

77C0H0932152001

Order Number

DHC
HDB-0345

API Number

30-025-10439

Operator

John H Hendrix Corp

County

Lea/Fee

Order Date

11/09/09

Well Name

Lee

Number

1

Location

I

UL

23

Sec

225

T (+Dir)

37e

R (+Dir)

Oil %

50%

Gas %

50%

Pool 1

06660

Blinberry 8+G <0.1>

Pool 2

60240

Tubb 8+G <0.1>

Pool 3

Pool 4

Comments:

CH 11-17-09 In RBDms

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: John H Hendrix Corp

PROPERTY NAME: Lee

WNULSTR: #1-I, 23-225-37e

SECTION I:

| POOL NO. | | ALLOWABLE AMOUNT | |
|----------|----------------------------------|------------------|----------------------------|
| 1 | <u>Blinberry O & G (Oil)</u> | <u>107</u> | <u>428</u> MCF <u>4000</u> |
| 2 | <u>Tubb O & G (Oil)</u> | <u>142</u> | <u>248</u> MCF <u>2000</u> |
| 3 | | | MCF |
| 4 | | | MCF |

POOL TOTALS 249

676

MCF

SECTION II:

| | | | | |
|------------|----------------------------|------------|------------|------------|
| POOL NO. 1 | <u>Blinberry O & G</u> | <u>Oil</u> | <u>50%</u> | <u>GAS</u> |
| POOL NO. 2 | <u>Tubb O & G.</u> | <u>50%</u> | <u>50%</u> | <u>50%</u> |
| POOL NO. 3 | | | | |
| POOL NO. 4 | | | | |

50% x 249 = 124.5
(125)

OIL

GAS

SECTION III:

50% ÷ 142 = 284

SECTION IV:

50% x 284 = 142

50% x 284 = 142

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

RECEIVED

OIL CONSERVATION DIVISION

OCT 21 2009

1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBSOCD

| |
|-----------------------------------------------------------------------------------------------------|
| WELL API NO. 30-025-10439 |
| 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 Lee |
| 8. Well Number 1 |
| 9. OGRID Number 012024 |
| 10. Pool name or Wildcat Blinebry Oil & Gas |

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
Unit Letter I : 1980 feet from the South line and 660 feet from the East line
Section 23 Township 22S Range 37E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3318' GL

12. 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 COMPL ☐
DOWNHOLE COMMINGLE ☒

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

THIS IS A REQUEST TO DHC BLINEBRY OIL & GAS AND TUBB OIL & GAS IN THE SUBJECT WELL. SEE SUPPORTING DATA ON ATTACHED SHEET.

DHC-HOB-0345

Spud Date:

Rig Release Date:

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

SIGNATURE Carolyn Doran Haynes TITLE Engineer DATE 10/20/09

Type or print name Carolyn Doran Haynes E-mail address: cdoranhaynes@jhhc.org PHONE: 432-684-6631
For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE NOV 09 2009
Conditions of Approval (if any):

LEE #1

**Unit Letter I – 1980' FSL & 660' FEL
Sec 23, T22S, R37E, Lea County, NM
API # 30-025-10439**

1. Division Order that established pre-approved pools: Order No. R-11363
2. Pools to be commingled – Blinebry Oil & Gas (6660) and Tubb Oil & Gas (60240).
3. Tubb Oil & Gas Perfs – 5914' - 6202'
Blinebry Oil & Gas Perfs – 5543 – 5889'
4. All zones are intermediate crude and commingling will not reduce the value of the production.
5. Ownership between pools is identical.
6. Current or Anticipated production:

| | | |
|--------------------|--------|----------|
| Blinebry Oil & Gas | 1 BOPD | 25 MCFPD |
| Tubb Oil & Gas | 1 BOPD | 25 MCFPD |
| Total | 2 BOPD | 50 MCFPD |

7. The proposed allocation to be as follows

| | <u>Oil %</u> | <u>Gas%</u> |
|--------------------|--------------|-------------|
| Blinebry Oil & Gas | 50% | 50% |
| Tubb Oil & Gas | 50% | 50% |
| Total | 100% | 100% |

If further tests show a significant change in percentages, it will be requested.

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

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-----------------------------------------|-----------------------------------------------------------|------------------------------------------|
| ¹ API Number 30-025-10439 | ² Pool Code 60240 | ³ Pool Name Tubb Oil & Gas |
| ⁴ Property Code 005195 | ⁵ Property Name Lee | ⁶ Well Number 1 |
| ⁷ OGRID No. 012024 | ⁸ Operator Name John H. Hendrix Corporation | ⁹ Elevation 3318' GR |

¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|---------------|-----------------|--------------|---------|-----------------------|---------------------------|----------------------|------------------------|---------------|
| UL or lot no. 1 | Section 23 | Township 22S | Range 37E | Lot Idn | Feet from the 1980 | North/South line South | Feet from the 660 | East/West line East | County 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 40 | 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 | | | | <p>660'</p> <p>1980'</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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</i> Signature Date 10/20/09 Carolyn Doran Haynes Printed Name |
| | | | | | 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 Surveyor |
| | | | | | Certificate Number |
| | | | | | |

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-----------------------------------------|-----------------------------------------------------------|---------------------------------------------|
| ¹ API Number 30-025-10439 | ² Pool Code 6660 | ³ Pool Name Blinbry Oil & Gas |
| ⁴ Property Code 005195 | ⁵ Property Name Lee | ⁶ Well Number 1 |
| ⁷ OGRID No. 012024 | ⁸ Operator Name John H. Hendrix Corporation | ⁹ Elevation 3318' GR |

¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|---------------|-----------------|--------------|---------|-----------------------|---------------------------|----------------------|------------------------|---------------|
| UL or lot no. 1 | Section 23 | Township 22S | Range 37E | Lot Idn | Feet from the 1980 | North/South line South | Feet from the 660 | East/West line East | County 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 40 | 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 | | | | <p>660'</p> <p>1980'</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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</i> Signature: <u>Carolyn Doran Haynes</u> Date: <u>10/20/09</u> Printed Name: Carolyn Doran Haynes |
| | | | | | 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 Surveyor |
| | | | | | Certificate Number |
| | | | | | |