

AMERADA HESS CORPORATION

OIL CONSERVATION DIVISION
RECEIVED

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

1996 MAR 22 AM 8 52

April 17, 1996

ADMINISTRATIVE APPLICATION FOR
AN UNORTHODOX LOCATION AND
SIMULTANEOUS DEDICATION
EUMONT YATES SEVEN RIVERS QUEEN
PRORATED GAS POOL
J. R. PHILLIPS GAS COM #1
330' FNL & 330' FWL
SECTION 1, T-20S, R-36E
LEA COUNTY, NEW MEXICO

NSL-3340.A

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

Rec 5/2/96
Susp 5/22/96
Release 5/31/96

Dear Mr. Lemay:

Amerada Hess Corporation requests your approval of our administrative application for an unorthodox location and simultaneous dedication for the well referenced above. AHC has plans to recomplete the J. R. Phillips #1 at the referenced location which is contained in a 320.07 acre gas proration unit. The well will be unorthodox by virtue of being less than the required 660' from the long side of the unit and less than the required 990' from the short side of the gas proration unit. The well was originally completed as a Grayburg oil well, placing it on its current location.

The AHC J. R. Phillips Gas Com lease was approved as a non-standard proration unit under order NSP-365 dated April 25, 1957 approving 320.07 acres consisting of Lots 1 & 2, S/2 NE/4 and NW/4 (E/2 equivalent) of Section 1, T-20S, R-36E. The proration unit was originally dedicated to the J. R. Phillips Gas Com #3, located 1980' FNL and 1980' FEL.

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 NMOC Director. In addition, a notification and waiver was forwarded by certified mail to the offset operators on the offset operator list.

Sincerely,



Randall L. Howell
Professional Petroleum Engineer

5/28/96

RLH

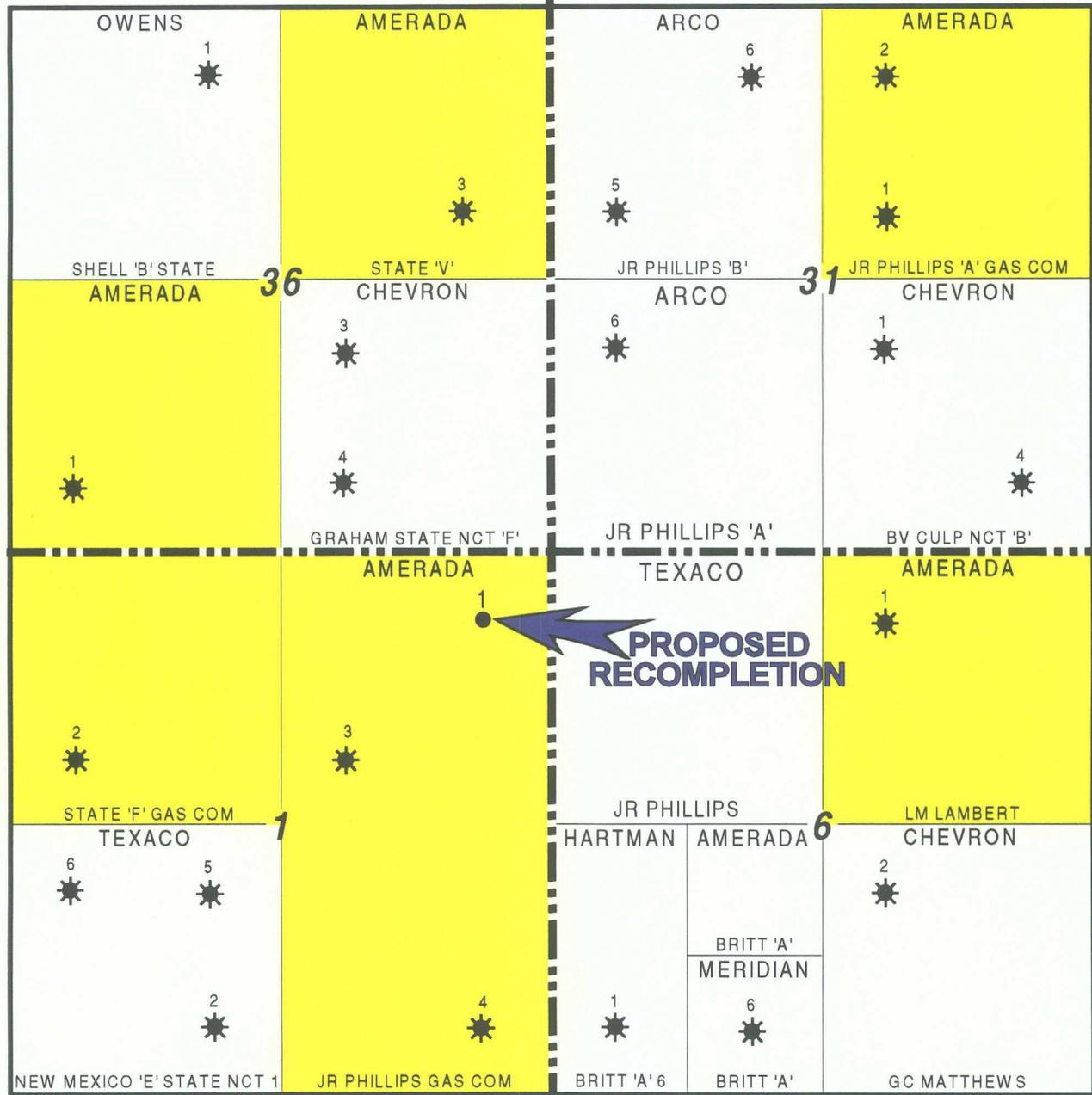
Attachments:

