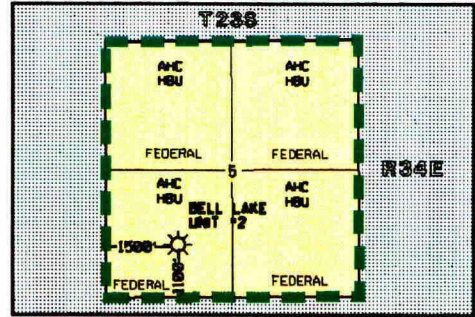
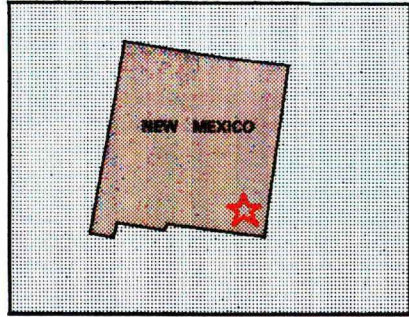
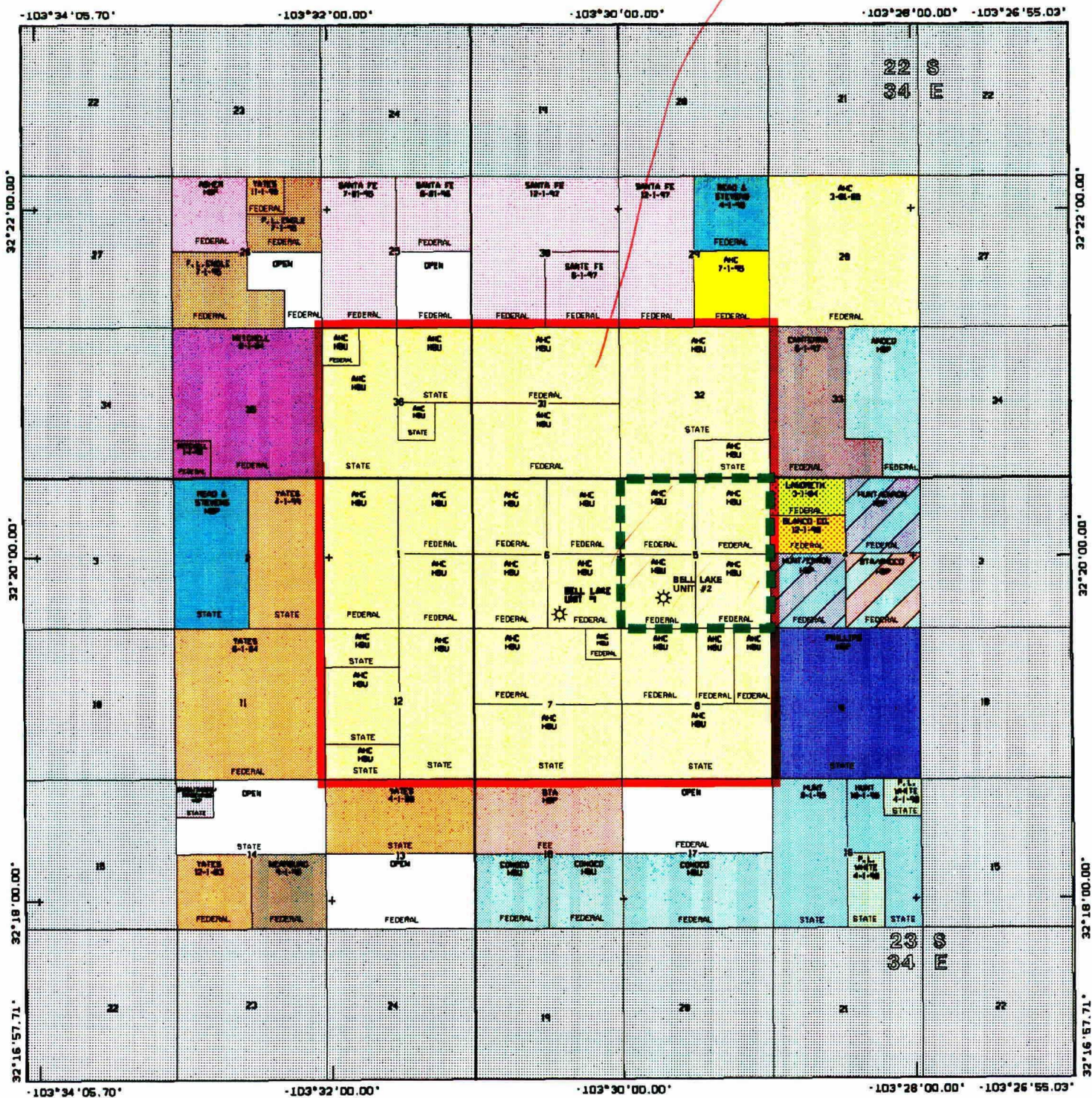


