

AMERADA HESS CORPORATION

P. O. DRAWER "D"
MONUMENT, NEW MEXICO 88265

August 10, 1990

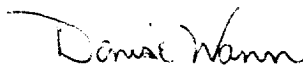
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Unorthodox Gas Well Location for Sarah Phillips #1
located 330' FSL, 2310' FWL, Sec. 33, T-19S, R-37E

AHC seeks approval for an unorthodox well location for the Sarah Phillips #1 in the Eumont Yates Seven Rivers Queen zone on a previously approved non-standard proration unit of 240 acres. The Sarah Phillips Gas Comm #2 was previously the Eumont producer for the 240 acre unit but collapsed casing in the well made it impossible to produce. The 240 acre unit is comprised of Units E, K, L, M, N, O of Section 33, Township 19 South, Range 37 East of Lea County, New Mexico. The Sarah Phillips #1 is presently a temporarily abandoned G/SA well which could be completed to the Eumont gas zone if approval is granted.

Offset operators have been notified of this proposal and have been requested to sign a waiver to expedite this request.

Sincerely,



Denise Wann

Enclosure: Plat

XC: NMOCD - Hobbs
Texaco - Hobbs
Meridian - Hobbs
Exxon - Hobbs
Great Western - Hobbs