

AMERADA HESS CORPORATION

P. O. Box 840
Seminole, Texas 79380
Phone: (815) 758-8700

OIL CONSERVATION DIVISION
REC 100

NOV 30 1994

November 30, 1994

ADMINISTRATIVE APPLICATION FOR
AN UNORTHODOX LOCATION AND
SIMULTANEOUS DEDICATION
EUMONT YATES SEVEN RIVERS QUEEN
PRORATED GAS POOL
STATE 'J' GAS COM #7
2312' FNL & 1220' FWL
SECTION 2, T-20S, R-36E
LEA COUNTY, NEW MEXICO

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPT.
OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87504
ATTN: MR. WILLIAM J. LEMAY

Dear Mr. Lemay:

Amerada Hess Corporation requests approval to drill and complete the State 'J' Gas Com #7 in an unorthodox location and simultaneously dedicate the well to the State 'J' Gas Com lease. The well will be unorthodox by virtue of being less than the required 330' from a quarter-quarter section line and less than 1320' from the existing AHC State 'J' Gas Com #4. A standard drilling location was not possible due to the close proximity of the well to the AHC NMGSAU #1805. Since the location was moved toward the interior of the lease, correlative rights will not be effected by the relocation of the drill site.

^{NSL-749}
The AHC State 'J' Gas Com lease was approved as a non-standard proration unit under orders ~~NSP-269 and NSP-749~~ NSP-749 approving 440 acres consisting of the S/2, S/2 NW/4 and the NE/4 NW/4 Section 2, T-20S, R-36E. The proration unit was originally dedicated to the State 'J' Gas Com #4, located 1980' FSL and 2081' FWL.

A map depicting offset Eumont completions and respective proration units, a sample copy of the waiver request, an offset operator list and a plat of the subject well and proration unit are attached. A copy has been forwarded to Jerry Sexton, Hobbs NMOCD Director. In addition, a notification and waiver were forwarded by certified mail to the offset operators on the offset operator list.

Sincerely,



Randall L. Howell
Sr. Petroleum Engineer

RLH

Attachments:

XC: R. L. Williams
R. Wheeler
B. Tupman
R. West (Houston)
P. Bacon (Houston)
K. White (Houston)
AHC File
Distribution List

Amerada Hess Corporation
State 'J' Gas Com #7

Application for Unorthodox Gas Well
Location and Simultaneous Dedication
Eumont Prorated Gas Pool
2312' FNL and 1220' FWL
Section 2, T-20S, R-36E
Lea County, New Mexico

WAIVER TO OBJECTION

We, the undersigned, as an offset operator, waive any objection to Amerada Hess Corporation's application for NMOCDD approval of an unorthodox gas well location and simultaneous dedication in the Eumont Prorated Gas Pool. The proposed well will be located 2312' FNL and 1220' FWL, Section 2, T-20S, R-36E, Lea County, New Mexico. We further understand that the 440 acre proration unit will consist of the S/2, S/2 NW/4 and NE/4 NW/4 of Section 2, T-20S, R-36E, and was originally dedicated to the State 'J' Gas Com #4.

Company: _____

Representative: _____

Signature: _____

Date: _____

Amerada Hess Corporation
State 'J' Gas Com #7

Application for Unorthodox Gas Well
Location and Simultaneous Dedication
Eumont Prorated Gas Pool
2312' FNL and 1220' FWL
Section 2, T-20S, R-36E
Lea County, New Mexico