Bill Lake Unit #1 R-355 Fed



AMERADA HESS CORPORATION
U.S. ONSHORE EXPLORATION

BELL LAKE FEDERAL UNIT
LEA COUNTY, NEW MEXICO

NEW MEXICO OIL CONSERVATION DIVISION
APRIL 20, 1995

EXHIBIT

0 1000 2000 3000 4000 5000 FEET

Geologist:	JIM MCCARTHY	Date:	APRIL 1995
Geophysicist:	STEVE KERLICK	Document No.:	049030BLH
Landman:	JEFF MIDMYER	Copy No.:	

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11269 Exhibit No. 1

Submitted by: Amerada Hess Corporation

Hearing Date: April 20, 1995



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

BRUCE KING
GOVERNOR

2040 S. RACHEON
SANTA FE, NEW MEXICO 87508
(505) 827-7131

December 5, 1994

Amerada Hess Corporation
c/o William F. Carr
P. O. Box 2208
Santa Fe, NM 87504-2208

Administrative Order MSL-3439

Dear Mr. Carr:

Reference is made to your application dated September 30, 1994, on behalf of the operator Amerada Hess Corporation, for a non-standard gas well location for the North Bell Lake Federal Well No. 2 to be drilled 1100 feet from the South line and 1500 feet from the West line (Unit N) of Section 5, Township 23 South, Range 34 East, NMPM, to test the Ellenburger formation, Lea County, New Mexico. Lots 3 and 4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of said Section 5 shall be dedicated to the well forming a standard 320.09-acre gas spacing and proration unit.

By the authority granted me under the provisions of General Rule 104.F(2) the above-described unorthodox gas well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
US Bureau of Land Management - Carlsbad

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11269 Exhibit No. 2

Submitted by: Amerada Hess Corporation

Hearing Date: April 20, 1995

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

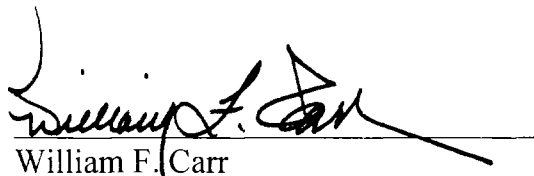
IN THE MATTER OF THE APPLICATION
OF AMERADA HESS CORPORATION FOR
POOL CREATION, SPECIAL POOL RULES,
SPECIAL OIL ALLOWABLE AND AN
UNORTHODOX WELL LOCATION,
LEA COUNTY, NEW MEXICO.

CASE NO. 11269

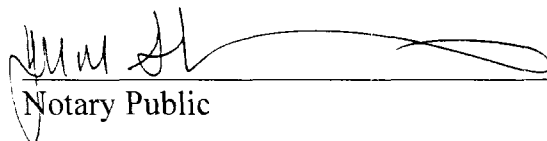
AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

William F. Carr, authorized representative of Amerada Hess Corporation, the Applicant herein, being first duly sworn, upon oath, states that in accordance with the notice provisions of Rule 1207 of the New Mexico Oil Conservation Division the Applicant has attempted to find the correct addresses of all interested persons entitled to receive notice of this application and that notice has been given at the addresses shown on Exhibit "A" attached hereto as provided in Rule 1207.


William F. Carr

SUBSCRIBED AND SWORN to before me this 18th day of April, 1995.


