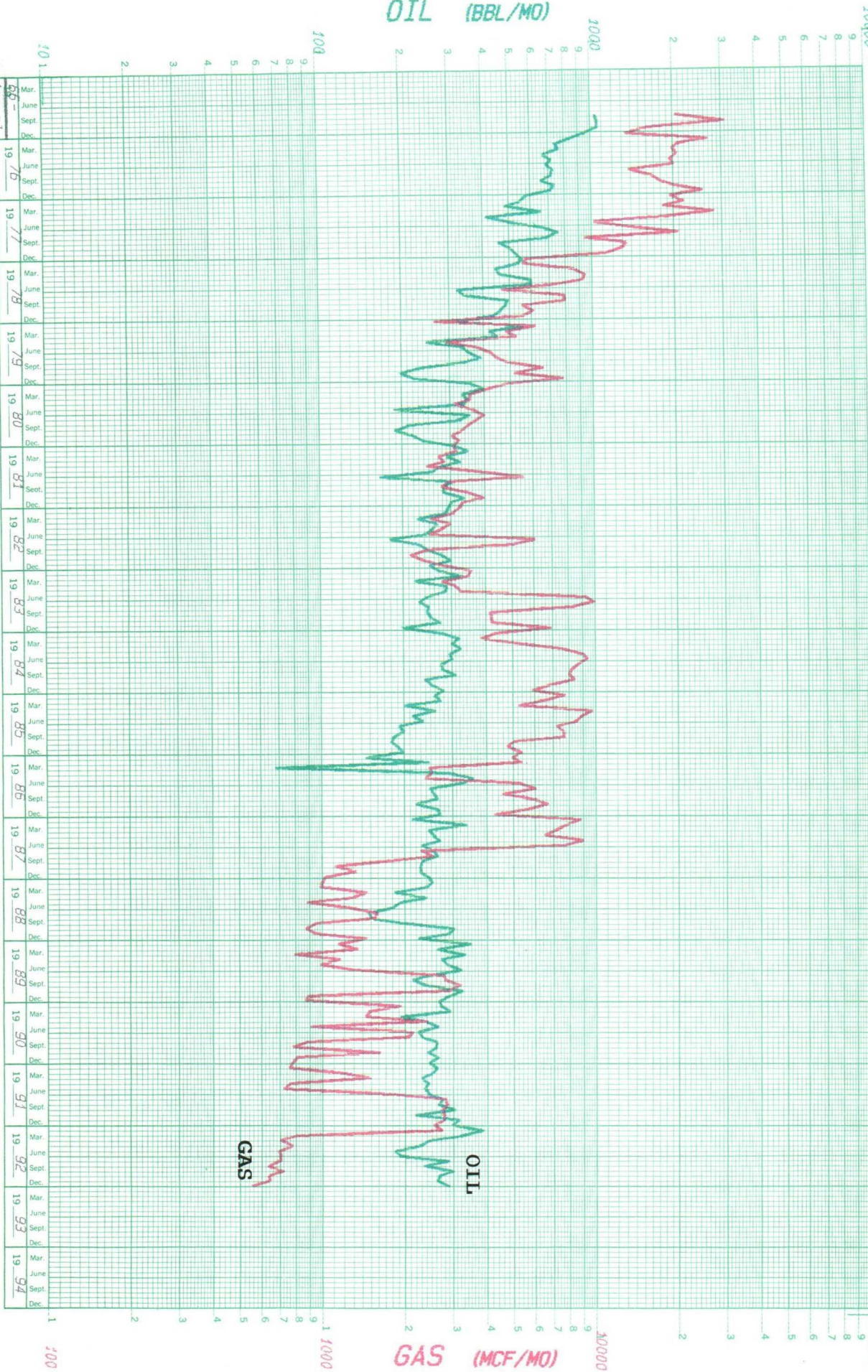
Telephone No.