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



R 36 E

R 37 E



T 19 S

T 20 S

LOCATION MAP



LEGEND

3 - ACTIVE EUMONT GAS WELL NUMBER
* GAS WELL

JR PHILLIPS GAS COM #1
OFFSET GAS PRODUCTION
SEMINOLE DISTRICT
MONUMENT AREA
EUMONT FIELD
LEA COUNTY, NEW MEXICO

Amerada Hess Corporation
J. R. Phillips Gas Com #1

Application for Unorthodox Gas Well
Location and Simultaneous Dedication
Eumont Prorated Gas Pool
330' FNL and 330' FEL
Section 1, 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 NMOCD approval of an unorthodox gas well location and simultaneous dedication in the Eumont Prorated Gas Pool. The proposed well will be located 330' FNL and 330' FEL, Section 1, T-20S, R-36E, Lea County, New Mexico. We further understand that the 320.07 acre proration unit will consist of the E/2 of Section 1, T-20S, R-36E, and was originally dedicated to the J. R. Phillips Gas Com #3

Company: _____

Representative: _____

Signature: _____

Date: _____

Amerada Hess Corporation
J. R. Phillips Gas Com #1
Application for Unorthodox Gas Well
Location and Simultaneous Dedication
Eumont Prorated Gas Pool
330' FNL and 330' FEL
Section 1, T-20S, R-36E
Lea County, New Mexico

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

Attn: Dave Newell

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

Attn: Alan Bohling

Doyle Hartman Oil Operators
3811 Turtle Creek Blvd., Suite 730
Dallas, Texas 75219

Attn: Doyle Hartman

Meridian Oil, Inc.
P.O. Box 51810
Midland, Texas 79710

Attn: David Chapman

NMOCD
1000 W. Broadway
Hobbs, New Mexico 88240

Attn: Jerry Sexton

Owens Petroleum, Inc.
P.O. Box 2911
Midland, Texas 79702

Attn: Kenneth Owens

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

Attn: Dorothy Brelih

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 30-025-04130	Pool Code 76480	Pool Name EUMONT YATES 7RQ
Property Code 000162	Property Name J.R. PHILLIPS GAS COM	Well Number 1
OGRID No. 000495	Operator Name AMERADA HESS CORPORATION	Elevation 3586' K.B.

