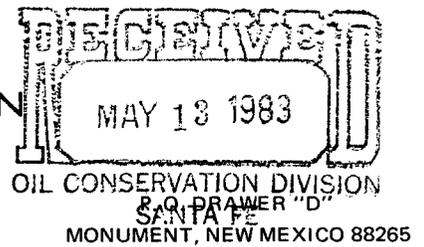


AMERADA HESS CORPORATION



May 9, 1983

Gilbert Quintana
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

Re: Eugene Wood #10, Unit H
Sec. 22, T-22S, R-37E
Lea County, New Mexico
Blinebry Oil and Gas and
Drinkard Pools

Dear Sir:

The following memo is in reference to our telephone conversation on May 6, 1983, in which you requested documentation of my oil allocation figures for the above mentioned well. My method of calculation and figures are self explanatory. If you should have any questions regarding my technique, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Randall L. Howell".

Randall L. Howell
Associate Petroleum Engineer

RLH/dg

Encl.

EUGENE WOOD #10 FLUID ALLOCATION

Drinkard Zone:

<u>Date</u>	<u>Oil Swabbed (Bbl)</u>	<u>Water Swabbed (Bbl)</u>
1/11/82	10	5
10/27/81	4	2
11/4/76	2	27
11/3/76	<u>26</u>	<u>1</u>
Total	42 Bbl	35 Bbl

Average Drinkard Oil Production = $\frac{42 \text{ Bbl}}{4} = 11 \text{ BOPD}$

Average Drinkard Water Production = $\frac{35 \text{ Bbl}}{4} = 9 \text{ BWPD}$

Blinebry Zone:

<u>Date</u>	<u>Oil Swabbed (Bbl)</u>	<u>Water Swabbed (Bbl)</u>
11/8/78	3	2
5/2/77	55	5
4/29/77	0	12
12/9/76	<u>3</u>	<u>35</u>
Total	63 Bbl	54 Bbl

Average Blinebry Oil Production = $\frac{63 \text{ Bbl}}{4} = 16 \text{ BOPD}$

Average Blinebry Water Production = $\frac{54 \text{ Bbl}}{4} = 14 \text{ BWPD}$

Total Oil Production From Both Zones - 27 BOPD
Total Water Production From Both Zones - 23 BWPD

% Drinkard Oil Production = $\frac{11 \text{ BOPD}}{27 \text{ BOPD}} = 41\%$

% Drinkard Water Production = $\frac{9 \text{ BWPD}}{23 \text{ BWPD}} = 39\%$

% Blinebry Oil Production = $\frac{16 \text{ BOPD}}{27 \text{ BOPD}} = 59\%$

% Blinebry Water Production = $\frac{14 \text{ BWPD}}{23 \text{ BWPD}} = 61\%$