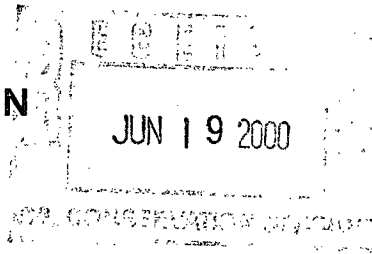
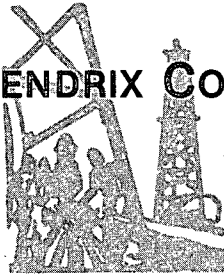


JOHN H. HENDRIX CORPORATION



NSL 7/10/00

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

June 2, 2000

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

Attn: Mr. Michael Stogner

RE: Application for Unorthodox Gas
Well Location (Elliott B-12 No. 2)
and Simultaneous Dedication (Elliott
B-12 No. 2 and Elliott Hinton No. 1) in
the 160 Acre Communitized Blinebry
Gas Proration Unit, Comprised of the
NW/4 Section 12, T-22-S - R-37-E,
Lea County, New Mexico

Dear Mr. Stogner:

John H. Hendrix Corporation respectfully requests authorization to simultaneously dedicate Blinebry Gas Pool production to an existing 160 acre communitized Blinebry gas proration unit. This gas proration unit is comprised of the NW/4 of Section 12, T22S, R37E, Lea County, New Mexico. A Communitization Agreement dated March 10, 1956 pooled the NW/4 for the production of dry gas and associated liquid hydrocarbons from the Blinebry.

The Elliott Hinton No. 1, located 1650' FNL & 990' FWL, Section 12, T22S, R37E, Lea County, New Mexico, (Unit E) is the current Blinebry Gas Producer for this proration unit. Current producing rate for this well is approximately 800 MCFPD which is below the 2301 MCFPD allowable.

John H. Hendrix Corporation plans to workover and recomplete its Elliott B-12 No. 2, 567' FNL and 467' FWL (Unit D) Section 12, T22S, R37E, Lea County, New Mexico, in the Blinebry Gas Pool. As noted this well would be an unorthodox location. A San Andres-Paddock well is located at the standard 660' location.

N.M.O. C. D.

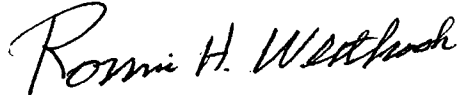
-2-

June 2, 2000

This work is necessary to meet offset competition. Offset operator to west has two wells on a 160 acre proration unit, one of which is unorthodox.

Thank you for your consideration of this matter. If you have any questions, please call.

Very truly yours,

A handwritten signature in cursive script that reads "Ronnie H. Westbrook".

Ronnie H. Westbrook
Vice President

RHW/ah

Enclosures

OFFSET OPERATORS
NW/4 Section 12,
T-22-S, R-37-E
Lea County, New Mexico

2 Exxon-Mobil		John H. Hendrix Corp.	1 Chevron	
11 Marathon	160 Acre Proration Unit	John H. Hendrix Corp.	12	
	Pure Resources (Titan)	John H. Hendrix Corp.		
14			13	

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 30-025-25137	² Pool Code 72480	³ Pool Name Blinebry Gas
⁴ Property Code 005170	⁵ Property Name Elliott B-12	⁶ Well Number 2
⁷ OGRID No. 012024	⁸ Operator Name John H. Hendrix Corporation	⁹ Elevation


¹⁰Surface Location

UL or lot no. D	Section 12	Township 22S	Range 37E	Lot Idn	Feet from the 567	North/South line North	Feet from the 467	East/West Line West	County Lea
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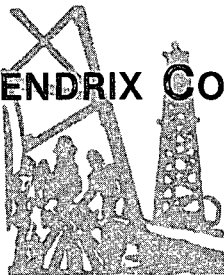
¹¹Bottom Hole Location If Different From Surface

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 160.00	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

¹⁶ 567 467 #2 1650 Elliott Hinton 990 #1				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>  Signature Ronnie H. Westbrook Printed Name Vice President Title 05-19-00 Date
				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 Surveyer: Certificate Number