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	1	20S	36E		330	NORTH	330	EAST	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 320.07	Joint or Infill Y	Consolidation Code	Order No.
---------------------------	----------------------	--------------------	-----------

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>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><i>R.L. Howell</i> Signature</p> <p>R.L. HOWELL Printed Name</p> <p>PROFESSIONAL PETROLEUM ENGINEER Title</p> <p>APRIL 17, 1996 Date</p>
	<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>
	<p>Certificate No.</p>

AMERADA HESS CORPORATION

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

April 17, 1996

WAIVER REQUEST
UNORTHODOX LOCATION AND
SIMULTANEOUS DEDICATION
EUMONT YATES SEVEN RIVERS QUEEN
PRORATED GAS POOL
J. R. PHILLIPS GAS COM #1
330' FNL & 330' FEL
SECTION 1, 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 recomplete the J. R. Phillips Gas Com #1 at a location 330' FNL and 330' FEL of Section 1, T-20S, R-36E, Lea County, New Mexico. The proposed well is unorthodox by virtue of not being located farther than 660' from the long side and 990' from the short side of the gas proration unit.

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
Professional Petroleum Engineer

AMERADA HESS CORPORATION

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

April 17, 1996

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SIMULTANEOUS DEDICATION
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PRORATED GAS POOL
J. R. PHILLIPS GAS COM #1
330' FNL & 330' FEL
SECTION 1, T-20S, R-36E
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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Randall L. Howell
Professional Petroleum Engineer

AMERADA HESS CORPORATION

P. O. Box 640
Seminole, Texas 79360
Phone: (915) 758-6700

April 17, 1996

WAIVER REQUEST
UNORTHODOX LOCATION AND
SIMULTANEOUS DEDICATION
EUMONT YATES SEVEN RIVERS QUEEN
PRORATED GAS POOL
J. R. PHILLIPS GAS COM #1
330' FNL & 330' FEL
SECTION 1, T-20S, R-36E
LEA COUNTY, NEW MEXICO

Doyle Hartman Oil Operators
3811 Turtle Creek Blvd., Suite 730
Dallas, Texas 75219

Attn: Doyle Hartman

Dear Mr. Hartman

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Professional Petroleum Engineer

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

April 17, 1996

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J. R. PHILLIPS GAS COM #1
330' FNL & 330' FEL
SECTION 1, T-20S, R-36E
LEA COUNTY, NEW MEXICO

Meridian Oil, Inc.
P.O. Box 51810
Midland, Texas 79710

Attn: David Chapman

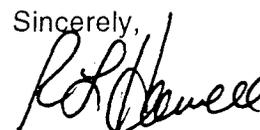
Dear Mr. Newell

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Randall L. Howell
Professional Petroleum Engineer

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Seminole, Texas 79360
Phone: (915) 758-6700

April 17, 1996

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SIMULTANEOUS DEDICATION
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PRORATED GAS POOL
J. R. PHILLIPS GAS COM #1
330' FNL & 330' FEL
SECTION 1, T-20S, R-36E
LEA COUNTY, NEW MEXICO

Owens Petroleum, Inc.
P.O. Box 2911
Midland, Texas 79702

Attn: Kenneth Owens

Dear Mr. Owens

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Amerada Hess plans to recomplete the J. R. Phillips Gas Com #1 at a location 330' FNL and 330' FEL of Section 1, T-20S, R-36E, Lea County, New Mexico. The proposed well is unorthodox by virtue of not being located farther than 660' from the long side and 990' from the short side of the gas proration unit.

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Sincerely,



Randall L. Howell
Professional Petroleum Engineer

AMERADA HESS CORPORATION

P. O. Box 840
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Phone: (915) 758-6700

April 17, 1996

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UNORTHODOX LOCATION AND
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EUMONT YATES SEVEN RIVERS QUEEN
PRORATED GAS POOL
J. R. PHILLIPS GAS COM #1
330' FNL & 330' FEL
SECTION 1, 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 recomplete the J. R. Phillips Gas Com #1 at a location 330' FNL and 330' FEL of Section 1, T-20S, R-36E, Lea County, New Mexico. The proposed well is unorthodox by virtue of not being located farther than 660' from the long side and 990' from the short side of the gas proration unit.

