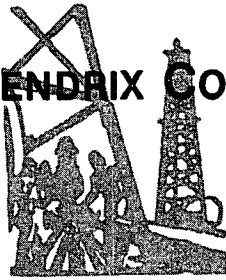


JOHN H. HENDRIX CORPORATION



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

December 29, 1998

DEC 31 1998

Mr. Michael Stogner
State of New Mexico
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Attention: Mr. Michael Stogner

RE: Application for Non Standard
Gas Proration Unit,
Unorthodox Gas Well Location and
Simultaneous Dedicate Blinebry Gas
Pool Location

Dear Mr. Stogner:

John H. Hendrix Corporation respectfully requests authorization for non-standard gas proration unit, unorthodox gas well location and simultaneous dedicate of Blinebry Oil and Gas Pool production to a 120 acre gas proration unit. This proposed gas proration unit will be comprised of the NW, NE, SW portion of the SW/4 of Section 11, T22S - R37E in Lea County, New Mexico.

John H. Hendrix Corporation plans to workover and convert from Blinebry Oil to Blinebry Prorated Gas the following wells.

Thomas Long "A" No. 1
1980' FSL & 2310' FWL
Section 11, T22S - R37E
Lea County, New Mexico

Thomas Long "A" No. 2
1980' FSL & 990' FWL
Section 11, T22S - R37E
Lea County, New Mexico

Thomas Long "A" No. 3
430' FSL & 560' FWL
Section 11, T22s - R37E
Lea County, New Mexico

NMOCD

-2-

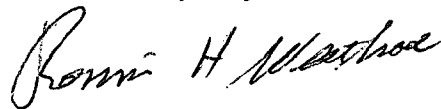
December 29, 1998

This work is necessary to meet offset competition. Thomas Long "A" No. 1 and Thomas Long "A" No. 3 are unorthodox gas well locations. An existing well prevents the Thomas Long "A" No. 1 from being a standard location. A railroad prevents the Thomas Long "A" No. 3 from being standard.

John H. Hendrix Corporation also requests a 30 day exception for these wells while awaiting approval. Attached are C-102's and C-103's for each well. Also enclosed are copies of certified return receipts from offset operators.

If you have any questions, please call. Thank you for your consideration in the matter.


Yours very truly,

A handwritten signature in cursive script, appearing to read "Ronnie H. Westbrook".

Ronnie H. Westbrook
Vice President

RHW/ah

Enclosures

16				<p>17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p> Signature Ronnie H. Westbrook Printed Name Vice President Title 11-15-98 Date</p>
#2 •	#1 •			<p>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></p> <p>_____ Date of Survey Signature and Seal of Professional Surveyor: _____ Certificate Number</p>
• #3				

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-25089	2 Pool Code 72480	3 Pool Name Blinebry Gas Pool
4 Property Code 19110	5 Property Name Thomas Long A	6 Well Number 2
7 OGRID No. 012024	8 Operator Name John H. Hendrix Corporation	9 Elevation 3358

10 Surface Location

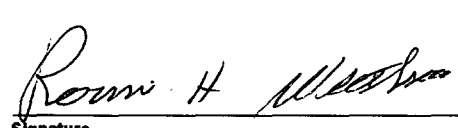
UL or lot no. L	Section 11	Township 22S	Range 37E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 990	East/West Line West	County Lea
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11 Bottom Hole Location If Different From Surface

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 120.00	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				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature Ronnie H. Westbrook Printed Name Vice President Title 11-15-98 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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-34035	² Pool Code 72480	³ Pool Name Blinebry Gas Pool
⁴ Property Code 19110	⁵ Property Name Thomas Long A	⁶ Well Number 3
⁷ OGRID No. 012024	⁸ Operator Name John H. Hendrix Corporation	⁹ Elevation 3661

¹⁰Surface Location

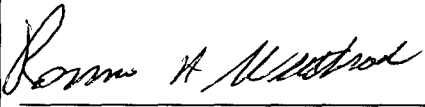
UL or lot no. M	Section 11	Township 22S	Range 37E	Lot Idn	Feet from the 430	North/South line South	Feet from the 560	East/West Line West	County Lea
--------------------	---------------	-----------------	--------------	---------	----------------------	---------------------------	----------------------	------------------------	---------------

¹¹Bottom 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 120.00	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				¹⁷OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature Ronnie H. Westbrook Printed Name Vice President Title 11-15-98 Date
#2	#1			¹⁸SURVEYOR 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 Surveyer:
#3				Certificate Number

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-025-25052
Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
State Oil & Gas Lease No.

