

SD

P.MESD-335834025
Sup: _____ ?

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

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SANTA FE, NEW MEXICO 87501

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jamesbruc@aol.com

RECEIVED
NOV 21 2003
Oil Conservation Division

November 21, 2003

Hand Delivered

Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Amerada Hess Corporation/application for simultaneous dedication
N½ §7-21S-36E/Amendment of Administrative Order NSP-378-A(L)(SD)

Ladies and gentlemen:

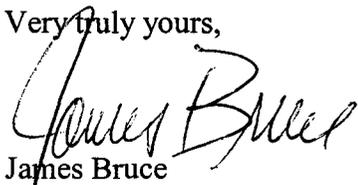
Attached is an application requesting approval of a third well in the above well unit. The N½ §7 is a previously approved non-standard well unit in the Eumont Gas Pool, with two existing wells in the NE¼ §7. The well unit and simultaneous dedication were approved before the pool rules for the Eumont Gas Pool were amended in 2001 (Order No. R-8170-P). Under Rule 3(C), one well per is allowed per 160 acres, and two wells are allowed on a 320 acre unit. An exception requires notice to offsetting operators.

Strictly speaking, the application violates Rule 3(C). However, it appears that existing non-standard units and well densities were grandfathered-in. As a result, this application has been filed **without notice to offsets** because it is the first well in the NW¼ §7. Please let us know if this interpretation is correct.

Applicant has a rig available to commence the work in the first week of December, and thus requests approval before the normal 20 day waiting period.

Please call if you have any questions.

Very truly yours,


James Bruce

Attorney for Amerada Hess Corporation



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

August 24, 1995

Amerada Hess Corporation
P.O. Box 52
Monument, New Mexico 88260

Attention: Robert L. Williams, Jr.

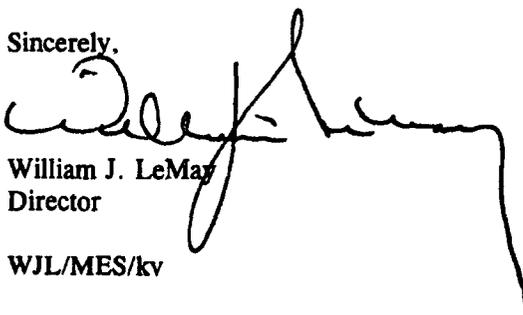
CORRECTED
Administrative Order NSP-378-A(L)(SD)

Dear Mr. Williams:

It was recently called to my attention that Division Administrative Order *NSL-378-A(SD)*, dated August 22, 1994, which authorized Amerada Hess Corporation to drill its H. L. Houston Gas Com Well No. 4 (API No. **30-025-32572**) at an unorthodox infill gas well location 1723 feet from the North line and 1310 feet from the East line (Unit H) of Section 7, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, within an existing non-standard 320-acre gas spacing and proration unit ("GPU") for the Eumont Gas Pool comprising the N/2 of said Section 7 (approved by Division Administrative Order NSP-378, dated July 27, 1957) that already had dedicated thereon the H. L. Houston Gas Com Well No. 3 (API No. **30-025-04541**), located at a standard gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 7, was assigned an incorrect "*Administrative Order No.*", or designation.

Therefore, said "*Division Administrative Order No. NSL-378-A(SD)*" shall be corrected to, "*Division Administrative Order No. NSP-378-A(L)(SD)*". All other provisions of said order shall remain in full force and effect until further notice.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
File: NSP-378

WELL
FILE _____

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____

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 Oil Conservation Division

- [2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply**
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Carol J. Moore
 Print or Type Name

Carol J. Moore
 Signature

Senior Advisor
 Title

11/21/2003
 Date

cmoore@hess.com
 e-mail Address

Amerada Hess Corporation



Permian Business Asset
P. O. Box 840
100 N. W. 7th Street
Seminole, Texas 79360

November 14, 2003

State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
2040 south Pacheco
Santa Fe, New Mexico 87504

Gentlemen:

Amerada Hess Corporation (AHC) respectfully requests your approval of this administrative application for Simultaneous Dedication.

AHC is planning to re-complete the HL Houston Gas Com #5, API No. 30-025-04553 (formerly Eunice Monument South Unit #291) in the Eumont Yates 7 Rivers Queen Pool. It is our desire to simultaneously dedicate the existing 320 acre Eumont Gas Proration Unit currently assigned to our HL Houston Gas Com #3 & #4 [Division Administrative Order NSP-378-A(L)(SD)] to all three wells. The 320-acre gas proration unit comprises the N/2 of Section 7, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. As the HL Houston Gas Com #3 & #4 are currently producing at a rate of 183 MCF/D, the proposed re-completion of EMSU #291 to HL Houston Gas Com #5 will essentially capture reserves which otherwise would not be produced from this GPU.