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Sincerely,



Randall L. Howell
Professional Petroleum Engineer

Z 422 727 874



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, March 1993

Sent to: <i>Arco Oil: Gen</i>	
Street and No.: <i>P.O. Box 11610</i>	
P.O., State and ZIP Code: <i>Midland, TX 79702</i>	
Postage	\$ 1.01
Certified Fee	1.10
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	<i>1.10</i>
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$ 3.21
Postmark or Date	<i>APR 19 1996 DM</i>

Z 422 727 873



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, March 1993

Sent to: <i>Chevron USA</i>	
Street and No.: <i>P.O. Box 1150</i>	
P.O., State and ZIP Code: <i>Midland, TX 79702</i>	
Postage	\$ 1.01
Certified Fee	1.10
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	<i>1.10</i>
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$ 3.21
Postmark or Date	<i>APR 19 1996 DM</i>

Z 422 727 934



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, March 1993

Sent to: <i>Doyle Hartman oil</i>	
Street and No.: <i>3811 Turtle Creek Blvd, Ste 730</i>	
P.O., State and ZIP Code: <i>Dallas, TX 79360</i>	
Postage	\$ 1.01
Certified Fee	1.10
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	<i>1.10</i>
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$ 3.21
Postmark or Date	<i>APR 19 1996 DM</i>

Z 422 727 938



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, March 1993

Sent to: <i>Meridian oil</i>	
Street and No.: <i>P.O. Box 51810</i>	
P.O., State and ZIP Code: <i>Midland, TX 79710</i>	
Postage	\$ 1.01
Certified Fee	1.10
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	<i>1.10</i>
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$ 3.21
Postmark or Date	<i>APR 19 1996 DM</i>

Z 422 727 935



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, March 1993

Sent to <i>Quans Pests. Inc</i>	
Street and No. <i>P.O. Box 2911</i>	
P.O., State and ZIP Code <i>Midland, TX 79702</i>	
Postage	<i>\$1.01</i>
Certified Fee	<i>1.10</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	<i>1.10</i>
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	<i>\$3.21</i>
Postmark or Date	<i>APR 1990 APM 79350</i>

Z 422 727 937



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, March 1993

Sent to <i>Texaco Expl. Prod. Inc</i>	
Street and No. <i>P.O. Box 730</i>	
P.O., State and ZIP Code <i>Hobbs, N.M. 88240</i>	
Postage	<i>\$1.01</i>
Certified Fee	<i>1.10</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	<i>1.10</i>
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	<i>\$3.21</i>
Postmark	<i>APR 1990</i>



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



BRUCE KING
GOVERNOR

January 11, 1994

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ANITA LOCKWOOD
CABINET SECRETARY

Amerada Hess Corporation
Drawer "D"
Monument, NM 88265

Attention: Denise Wann

Administrative Order NSL-3340(SD)

Dear Ms. Wann:

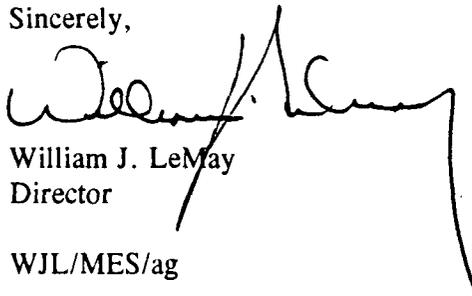
Reference is made to your application dated December 15, 1993, for an unorthodox Eumont gas well location in an existing non-standard 320.07-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising Lots 1 and 2, the S/2 NE/4 and NW/4 (E/2 equivalent) of Section 1, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Administrative Order NSP-367, dated April 25, 1957 and presently has dedicated thereon the J.R. Phillips Gas Com Well No. 3 located in Unit G of said Section 1.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170 as amended, the following described well located at an unorthodox gas well location is hereby approved:

*J.R. Phillips Gas Com Well No. 4
1090' FSL - 1330' FEL (Unit O)*

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the J.R. Phillips Gas Com Well No. 3 with the J.R. Phillips Gas Com Well No. 4. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both said wells in any proportion.

