

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBSS OGD

FORM APPROVED
OMB No 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SEP 17 2012

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
John H. Hendrix Corporation

3a. Address
P. O. Box 3040 Midland, TX 79702-3040

3b. Phone No. (include area code)
432-684-6631

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
UL D, Sec 12, T22S, R37E (660' FNL & 660' FWL)

5. Lease Serial No.
NM 032369

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Elliott B-12 No. 1

9. API Well No.
30-025-10232

10. Field and Pool or Exploratory Area
Eunice: San Andres, South and Paddock

11. Country or Parish, State
Lea County, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Waiver for |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | External Sight Gauge |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | on Oil Tanks |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

This is a request for a waiver in order to allow external gauges on the oil tanks. The oil tanks at the Elliott B-12 #1 facility may have H2S gas present in concentrations that are unsafe to utilize thief-hatch gauging on a regular basis.

H2S testing has revealed fluctuating concentrations of 50ppm to 1000ppm. This facility is tested for H2S presence on an annual basis.

There is a sign chained across the stairway to the catwalk that states: Caution: H2S gas may be present.

Please grant this waiver for the safety of the John H. Hendrix employees who must gauge these oil tanks on a daily basis.

Oil haulers are not to exclusively use these external gauges as their basis for transferring custody of the oil.

*Remove external gauges within 7 days
Tanks are Required to Hold PSI/VAC Repair Tanks*

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Carolyn Doran Haynes

Title Engineer

Signature

Carolyn Doran Haynes

Date 08/29/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **DENIED**
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title SPET

Date 9/16/12

Office CFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

MW/OD 9-18-2012

SEP 18 2012

Well #1 Oil Tanks

| | | |
|-----------|-----------------|---------------|
| Valve #1 | Circulate Line | Sealed closed |
| Valve #2 | Circulate Line | Sealed closed |
| Valve #3 | Tank Equalize | Sealed open |
| Valve #4 | Tank Sales Line | Sealed closed |
| Valve #5 | Tank Sales Line | Sealed closed |
| Valve #6 | Oil Fill Line | Not sealed |
| Valve #7 | Oil Fill Line | Not sealed |
| Valve #8 | Oil Sales | Not sealed |
| Valve #18 | BS&W line | Not sealed |

Well #2 Oil Tanks

| | | |
|-----------|-----------------|---------------|
| Valve #9 | Circulate Line | Sealed closed |
| Valve #10 | Circulate Line | Sealed closed |
| Valve #11 | Tank Equalize | Sealed closed |
| Valve #12 | Tank Sales Line | Sealed closed |
| Valve #13 | Tank Sales Line | Sealed closed |
| Valve #14 | Oil Fill Line | Sealed closed |
| Valve #15 | Oil Fill Line | Not sealed |
| Valve #16 | Oil Sales | Not sealed |
| Valve #17 | BS&W line | Not sealed |

ELLIOTT B-12 #1 and #2 BATTERY

John H. Hendrix Corporation

NWNW Sec 12, T22S, R37E, Lea Co., NM

Elliott B-12 #1: Fed. # NM 032369

Elliott B-12 #2: Fed # NM-032369

August 2012