SUNDRY 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 Well No.

1

4 Address of Operator

P. O. Box 3040, Midland, TX 79702-3040

5 Pool name or Wildcat

Blinebry Gas

6 Well Location

Unit Letter K : 1980 Feet From The South Line and 2310 Feet From The West Line

Section 11 Township 22S Range 37E NMPM Lea County

7 Elevation (Show whether DF, RKB, RT, GR, etc.)

3344.7 GL

11

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ANBANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12 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.

1. It is proposed to perforate Blinebry Gas pay fr. 5398' to 5500'. Well currently a Blinebry Oil & Gas producer.

2. Acidize & frac new perms.

3. Test & report results to OCD.

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

SIGNATURE

Ronnie H. Westbrook

TITLE Vice President

DATE 12-15-98

TYPE OR PRINT NAME Ronnie H. Westbrook

TELEPHONE NO.

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.

30-025-25089

Indicate Type of Lease

STATE ☐

FEE ☒

State Oil & Gas Lease No.

SUNDRY 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. Well No.

2

4. Address of Operator

P. O. Box 3040, Midland, TX 79702-3040

5. Pool name or Wildcat

Blinebry Gas

6. Well Location

Unit Letter L : 1980 Feet From The South Line and 990 Feet From The West Line

Section 11 Township 22S Range 37E NMPM Lea County

7. Elevation (Show whether DF, RKB, RT, GR, etc.)

3358

11

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

☐

OTHER:

☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK

☐

ALTERING CASING

☐

COMMENCE DRILLING OPNS.

☐

PLUG AND ANBANDONMENT

☐

CASING TEST AND CEMENT JOB

☐

OTHER:

☐

12. 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.

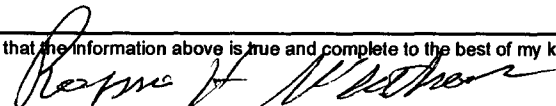
1. It is proposed to perforate Blinebry Gas pay fr. 5388' to 5500'. Well currently a Blinebry Oil & Gas producer.

2. Acidize & frac new perms.

3. Test & report results to OCD.

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

SIGNATURE



TITLE Vice President

DATE 12-15-98

TYPE OR PRINT NAME Ronnie H. Westbrook

TELEPHONE NO.

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.

30-025-34035

Indicate Type of Lease

STATE ☐

FEE ☒

State Oil & Gas Lease No.

SUNDRY 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.)

Type of Well:

OIL
WELL ☐

GAS
WELL ☒

OTHER

Name of Operator

John H. Hendrix Corporation

Well No.

3

Address of Operator

P. O. Box 3040, Midland, TX 79702-3040

Pool name or Wildcat

Blinebry Gas

Well Location

Unit Letter M : 430 Feet From The South Line and 560 Feet From The West Line

Section 11 Township 22S Range 37E NMPM Lea County

Elevation (Show whether DF, RKB, RT, GR, etc.)

3661'

11

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ANBANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

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.

1. It is proposed to perforate Blinebry Gas pay fr. 5410' to 5572'. Well currently a Blinebry Oil & Gas producer.
2. Acidize & frac new perms.
3. Test & report results to OCD.

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

SIGNATURE

Ronnie H. Westbrook

TITLE Vice President

DATE 12-15-98

TYPE OR PRINT NAME Ronnie H. Westbrook

TELEPHONE NO.

