

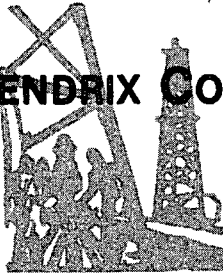
PKRV0305834140

DRC

DHC

NA

JOHN H. HENDRIX CORPORATION

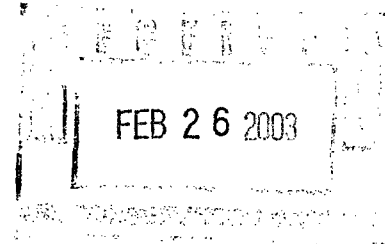


MAILING ADDRESS
P.O. BOX 3040
MIDLAND, TX 79702-3040

(915) 684-6631
FAX (915) 684-7317
110 N. MARIENFELD, SUITE 400
MIDLAND, TEXAS 79701-4412

3117

February 6, 2003



State of New Mexico
Energy, Minerals and
Natural Resources Department
Oil Conservation Division
~~2040 South Pacheco~~
Santa Fe, NM 87505

1220 So. St. Francis Dr.

Attn: Mr. David Catanach

RE: Toni No. 1
Lea County, New Mexico
Request to Down Hole
Commingle

Dear Mr. Catanach:

Attached is an application for down hole commingling for our Toni No. 1 well located in Unit H, Section 22, T19S - R38E, Lea County, New Mexico. As noted the current production (Yates Gas) is uneconomic at 11.7 MCFPD for the last year. (See attached production curve.) The Drinkard was completed 7-3-82 for an initial potential of 5 BOPD plus 2 BWPD plus 112 MCFPD. This well was plugged in 1987. Daily production for the twelve month prior to plugging was 1 BOPD plus 2 BWPD plus 18 MCFPD.

If DHC is not approved the well would have to be plugged. Based on past production history, the Yates will not be allocated any oil production. The gas percentage is based on current Yates production and the last twelve months daily average gas production for the Drinkard. (See attached curve.) As noted from the marginal status of the Drinkard, the well will be kept in a pumped off condition and as the Yates produces no liquids, no cross flow will occur.

Oil Conservation Division

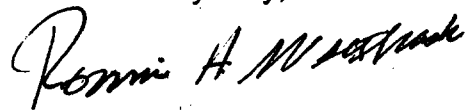
-2-

February 6, 2003

It is also noted that working interest and royalty interest is the same for both zones. Also attached is an approved C-103 to return the Drinkard to producing status.

Thank you for your assistance in this matter. If you have any questions, please do not hesitate to call.

Yours very truly,

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

Ronnie H. Westbrook
Vice President

RHW/ah
Enclosures

TONI NO. 1

ALLOCATION FORMULA DATA

<u>Yates</u>		<u>Drinkard Abo</u>	
<u>Oil</u>	<u>Gas</u>	<u>Oil</u>	<u>Gas</u>
0	11.7 MCF	1 BOPD	18 MCFPD
Total Gas = 29.7 MCF		Total Oil = 1 BOPD	

Percentages

<u>Oil</u>		<u>Gas</u>
Yates	0%	$11.7/29.7 = 39\%$
Drinkard	100%	$18/29.7 = \underline{61\%}$
		100%

District I
1625 N. French Dr., Hobbs, NM 88240
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

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-27515		2 Pool Code 81500		3 Pool Name Nadine (Yates)	
4 Property Code 25236		5 Property Name Toni			6 Well Number #1
7 OGRID No. 012024		8 Operator Name John H. Hendrix Corporation			9 Elevation 3604' GR

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	22	19S	38E		1980	North	660	East	Lea

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 160	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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 02/05/2003 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 Surveyor:	
					Certificate Number	

District I
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Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
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Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-27515		2 Pool Code 47510		3 Pool Name Nadine (Drinkard Abo)	
4 Property Code 25236		5 Property Name Toni			6 Well Number #1
7 OGRID No. 012024		8 Operator Name John H. Hendrix Corporation			9 Elevation 3604' GR