AHC respectfully requests your approval of this administrative application for simultaneous dedication. Attached is a location verification map and a Form C-102 plat.

If you have any questions or require any further information concerning this application, please contact me at (432) 758-6738.

Sincerely,

A handwritten signature in cursive script that reads "Carol J. Moore".

Carol J. Moore
Senior Advisor

Attachments cc:

NMOCD – Hobbs
Lease/Well Files

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address AMERADA HESS CORPORATION PO BOX 840 SEMINOLE, TX 79360		² OGRID Number 000495
		³ API Number 30-025-04553
³ Property Code 000108	⁵ Property Name H.L. HOUSTON GAS CO. (FORMERLY EMSU #291)	⁶ Well No. 5

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	7	21S	36E		1650	NORTH	1650	WEST	LEA

⁸ Proposed 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

⁹ Proposed Pool 1 EUMONT YATES / SEVEN RIVERS / QUEEN	¹⁰ Proposed Pool 2
--	-------------------------------

¹¹ Work Type Code P	¹² Well Type Code G	¹³ Cable/Rotary C	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3582'
¹⁶ Multiple N	¹⁷ Proposed Depth 4078'	¹⁸ Formation GRAMBORG	¹⁹ Contractor	²⁰ Spud Date

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14"	12 1/2"		261'	150	46'
10 3/4"	9 5/8"		1381'	500	SURFACE
8 3/4"	6 5/8"		3791'	300	2013'
5 5/8"	4 1/2"		3884'	450	0'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

DUMP CEMENT ON CIBP AT 3825'. PERFORATE SEVEN RIVERS ZONE FROM 3070 - 3190' AND FRACTURE STIMULATE. BEGIN PRODUCTION FROM EUMONT YATES / SEVEN RIVERS / QUEEN.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: Chad McGehee	OIL CONSERVATION DIVISION	
Printed name: CHAD MCGEHEE	Approved by:	
Title: SR. PETROLEUM ENGINEER	Title:	
E-mail Address: cmcgehee@hess.com	Approval Date:	Expiration Date:
Date: 11/20/03	Phone: 432-758-6707	Conditions of Approval: Attached <input type="checkbox"/>

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

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

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-04553		¹ Pool Code 22800		² Pool Name EUMONT YATES 7 RIVERS QUEEN	
⁴ Property Code 000108		⁴ Property Name H L HOUSTON GAS COM			⁶ Well Number 005
⁷ OGRID No. 000495		⁵ Operator Name AMERADA HESS CORPORATION			⁸ Elevation 3582' KB

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	7	21S	36E		1650	NORTH	1650	WEST	LEA

¹¹ 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
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>Carol J Moore</i> Signature</p> <p>CAROL J. MOORE Printed Name</p> <p>SENIOR ADVISOR cmoore@hess.com Title and E-mail Address</p> <p>11/14/2003 Date</p>
	<p>¹⁸ 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 of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

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1301 W. Grand Avenue, Artesia, NM 88210
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1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-104A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit 1 copy of the final affected wells list along with 1 copy of this form per number of wells on that list to appropriate District Office

Change of Operator

Previous Operator Information:

OGRID: 54207
Name: CHEVRON U.S.A. INC.
Address: 15 SMITH ROAD
Address: _____
City, State, Zip: MIDLAND, TX 79705

New Operator Information:

Effective Date: 11-20-03
New Ogrid: 000495
New Name: AMERADA HESS CORPORATION
Address: P.O. Box 2040
Address: _____
City, State, Zip: HOUSTON, TX 77252-2040

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the attached list of wells is true and complete to the best of my knowledge and belief.

New Operator
Signature: *John Pitzer*
Printed name: John Pitzer
Title: Operations Manager
E-mail: _____
Address: _____
Date: 11/20/03 Phone: 432-2586700

Previous operator complete below:

Previous Operator: CHEVRON U.S.A. INC.
Previous OGRID: 54207
Signature: *Charles D. Frisbie*
Printed Name: CHARLES D. FRISBIE
E-mail: _____
Address: _____

NMOCD Approval	
Signature:	_____
Printed Name:	_____
District:	_____
Date:	_____

ACQUISITION OF FOLLOWING WELL BY AMERADA HESS CORPORATION!
PROPERTY CODE 000108
EMSU # 291 (WILL BE RENAMED ^{HL} HOUSTON GAS COM # 5)
API # 30-025-04553
1650' FWL + 1650' FWL SECTION 7-215-36E
LEA COUNTY, NEW MEXICO