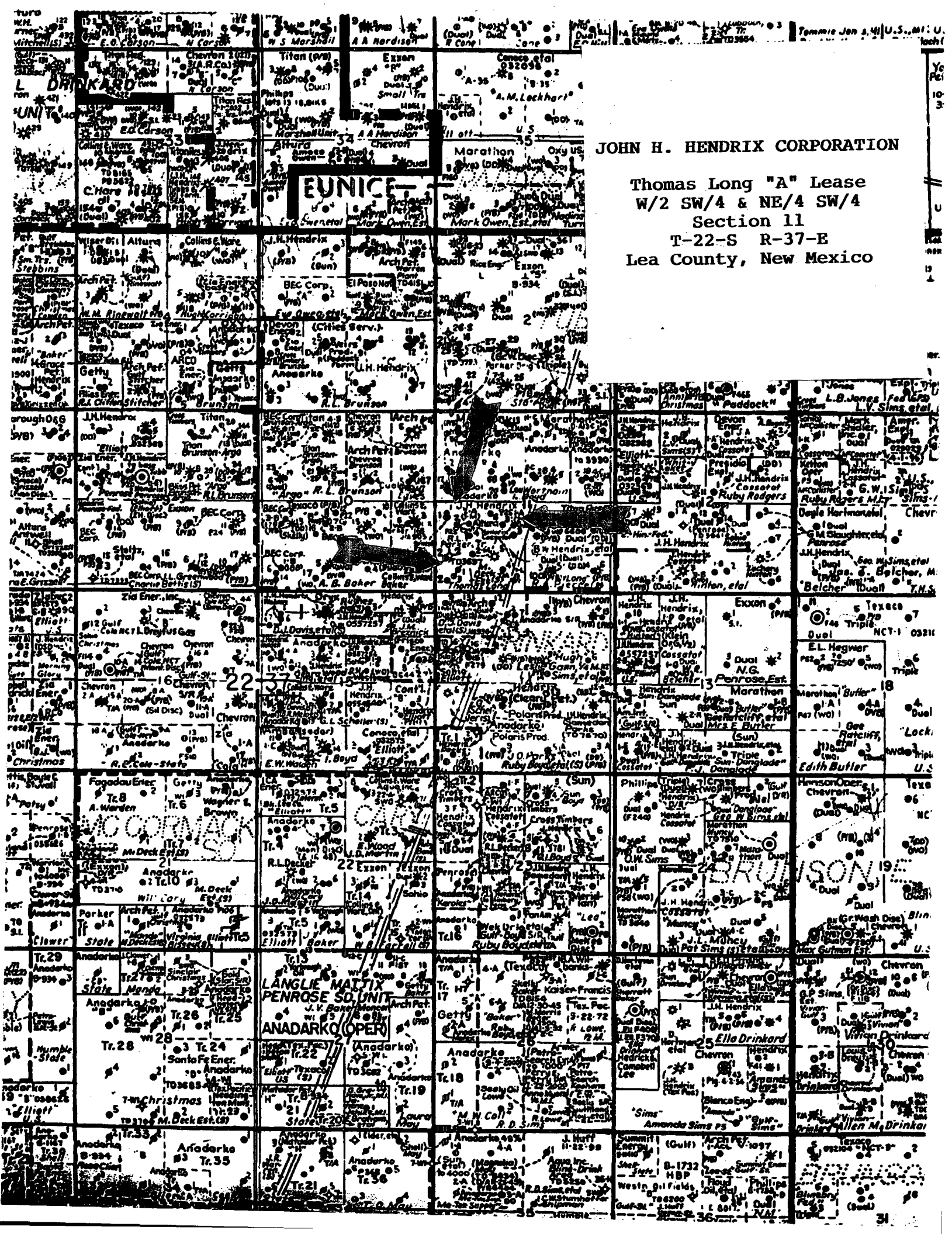
(This space for State Use)