Notary Public

My Commission Expires:

8/1/97

EXHIBIT A

Conoco, Inc.
10 Desta Drive, Suite 100 W
Midland, TX 79705-4500
Attn: Jerry Hoover

Conoco, Inc.
Post Office Box 2197
Houston, TX 77252

Kaiser-Francis Oil Company
Post Office Box 21468
Tulsa, OK 74121-1468

**BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico**

Case No. 11269 Exhibit No. 3

**AFFIDAVIT,
Page 2**

Submitted by: Amerada Hess Corporation

Hearing Date: April 20, 1995

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

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANYA M. TRUJILLO
NANCY A. RATH

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

March 30, 1995

CERTIFIED-MAIL
RETURN RECEIPT REQUESTED

Conoco, Inc.
10 Desta Drive, Suite 100 W
Midland, TX 79705-4500
Attn: Jerry Hoover

Re: Application of Amerada Hess Corporation for Pool Creation, Promulgation of
Special Pool Rules and an Unorthodox Well Location, Lea County, New
Mexico

Gentlemen:

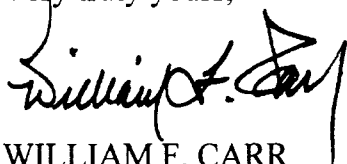
This letter is to advise you that Amerada Hess Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order creating a new pool in the Ellenberger formation in Section 5, Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico, promulgating Special Pool Rules and Regulations therefore including 640-acre spacing or proration units and approval of an unorthodox location under the new rules for its North Bell Lake Unit Well No. 2 which has been drilled 1100 feet from the South line and 1500 feet from the West line of said Section 5.

This application has been set for hearing before an Examiner of the Oil Conservation Division on April 20, 1995. You are not required to attend the hearing, but as the owner of an interest that may be affected by this application, you may appear at the hearing and present testimony. Failure to appear at that time or otherwise become a party of record will preclude you from challenging this application at a later date.

Conoco, Inc.
March 30, 1995
Page 2

Parties appearing in cases before the Division have been requested to file a Pre-hearing Statement substantially in the form prescribed by the Division (Oil Conservation Division Memorandum 2-90). Pre-hearing statements should be filed by 4:00 o'clock p.m., on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr", with a stylized flourish at the end.

WILLIAM F. CARR
ATTORNEY FOR AMERADA HESS CORPORATION
WFC:mlh
Enclosure

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- *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

Consult postmaster for fee.

Conoco, Inc.

10 Desta Drive, Suite 100 W
Midland, TX 79705-4500
Attn: Jerry Hoover

5. Signature (Addressee)

6. Signature (Agent)

PS Form 3811, December 1991

★U.S. GPO: 1993-352-714

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Receipt for Certified Mail

No Insurance Coverage Provided

Conoco, Inc.
10 Desta Drive, Suite 100 W
Midland, TX 79705-4500
Attn: Jerry Hoover

[illegible]

March 30, 1995

US Form 3800, "June 1991"

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

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANYA M. TRUJILLO
NANCY A. RATH

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

March 30, 1995

CERTIFIED-MAIL
RETURN RECEIPT REQUESTED

Conoco, Inc.
Post Office Box 2197
Houston, TX 77252

Re: Application of Amerada Hess Corporation for Pool Creation, Promulgation of
Special Pool Rules and an Unorthodox Well Location, Lea County, New
Mexico

Gentlemen:

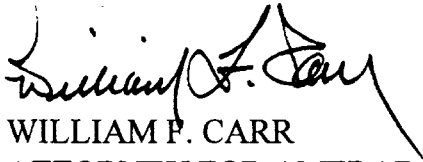
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Conoco, Inc.
March 30, 1995
Page 2

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Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr", with a long, sweeping horizontal stroke extending to the right.


WILLIAM F. CARR
ATTORNEY FOR AMERADA HESS CORPORATION
WFC:mlh
Enclosure

No Insurance Coverage Provided:

[illegible]

March 30, 1995

IRS Form 3800, June 1991

6. Signature (Agent) 

Conoco, Inc.
Post Office Box 2197
Houston, TX 77252

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

APR 1 1985

7. Date of Delivery

4b. Service Type

<input type="checkbox"/> Registered	<input type="checkbox"/> Insured
<input checked="" type="checkbox"/> Certified	<input type="checkbox"/> COD
<input type="checkbox"/> Express Mail	<input type="checkbox"/> Return Receipt for Merchandise

3. Article Addressed to:

4a. Article Number

176 016019

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
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Consult postmaster for fee.

Thank you for using Return Receipt Service.