10 Surface Location

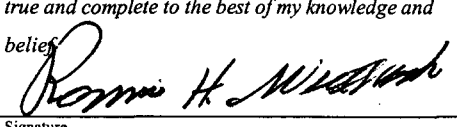
UL or lot no. H	Section 22	Township 19S	Range 38E	Lot Idn	Feet from the 1980	North/South line North	Feet from the 660	East/West line East	County Lea
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11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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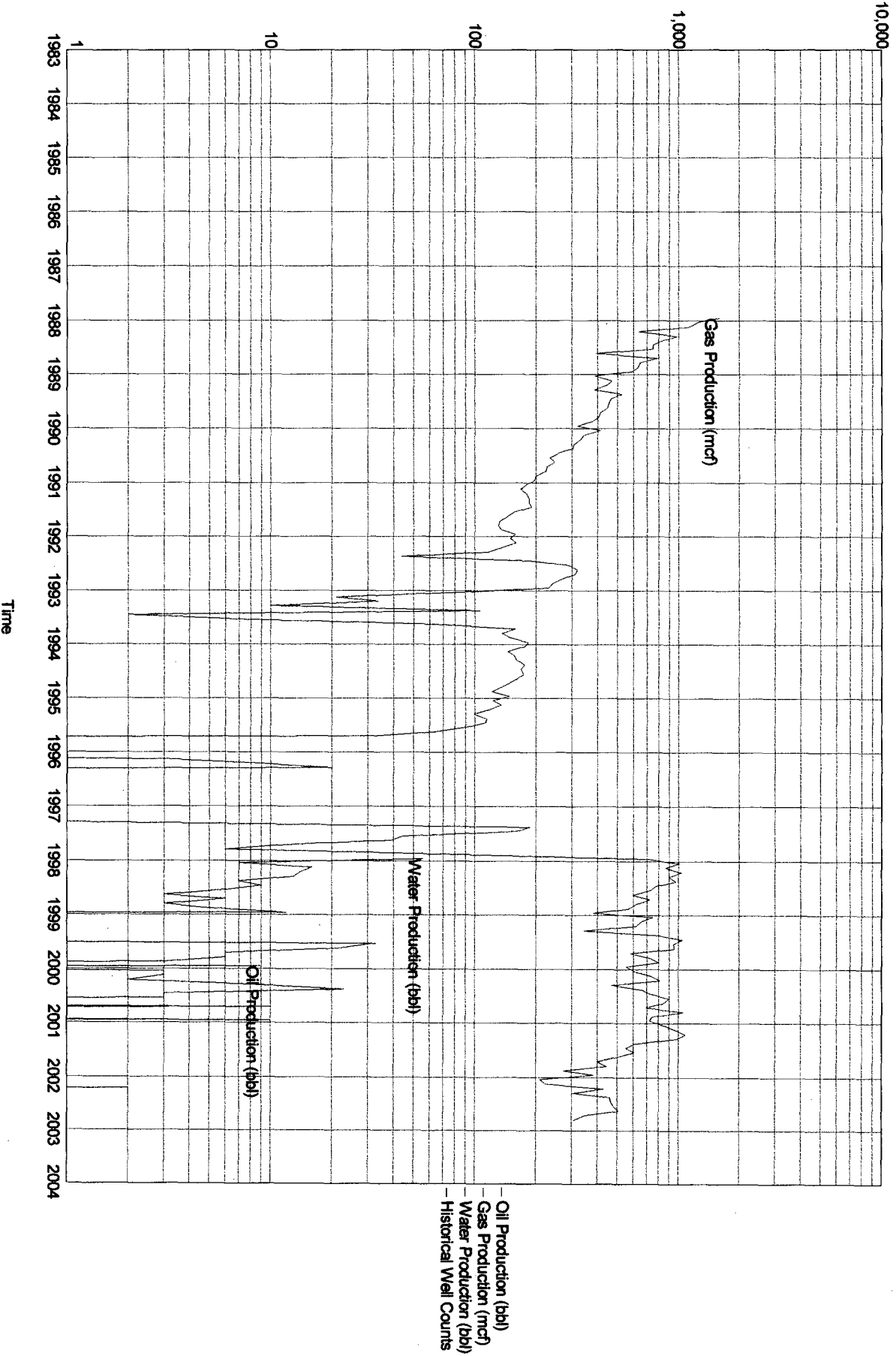
12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
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Lease Name: TONI
County, State: LEA, NM
Operator: HENDRIX JOHN H CORPORATION
Field: NADINE
Reservoir: YATES
Location: 22 19S 38E SE NE