APPROVED BY

TITLE

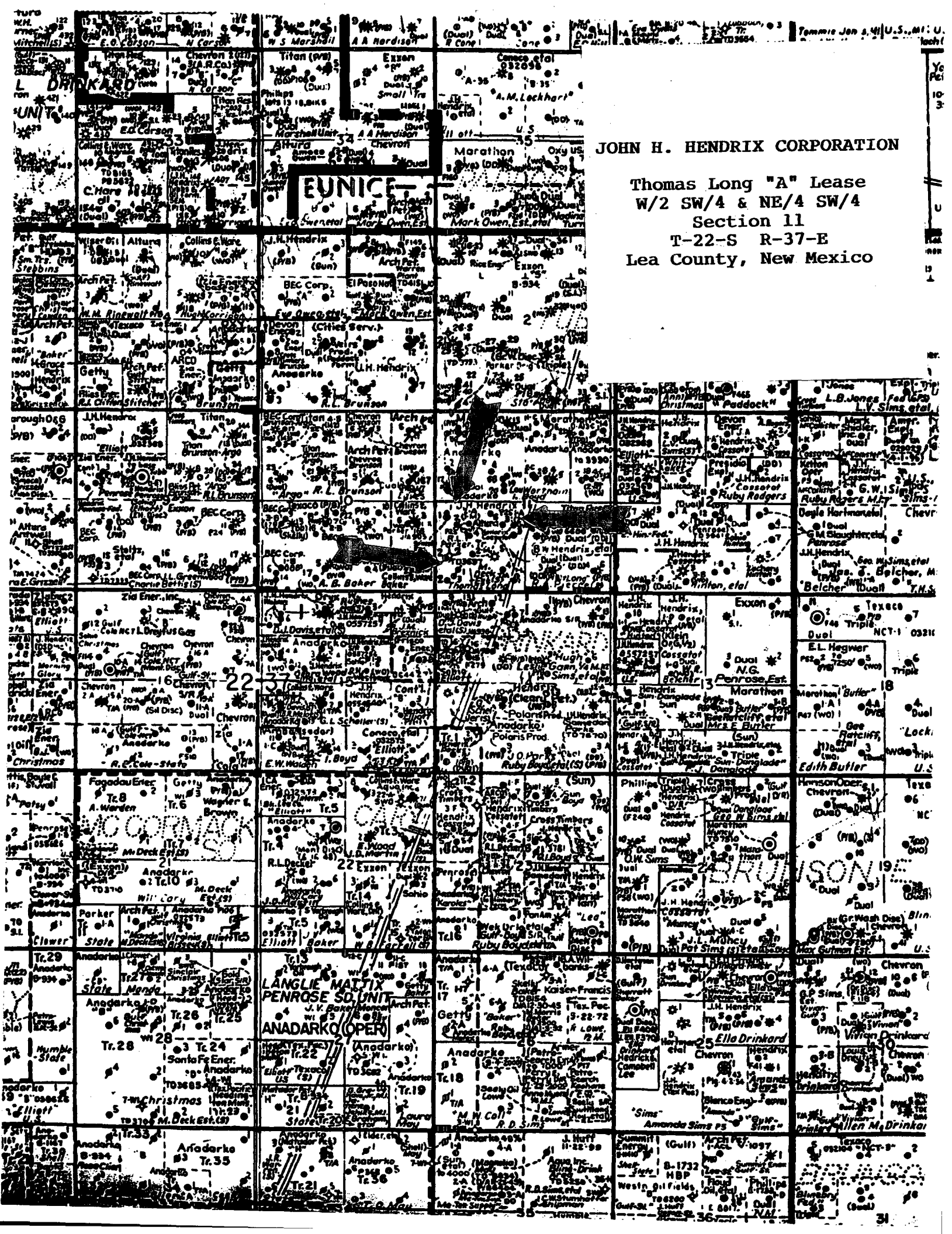
DATE

CONDITIONS OF APPROVAL, IF ANY:

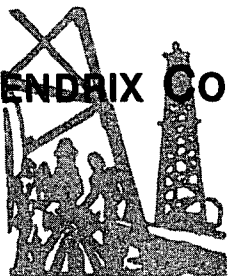


JOHN H. HENDRIX CORPORATION

Thomas Long "A" Lease
W/2 SW/4 & NE/4 SW/4
Section 11
T-22-S R-37-E
Lea County, New Mexico



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

December 15, 1998

OFFSET OPERATORS

RE: Application for Non-Standard Gas Proration Unit, Unorthodox Gas Well
and to Simultaneous Dedicate Blinbry Gas Pool Production

Thomas Long "A" No. 1
1980' FSL & 2310' FWL
Section 11, T22S - R37E
Lea County, New Mexico

Thomas Long "A" No. 2
1980' FSL & 990' FWL
Section 11, T22S - R37E
Lea County, New Mexico

Thomas Long "A" No. 3
430' FSL & 560' FWL
Section 11, T22s - R37E
Lea County, New Mexico

Ladies/Gentlemen:

This is to inform you as an offset operator that John H. Hendrix Corporation has applied for administrative approval for a non-standard gas proration unit and to simultaneously dedicate Blinbry Gas Pool production to a 120 acre gas proration unit. Please find enclosed a copy of the application. Thomas Long "A" No. 1 and Thomas Long "A" No. 3 are also unorthodox gas well locations.