Arco Oil and Gas
P.O. Box 1610
Midland, Texas 79702

Attn: Dave Newell

Oryx Energy Company
P.O. Box 2880
Dallas, Texas 75221-2880

Attn: Terry Carter

Arrington Oil and Gas, Inc.
P.O. Box 2071
Midland, Texas 79702

Attn: David Arrington

NMOCD
1000 W. Broadway
Hobbs, New Mexico 88240

Attn: Jerry Sexton

Chevron U.S.A.
P.O. Box 1150
Midland, Texas 79702

Attn: Alan Bohling

Texaco Exploration and Production, Inc.
P.O. Box 730
Hobbs, New Mexico 88240

Attn: Dorothy Brelh

Conoco Inc.
10 Desta Drive
Midland, Texas 79705

Attn: Jerry Hoover

P 584 550 039

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to <i>David Arrington</i>	
Street and No. <i>Arrington Oil & Gas Inc.</i>	
P.O. State and ZIP Code <i>P.O. Box 730</i>	
<i>Midland, N.M. 88240</i>	
Postage	\$.75
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	1.00
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.75
Postmark or Date	

P 584 550 033

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to <i>Alan Bokling</i>	
Street and No. <i>Chasron U.S.A.</i>	
P.O. State and ZIP Code <i>P.O. Box 1150</i>	
<i>Midland, TX. 79702</i>	
Postage	\$.75
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	1.00
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.75
Postmark or Date	

P 584 550 032

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to <i>David Arrington</i>	
Street and No. <i>Arrington Oil & Gas Inc.</i>	
P.O. State and ZIP Code <i>P.O. Box 2071</i>	
<i>Midland, TX. 79702</i>	
Postage	\$.75
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	1.00
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.75
Postmark or Date	

P 584 550 037

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to <i>Jerry Carter</i>	
Street and No. <i>Drift Energy Co.</i>	
P.O. State and ZIP Code <i>P.O. Box 2880</i>	
<i>Midland, TX. 75201-2880</i>	
Postage	\$.75
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	1.00
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.75
Postmark or Date	

P 584 550 043

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to <i>Attn: Jerry Sifton</i> <i>NMCCD</i>	
Street and No. <i>1000 W. Broadway</i>	
P.O., State and ZIP Code <i>Dallas, N.M. 88240</i>	
Postage	\$ <i>.75</i>
Certified Fee	<i>1.00</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	<i>1.00</i>
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ <i>2.75</i>
Postmark or Date 	

P 584 550 145

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to <i>Attn: Paul Huddle</i> <i>Arco Oil & Gas</i>	
Street and No. <i>P.O. Box 1610</i>	
P.O., State and ZIP Code <i>Midland, TX 79702</i>	
Postage	\$ <i>.75</i>
Certified Fee	<i>1.00</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	<i>1.00</i>
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ <i>2.75</i>
Postmark or Date 	

P 584 550 036

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to <i>Conocoche</i> <i>Attn: Jerry Woner</i>	
Street and No. <i>10 West Krines</i>	
P.O., State and ZIP Code <i>Midland, TX 79705</i>	
Postage	\$ <i>.75</i>
Certified Fee	<i>1.00</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	<i>1.00</i>
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ <i>2.75</i>
Postmark or Date 	

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

OIL CONSERVATION DIVISION

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
Property Code	Property Name		Well Number
000194	STATE "J" GAS COM		7
OGRID No.	Operator Name		Elevation
000495	AMERADA HESS CORPORATION		3599'

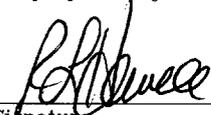
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	2	20-S	36-E		2312	NORTH	1220	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code		Order No.					
440.26	Y	C		NSP-269, NSP-749, SD-92-5					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>LOT 4</p> <p>40.21 Ac.</p> <p>2312'</p> <p>1220' #7</p> <p>5291.7'</p> <p>990' #6</p> <p>990'</p>	<p>LOT 3</p> <p>40.26 Ac.</p> <p>NSP-269 #4</p> <p>1980'</p>	<p>LOT 2</p> <p>40.21 Ac.</p> <p>SD-92-5 #5</p> <p>990'</p> <p>1650'</p>	<p>LOT 1</p> <p>40.16 Ac.</p> <p>5284.6'</p>	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p></p> <p>Signature</p> <p>RANDALL L. HOWELL</p> <p>Printed Name</p> <p>PETROLEUM ENGINEER</p> <p>Title</p> <p>11-28-1994</p> <p>Date</p> <hr/> <p>SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Date Surveyed</p> <p>Signature & Seal of Professional Surveyor</p> <hr/> <p>Certificate No.</p>
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AMERADA HESS CORPORATION