JOHN H. HENDRIX CORPORATION



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MIDLAND, TX 79702-3040

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110 N. MARIENFELD, SUITE 400
MIDLAND, TEXAS 79701-4412

June 2, 2000

CERTIFIED MAIL

OFFSET OPERATORS

Elliott B-12 No. 2 Well
Elliott Hinton No. 1
160 Acre Proration Unit
NW/4 Section 12, T22S -
R37E, Lea County, NM

Dear Offset Operator:

John H. Hendrix Corporation is making application for an unorthodox gas well location (Elliott B-12 No. 2) and simultaneous dedication (Elliott B-12 No. 2 and Elliott Hinton No. 1) in the Blinbry Gas Pool for the referenced wells and proration unit. NMOCD Rule 104D requires that you be notified of this action.

A copy of the application is attached. If you have any questions, call me at (915) 684-6631.

Very truly yours,

A handwritten signature in dark ink, reading "Ronnie H. Westbrook". The signature is written in a cursive, flowing style.

Ronnie H. Westbrook
Vice President

RHW/ah

Attachments

OFFSET OPERATORS
NW/4 SECTION 12
T-22-S - R-37-E
LEA COUNTY, NEW MEXICO

Exxon-Mobil
P. O. Box 4358
Houston, TX 77210-4358

Chevron USA Production Company
P. O. Box 1150
Midland, TX 79702

Pure Resources (Titan)
500 W. Texas Avenue, Suite 500
Midland, TX 79701

Marathon Oil Company
P. O. Box 2490
Hobbs, NM 88240

SENDER: <input type="checkbox"/> Complete items 1 and/or 2 for additional services. <input type="checkbox"/> Complete items 3, 4a, and 4b. <input type="checkbox"/> Print your name and address on the reverse of this form so that we can return this card to you. <input type="checkbox"/> Attach this form to the front of the mailpiece, or on the back if space does not permit. <input type="checkbox"/> Write "Return Receipt Requested" on the mailpiece below the article number. <input type="checkbox"/> The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery
3. Article Addressed to: Marathon Box 2490 Hahbs NM 88240	4a. Article Number 3 470-656-263	Thank you for using Return Receipt Service.
5. Received By: (Print Name) [Signature]	4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
6. Signature (Addressee or Agent) [Signature]	7. Date of Delivery 6-6-00	
8. Addressee's Address (Only if requested and fee is paid)		
PS Form 3811, December 1994		102595-99-B-0223 Domestic Return Receipt

SENDER: <input type="checkbox"/> Complete items 1 and/or 2 for additional services. <input type="checkbox"/> Complete items 3, 4a, and 4b. <input type="checkbox"/> Print your name and address on the reverse of this form so that we can return this card to you. <input type="checkbox"/> Attach this form to the front of the mailpiece, or on the back if space does not permit. <input type="checkbox"/> Write "Return Receipt Requested" on the mailpiece below the article number. <input type="checkbox"/> The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery
3. Article Addressed to: Chevron Box 1150 Midland TX 79702	4a. Article Number 3 470 656 265	Thank you for using Return Receipt Service.
5. Received By: (Print Name) [Signature]	4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
6. Signature (Addressee or Agent) [Signature]	7. Date of Delivery JUN 05 2000	
8. Addressee's Address (Only if requested and fee is paid)		
PS Form 3811, December 1994		102595-99-B-0223 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.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

3. Article Addressed to:

EXXON Mobil
Box 4358
Houston TX 77210-4358

4a. Article Number

3 470 656 266

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

JUN 6 - 2000

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Addressee or Agent)

GEE

PS Form 3811, December 1994

102595-99-B-0223

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.
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☐ The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

3. Article Addressed to:

Pure Resources
500 W. Texas
Suite 500
Midland TX 79701

4a. Article Number

3 470 656 264

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

6-5-00

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Addressee or Agent)

Marta Clausen

PS Form 3811, December 1994

102595-99-B-0223

Domestic Return Receipt

Thank you for using Return Receipt Service.