If you have any questions, or if you require further information, please call me (915) 684-6631.

Yours very truly,

A handwritten signature in dark ink, appearing to read "Ronnie H. Westbrook". The signature is fluid and cursive, with the first name "Ronnie" being more prominent.

Ronnie H. Westbrook
Vice President

RHW/ah

Enclosures

Is your RETURN ADDRESS completed on the reverse side?

SENDER: • Complete items 1 and/or 2 for additional services. • Complete items 3, 4a, and 4b. • Print your name and address on the reverse of this form so that we can return this card to you. • Attach this form to the front of the mailpiece, or on the back if space does not permit. • Write "Return Receipt Requested" on the mailpiece below the article number. • The Return Receipt will show to whom the article was delivered and the date delivered.		1. Also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Titan Resources 500 W. Texas, Ste 500 Midland TX 79701		4a. Article Number 3137 390 291	4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD <input checked="" type="checkbox"/> Certified
5. Received By: (Print Name) Tanya Fox		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature: (Addressee or Agent) Tanya Fox		7. Date of Delivery 12-17-98	
PS Form 3811, December 1994		102535-97-B-0179 Domestic Return Receipt	

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER: • Complete items 1 and/or 2 for additional services. • Complete items 3, 4a, and 4b. • Print your name and address on the reverse of this form so that we can return this card to you. • Attach this form to the front of the mailpiece, or on the back if space does not permit. • Write "Return Receipt Requested" on the mailpiece below the article number. • The Return Receipt will show to whom the article was delivered and the date delivered.		1. Also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Collins & Ware 508 W. Wall, Ste 1200 Midland TX 79701		4a. Article Number 3137 390 290	4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD <input checked="" type="checkbox"/> Certified
5. Signature (Addressee)		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature (Agent) [Signature]		7. Date of Delivery 12-17-98	
PS Form 3811, December 1994		102535-97-B-0179 DOMESTIC RETURN RECEIPT	

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER: • Complete items 1 and/or 2 for additional services. • Complete items 3, 4a, and 4b. • Print your name and address on the reverse of this form so that we can return this card to you. • Attach this form to the front of the mailpiece, or on the back if space does not permit. • Write "Return Receipt Requested" on the mailpiece below the article number. • The Return Receipt will show to whom the article was delivered and the date delivered.		1. Also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Marathon Box 2490 Hobbs NM 87240		4a. Article Number 3137 390 292	4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD <input checked="" type="checkbox"/> Certified
5. Received By: (Print Name) Jim Patterson		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature: (Addressee or Agent) Jim Patterson		7. Date of Delivery 12/22	
PS Form 3811, December 1994		102535-97-B-0179 Domestic Return Receipt	

Is your RETURN ADDRESS completed on the reverse side?

SENDER: • Complete items 1 and/or 2 for additional services. • Complete items 3, 4a, and 4b. • Print your name and address on the reverse of this form so that we can return this card to you. • Attach this form to the front of the mailpiece, or on the back if space does not permit. • Write "Return Receipt Requested" on the mailpiece below the article number. • The Return Receipt will show to whom the article was delivered and the date delivered.		1. Also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Chokron USA Inc. Box 1150 Midland TX 79702		4a. Article Number 3137 390 293	4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD <input checked="" type="checkbox"/> Certified
5. Signature (Addressee)		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature (Agent) [Signature]		7. Date of Delivery DEC 17 1998	
PS Form 3811, December 1994		102535-97-B-0179 DOMESTIC RETURN RECEIPT	

OFFSET OPERATORS

Thomas Long "A" Lease
W/2 SW/4 & NE/4 SW/4
Section 11, T22S - R37E
Lea County, New Mexico

SECTION 11

Marathon Oil Company
P. O. Box 2490
Hobbs, New Mexico 87240

Titan Resources
500 W. Texas, Suite 500
Midland, TX 79701

SECTION 10

Collins and Ware
508 W. Wall, Suite 1200
Midland, TX 79701

Chevron USA, Inc.
P. O. Box 1150
Midland, TX 79702

SECTION 15

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

SECTION 14

Chevron USA, Inc.
P. O. Box 1150
Midland, TX 79702