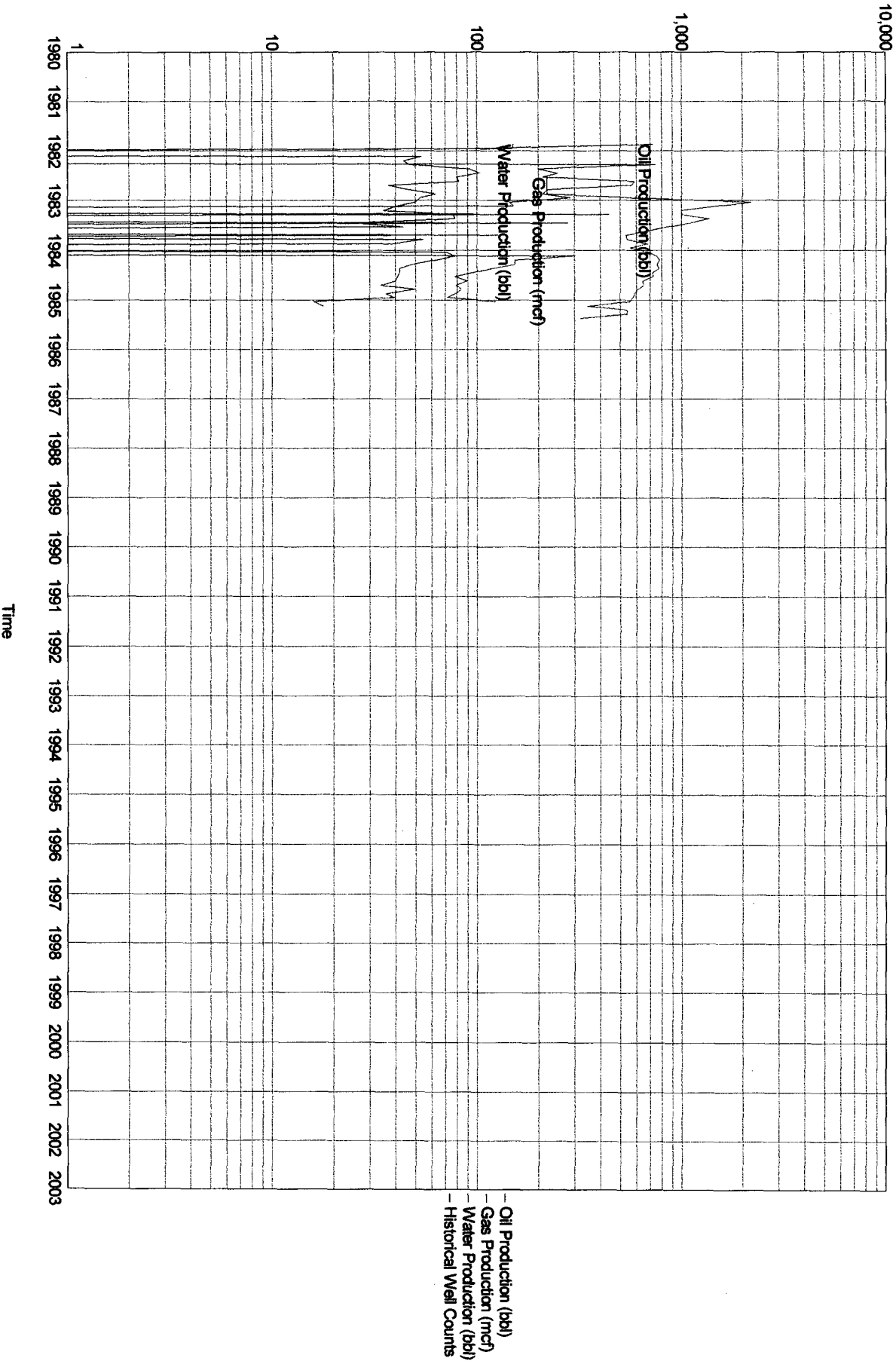
TONI - NADINE



Production Rates

Lease Name: TONI
County, State: LEA, NM
Operator: ALPHA TWENTY-ONE PRODUCTION COMPANY
Field: NADINE
Reservoir: DRINKARD ABO
Location: 22 19S 38E SE NE

TONI - NADINE



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1625 N. French Dr., Hobbs, NM 87240
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2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

WELL API NO.	30-025-27515
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Toni
8. Well No.	1
9. Pool name or Wildcat	Nadine (Yates)(Drinkardo Abo)
10. Elevation (Show whether DR, RKB, RT, GR, etc.)	3604' GL

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. Address of Operator P. O. Box 3040
Midland TX 79702-3040

4. Well Location MIDLAND, TX

Unit Letter H 1980 feet from the North line and 660 feet from the East line

Section 22 Township 19S Range 38E NMPM County Lea

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 ☐ MULTIPLE COMPLETION ☐

OTHER: Re-Establish Drinkard Abo pro & DHC w/ Yates Gas ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOBS ☐

OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting and proposed work). SEE RULE 1103. For Multiple Completions: Attach diagram of proposed completion or recompletion.

1. MI & RU pulling unit.

2. Drill out cement plug at 3112'.

3. Drill out CIBP at 6600' & clean out to 7406'.

4. DHC Drinkard Abo & Yates Gas.

5. Yates has averaged 11.7 MCFPD for the last year. The Drinkard Abo averaged 18 MCFPD + 1 BOPD + 2 BWPD prior to abandonment. Without DHC, this well will need to be plugged. Form C-107A - Application for DHC is also being furnished to OCD in Santa Fe.

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 01/31/2003

Type or print name Ronnie H. Westbrook Telephone No. (915)684-6631

(This space for State use)

APPROVED BY GARY W. WINK DATE FEB 01 2003

Conditions of approval, if any: OC FIELD REPRESENTATIVE II/STAFF MANAGER