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
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POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

March 30, 1995

CERTIFIED-MAIL
RETURN RECEIPT REQUESTED

Kaiser-Francis Oil Company
Post Office Box 21468
Tulsa, OK 74121-1468

Re: Application of Amerada Hess Corporation for Pool Creation, Promulgation of
Special Pool Rules and an Unorthodox Well Location, Lea County, New
Mexico

Gentlemen:

This letter is to advise you that Amerada Hess Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order creating a new pool in the Ellenberger formation in Section 5, Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico, promulgating Special Pool Rules and Regulations therefore including 640-acre spacing or proration units and approval of an unorthodox location under the new rules for its North Bell Lake Unit Well No. 2 which has been drilled 1100 feet from the South line and 1500 feet from the West line of said Section 5.

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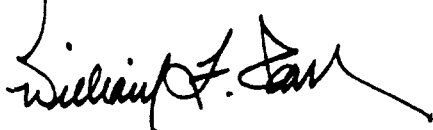
Kaiser-Francis Oil Company

March 30, 1995

Page 2

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WILLIAM F. CARR

ATTORNEY FOR AMERADA HESS CORPORATION

WFC:mlh

Enclosure

SENDER: <ul style="list-style-type: none"> • Complete items 1 and/or 2 for additional services. • Complete items 3, and 4a & b. • Print your name and address on the reverse of this form so that we can return the 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):	
3. Article Addressed to:		1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
Kaiser-Francis Oil Company Post Office Box 21468 Tulsa, OK 74121-1468		4a. Article Number P176 OIL 020	
4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise		7. Date of Delivery APR 03 1995	
5. Signature (Addressee)		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature (Agent)		9. Addressee's Address (Only if requested and fee is paid)	

Thank you for using Return Receipt Service.

**Receipt for
Certified Mail**

No Insurance Coverage Provided

Kaiser-Francis Oil Company
Post Office Box 21468
Tulsa, OK 74121-1468

[illegible]

US Form 3800, June 1991

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE

Bell Lake Ellenburger Analogy Well Information

Field	API#	Cumulative (mmscf)	Cumulative (mbc)	Cumulative (mbw)	IPF (mcfd)
Cheyenne	4249530525	1089	0	15	47000 (AOF)
Cheyenne	4249530537	9607	37	237	5000
Crittendon	4249510811	23822	0	211	14500 (AOF)
Evetts	4249530025	1963	0	41	?
Evetts	4249530032	47287	0	352	6000
Evetts	4249530132	1671	0	20	9100
Evetts	4249530144	7795	0	247	13500 (AOF)
Evetts	4249530186	22877	0	772	36000 (AOF)
Langley	3002525699	2256	100	5	4737
Langley	3002525961	7888	207	11	405 bopd
Langley	3002526040	1977	62	3	7962
Langley	3002526175	12206	376	29	110433 (AOF)
Average		11703	65	162	