10000 Lease: COSSA TOR A

000001 Dwight's ENERGYDATA Inc.

Retrieval Code: 150, 025, 22537E12B00DA

100000



Annual Data

County: LEA

State: NM

Field: BRUNSON SOUTH (DRINKARD ABO)

DA

Reservoir: DRINKARD ABO

Operator: HENDRIX JOHN H CORP

Oil Cum: 110396 Gas Cum: 2004414

Location: 12R 22S 27E

EXHIBIT 3

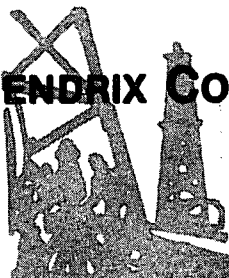
F.P. Date 01-72

Date: 03-09-93

150, 025, 22537E12B00BL

Date: 03-09-93

JOHN H. HENDRIX CORPORATION



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

June 15, 1993

CERTIFIED MAIL

RE: Waiver Request to Downhole
Commingle South Brunson
Drinkard-Abo and Blinebry
Pools, Cossatot "A" No. 1,
Unit B, Section 12, T22S -
R37E, Lea County, New Mexico

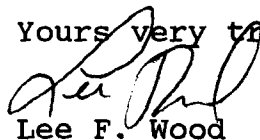
TO: OFFSET OPERATORS

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 Blinebry Pools in our Cossatot "A" No. 1. 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 F. Wood". The signature is fluid and cursive, written over the typed name.

Lee F. Wood

Attachments

June 15, 1993

RE: Request to Downhole
Commingle (Cossatot "A" #1)
South Brunson Drinkard-Abo
and Blinebry Pools, Unit B,
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 Blinebry Pools in the captioned well bore.

Approved By: _____

Representing: _____

Date: _____

OFFSET OPERATORS TO
JOHN H. HENDRIX CORPORATION'S
COSSATOT "A" NO. 1

Hondo Oil & Gas Company
310 W. Texas, Suite 822
Midland, TX 79701

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

Presidio Exploration
5613 DTC Pkwy. Suite 800
Englewood, CO 80155

OIL CONSERVATION DIVISION
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June 15, 1993

RE: Request to Downhole
Commingle (Cossatot "A" #1)
South Brunson Drinkard-Abo
and Blinebry Pools, Unit B,
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 Blinebry Pools in the captioned well bore.

Approved By: MMS

Representing: Presidio

EXPLORATION INC

Date: 6-21-93

OIL CONSERVATION DIVISION
RECEIVED
DEVON
ENERGY
CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260

405/235-3611
FAX 405/236-4258

July 26, 1993

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

Attention: David R. Catanach

Re: Waiver Request to Downhole Commingle
South Brunson Drinkard-Abo and
Blinebry Pools, Cossatot "A" No. 1, Unit B
Section 12-22S-37E
Lea County, New Mexico

Gentlemen:

Enclosed please find executed letter dated June 15, 1993, in duplicate, evidencing Devon Energy Corporation (Nevada)'s waiver of objection to commingle the South Brunson Drinkard-Abo and Blinebry Pools in the referenced well.

Yours very truly,

DEVON ENERGY CORPORATION (NEVADA)



Ken Gray
District Landman

KG:da
Enclosure


June 15, 1993

RE: Request to Downhole
Commingle (Cossatot "A" #1)
South Brunson Drinkard-Abo
and Blinebry Pools, Unit B,
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 Blinebry Pools in the captioned well bore.

Approved By: 
Representing: DEVON ENERGY CORPORATION (NEVADA)
Date: June 16, 1993

OIL CONSERVATION DIVISION
RECEIVED

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June 15, 1993

RE: Request to Downhole
Commingle (Cossatot "A" #1)
South Brunson Drinkard-Abo
and Blinebry Pools, Unit B,
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 Blinebry Pools in the captioned well bore.

Approved BY: Alan W. Bolling - Petroleum Engineer
Representing: Chevron U.S.A. Inc.
Date: July 12, 1993



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

OIL CONSERVATION DIVISION
'93 JUN 25 AM 9:00 DISTRICT OFFICE

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 H. Hendrix Corp Cassatota #1-B 12-22-32
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