P. O. Box 840
Seminole, Texas 79360
Phone: (915) 758-6700

November 30, 1994

WAIVER REQUEST
UNORTHODOX LOCATION AND
SIMULTANEOUS DEDICATION
EUMONT YATES SEVEN RIVERS QUEEN
PRORATED GAS POOL
STATE 'J' GAS COM #7
2312' FNL & 1220' FWL
SECTION 2, T-20S, R-36E
LEA COUNTY, NEW MEXICO

Arco Oil and Gas
P.O. Box 1610
Midland, Texas 79702

Attn: Dave Newell

Dear Mr. Newell

A copy of Amerada Hess' administrative application for NMOCD approval of an unorthodox gas well location and simultaneous dedication in the Eumont Prorated Gas Pool is attached.

Amerada Hess plans to drill and complete the State 'J' Gas Com #7 at a location 2312' FNL and 1220' FWL of Section 2, T-20S, R-36E, Lea County, New Mexico. The proposed well is unorthodox by virtue of not being located farther than 330' from a quarter-quarter section and farther than 1320' from an existing well.

As an offset operator, if you do not have an objection to the attached application, please sign the enclosed waivers and mail the original and two copies to the NMOCD in Santa Fe, New Mexico and one copy to the NMOCD in Hobbs New Mexico. We also request that a copy be returned to Amerada Hess in Seminole. Self-addressed stamped envelopes have been provided for your convenience.

If you require any additional information, please contact the undersigned at (915) 758-6789. Thank you in advance for your prompt consideration.

Sincerely,



Randall L. Howell
Sr. Petroleum Engineer

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Phone: (915) 758-6700

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LEA COUNTY, NEW MEXICO

Arrington Oil and Gas, Inc.
P.O. Box 2071
Midland, Texas 79702

Attn: David Arrington

Dear Mr. Arrington

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LEA COUNTY, NEW MEXICO

Chevron U.S.A.
P.O. Box 1150
Midland, Texas 79702

Attn: Alan Bohling

Dear Mr. Bohling

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SECTION 2, T-20S, R-36E
LEA COUNTY, NEW MEXICO

Conoco Inc.
10 Desta Drive
Midland, Texas 79705

Attn: Jerry Hoover

Dear Mr. Hoover

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Amerada Hess plans to drill and complete the State 'J' Gas Com #7 at a location 2312' FNL and 1220' FWL of Section 2, T-20S, R-36E, Lea County, New Mexico. The proposed well is unorthodox by virtue of not being located farther than 330' from a quarter-quarter section and farther than 1320' from an existing well.

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LEA COUNTY, NEW MEXICO

Oryx Energy Company
P.O. Box 2880
Dallas, Texas 75221-2880

Attn: Terry Carter

Dear Mr. Carter

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SECTION 2, T-20S, R-36E
LEA COUNTY, NEW MEXICO

Texaco Exploration and Production, Inc.
P.O. Box 730
Hobbs, New Mexico 88240

Attn: Dorothy Brelih

Dear Ms. Brelih

A copy of Amerada Hess' administrative application for NMOCD approval of an unorthodox gas well location and simultaneous dedication in the Eumont Prorated Gas Pool is attached.

Amerada Hess plans to drill and complete the State 'J' Gas Com #7 at a location 2312' FNL and 1220' FWL of Section 2, T-20S, R-36E, Lea County, New Mexico. The proposed well is unorthodox by virtue of not being located farther than 330' from a quarter-quarter section and farther than 1320' from an existing well.

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