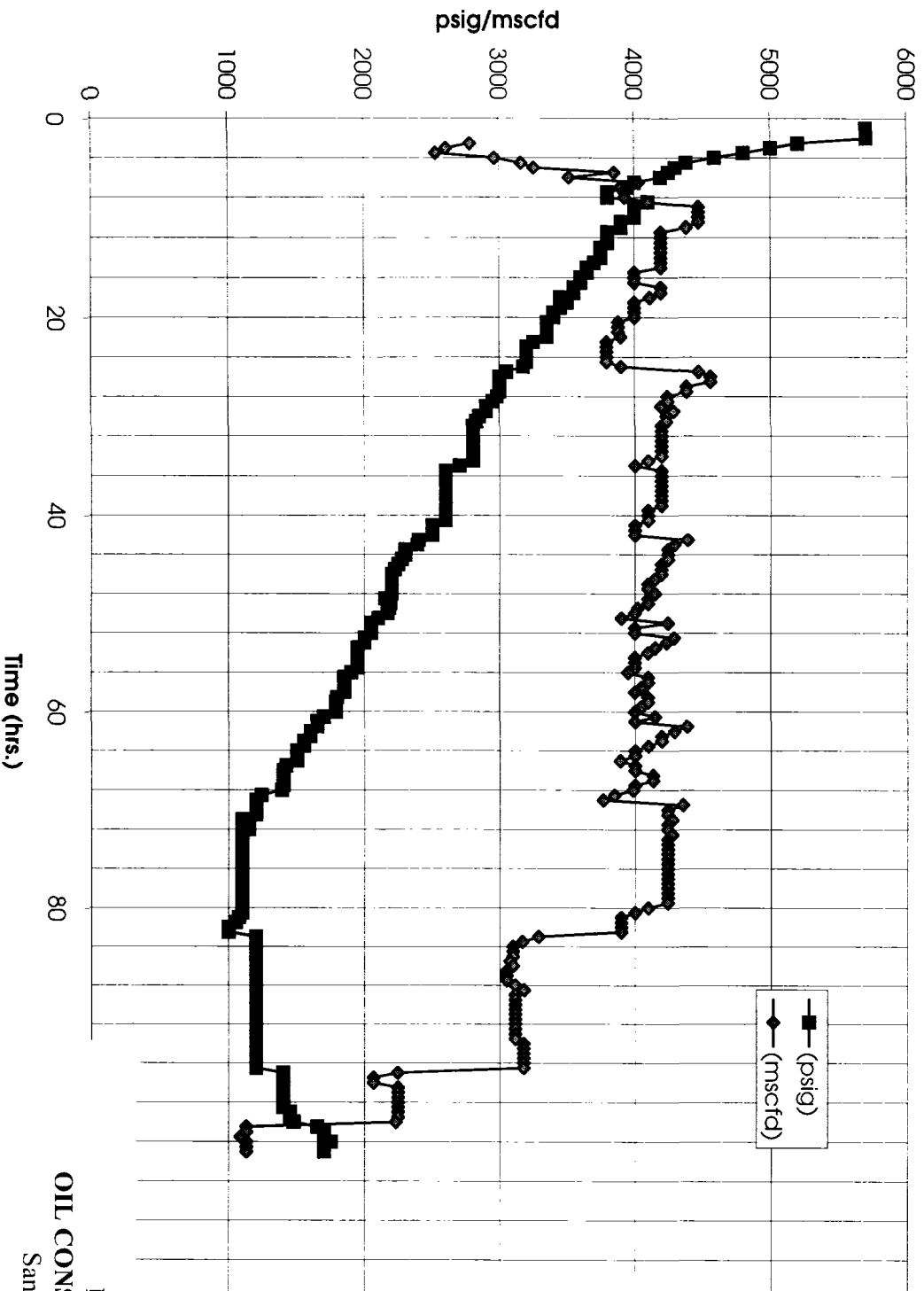
**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11269 Exhibit No. 5

Submitted by: Amerada Hess Corporation

Hearing Date: April 20, 1995

North Bell Lake Federal #2 Flow Test



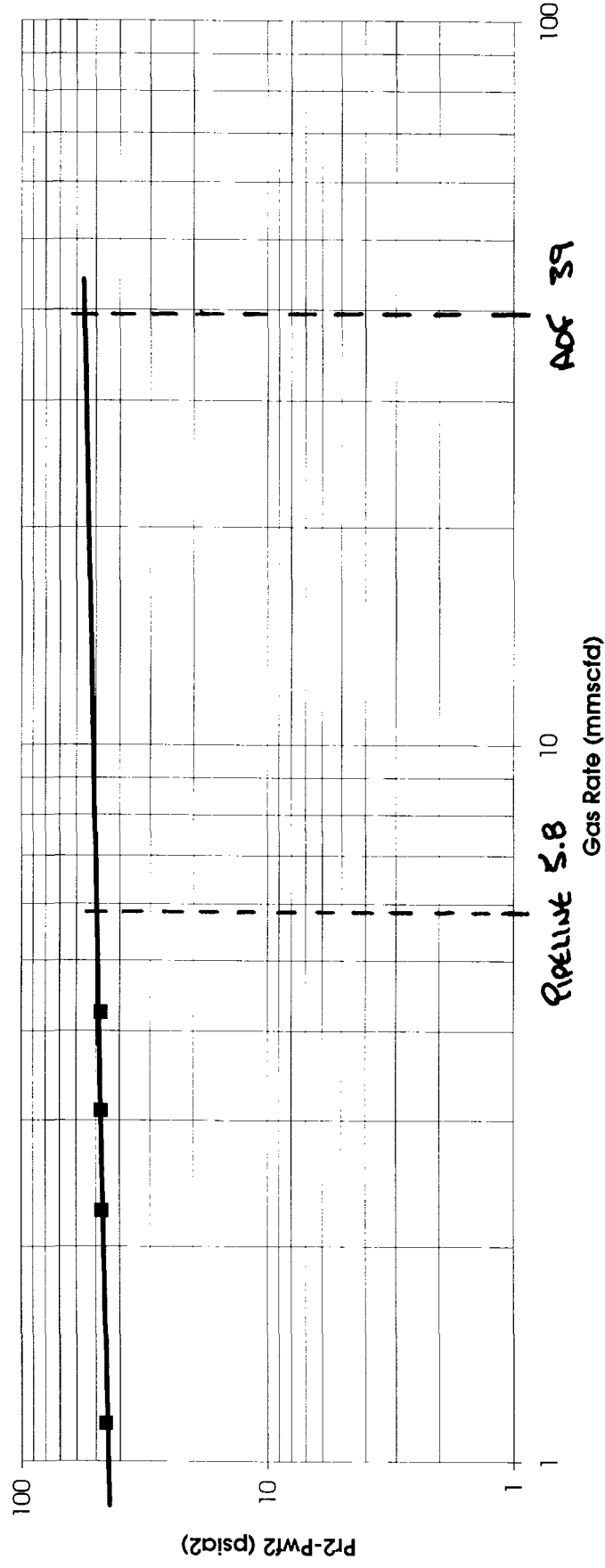
BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11269 Exhibit No. 6

