

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF AMERADA HESS CORPORATION FOR
COMPULSORY POOLING,
RIO ARriba COUNTY, NEW MEXICO.

CASE NO. 11142

APPLICATION

AMERADA HESS CORPORATION, through its undersigned attorneys, hereby makes application pursuant to the provisions of N.M.Stat.Ann. § 70-2-17, (1978), for an order pooling all mineral interests in the N/2 of Section 34, Township 24 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico, and in support thereof states:

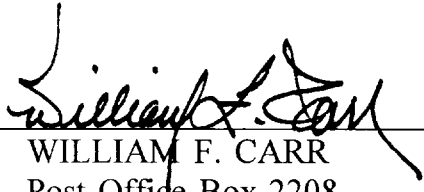
1. Applicant owns 50% of the working interest in the N/2 of Section 34, and Applicant has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced spacing or proration unit to its Jicarilla Apache "C" No. 4 Well to be drilled at a standard well location 800 feet from the North line and 1650 feet from the East line in the N/2 of said Section 34, to a depth of approximately 7,300 feet, more or less, to test the Graneros and Dakota formations.
3. Applicant has sought and been unable to obtain either voluntary agreement for pooling or farmout from certain interest owners in the N/2 of said Section 34.
4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Applicant should be designated the operator of the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before an Examiner of the Oil Conservation Division on November 10, 1994 and, after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for Applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by the Applicant in drilling, completing and equipping the well.

Respectfully submitted,

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.

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