Sincerely,



William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
File: NSP-367

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

Map 7-11

April 25, 1957

Amerada Petroleum Corporation
Drawer D
Monument, New Mexico

Administrative Order NSP-367

Attention: Mr. D. C. Capps

Reference is made to your application for approval of a 320-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the following acreage:

Township 20 South, Range 36 East
E/2 of Section 1

It is understood that this unit is to be ascribed to your J. R. Phillips Well No. 3, located 1980 feet from the North line and 1950 feet from the East line and in the SW/4 SE/4 of Section 1, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.

By authority granted me under provisions of Rule 5, Section (b)-6 of the Special Rules and Regulations for the Eumont Gas Pool, as set forth in Order R-520, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with Rule 12 of the pool rules, based upon the unit size of 320 acres. This well will assume the underproduced status of your Phillips Well No. 8 as of February 28, 1957.

Very truly yours,

A. L. PORTER, JR.
Secretary-Director

WWM:dea

cc: Oil Conservation Commission, Hobbs, New Mexico
N. M. Oil & Gas Engineering Committee, Hobbs, New Mexico
El Paso Natural Gas, Jal, New Mexico
El Paso Natural Gas, El Paso, Texas
New Mexico State Land Office, (Mrs. Rhea)

Amerada Hess Corporation
J. R. Phillips Gas Com #1

Application for Unorthodox Gas Well
Location and Simultaneous Dedication
Eumont Prorated Gas Pool
330' FNL and 330' FEL
Section 1, 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 NMOCD approval of an unorthodox gas well location and simultaneous dedication in the Eumont Prorated Gas Pool. The proposed well will be located 330' FNL and 330' FEL, Section 1, T-20S, R-36E, Lea County, New Mexico. We further understand that the 320.07 acre proration unit will consist of the E/2 of Section 1, T-20S, R-36E, and was originally dedicated to the J. R. Phillips Gas Com #3

Jack Huff, successor operator
Company: to Owens Petroleum, Inc.

Representative: _____

Signature:  _____
Jack Huff

Date: 5-24-96

Sorry we are so late getting this to you, but we just received it from Owens Petroleum.

Amerada Hess Corporation
J. R. Phillips Gas Com #1

CONSERVATION DIVISION
RECEIVED

Application for Unorthodox Gas Well
Location and Simultaneous Dedication

1996 MAY 20 AM 8 52

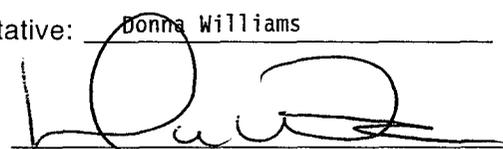
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Company: Meridian Oil Inc.

Representative: Donna Williams

Signature: 

Date: 5/6/96

Amerada Hess Corporation
J. R. Phillips Gas Com #1

Application for Unorthodox Gas Well
Location and Simultaneous Dedication
Eumont Prorated Gas Pool
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NSL-3340-A

TMS

Company: Texaco Exploration & Production, Inc.

Representative: Todd W. Moehlenbreck

Signature: Todd W. Moehlenbreck

Date: 5/13/96

Amerada Hess Corporation
J. R. Phillips Gas Com #1

Application for Unorthodox Gas Well
Location and Simultaneous Dedication
Eumont Prorated Gas Pool
330' FNL and 330' FEL
Section 1, 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 NMOCD approval of an unorthodox gas well location and simultaneous dedication in the Eumont Prorated Gas Pool. The proposed well will be located 330' FNL and 330' FEL, Section 1, T-20S, R-36E, Lea County, New Mexico. We further understand that the 320.07 acre proration unit will consist of the E/2 of Section 1, T-20S, R-36E, and was originally dedicated to the J. R. Phillips Gas Com #3

Company: Doyle Hartman

Representative: Doyle Hartman

Signature: Doyle Hart

Date: 5-16-96