Submitted by: Amerada Hess Corporation

Hearing Date: April 20, 1995

North Bell Lake Federal #2 Deliverability



BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11269 Exhibit No. 7

Submitted by: Amerada Hess Corporation

Hearing Date: April 20, 1995

Ellenburger Analogy Wells
Ultimate Gas Recovery

Field	API No.	Ult Gas (MMCF)	Cum Gas (MMCF)	Ult Cond (MBO)	Cum Cond (MBO)
CHEYENNE	42495305250000	1089	1089	0	0
CHEYENNE	42495305370000	13526	8887	50	33
CRITTENDON	42495108110000	23823	23823	0	0
EVETTS	42495300250000	1963	1963	0	0
EVETTS	42495300320000	47287	47287	0	0
EVETTS	42495301320000	1671	1671	0	0
EVETTS	42495301440001	7795	7795	0	0
EVETTS	42495301860000	22877	22877	0	0
LANGLEY	30025256990000	2256	2256	100	100
LANGLEY	30025259610000	7954	7861	209	207
LANGLEY	30025260400000	1977	1977	62	62
LANGLEY	30025261750000	13046	12206	402	376

Statistical Analysis

Mean	12105.33333
Standard Error	3952.839615
Median	7874.5
Standard Deviation	13693.03809
Sample Variance	187499292.2
Range	46198
Minimum	1089
Maximum	47287
Sum	145264
Count	12

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11269 Exhibit No. 8

Submitted by: Amerada Hess Corporation

Hearing Date: April 20, 1995

Exhibit No. _____

Case No. _____

April 20, 1995

**North Bell Lake Federal #2
Material Balance/Volumetric Analogy
North Bell Lake Ellenburger**

Assumptions:

Porosity = 0.035 (fraction)

Net Pay = 65 feet (estimate)

Sw = 0.21 (fraction)

Gg = 0.5758 (analysis 3/10/95)

Pr = 7,379 psia (static survey 3/22/95)

T = 240 degrees Fahrenheit

Bg(initial) = .003228 cu. ft./SCF

Bg(final) = .013878 cu. ft./SCF

Consider Material Balance in Gas Reservoirs (Applied Petroleum Reservoir Engineering, Craft and Hawkins, pp. 43.):

$$G_p B_g = G (B_g - B_{gi})$$

$$G_p = G(1 - (B_{gi} / B_g))$$

$$G = G_p / (1 - (B_{gi} / B_g))$$

If G_p = Average Recovery of Ellenburger Wells = 12,105 MMSCF; then,

$$G = \text{Gas-in-Place} = 12,105 \text{ MMSCF} / (1 - (.003228 / .013878)) = 15,774 \text{ MMSCF}$$

Consider a volumetric solution for areal extent (Applied Petroleum Reservoir Engineering, Craft and Hawkins, pp. 26.):

$$G = 43,560 (A) (h) (\text{porosity}) (1 - S_w) / B_g$$

$$A = \text{Area} = (15,774,000,000 \text{ SCF}) (.003228) / (43,560) (65) (.035) (1 - 0.21) = 650 \text{ acres}$$

Comments:

Based on reasonable assumptions for the Ellenburger formation, it is theoretically possible that the North Bell Lake Federal #2 could drain an area of at least 640 acres.

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11269 Exhibit No. 9

Submitted by: Amerada Hess Corporation

Hearing Date: April 20, 1995

196 month