

PNRM 0506658004

C-103 Received 3-2-2005  
DHC No, Assigned 3-7-2005

Order Number	API Number	Operator	County			
HOB-0108	30-025-36776	Amerada Hess Corp.	Lea			
Order Date	Well Name	Number	Location			
	M. J. Raley B	001	<input type="checkbox"/> UL	<input type="checkbox"/> 17 Sec	<input type="checkbox"/> 20S T (+Dir)	<input type="checkbox"/> 38E R (+Dir)
		Oil %	Gas %			
Pool 1	47400	Nadine Paddock B Linebry, W.	77%	59%		
Pool 2	57000	Skaggs Drinkard	23%	41%		
Pool 3						
Pool 4						
Comments: Work completed effective _____						
Work cancelled effective _____						
Supplement _____						

Posted to  
RBDYML  
3-7-2005

**DOWNHOLE COMMINGLE CALCULATIONS:**

30-025-36776

OPERATOR: Amerada Hess Corp.

HOB-0108

PROPERTY NAME: M. J. Raley B

WNULSTR: 1-C, 17-20-38

SECTION I:

ALLOWABLE AMOUNT

47400

POOL NO. 1 Nadine Paddock Blinebry, W. 142 994 MCF 7000

52000

POOL NO. 2 Skaggs Drinkard 142 1420 MCF 10000

POOL NO. 3 \_\_\_\_\_ MCF

POOL NO. 4 \_\_\_\_\_ MCF

POOL TOTALS 284 2414

SECTION II:

Oil

Gas

POOL NO. 1 Nadine Paddock-Blinebry, W.

$77\% \times 284 = 218.68$

59%

POOL NO. 2 Skaggs Drinkard

23%

41%

POOL NO. 3 \_\_\_\_\_

POOL NO. 4 \_\_\_\_\_

OIL

GAS

SECTION III:

$142 \div 77\% = 184.41 (185)$

SECTION IV:

$185 \times 77\% = 142.45 (142)$

$185 \times 23\% = 42.55 (43)$

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., 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 and Natural Resources

Form C-103  
 March 4, 2004

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. 30-025-36776
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name MJ Raley B
8. Well Number 001
9. OGRID Number 000495
10. Pool name or Wildcat Skaggs Drinkard (57000), Nadine Paddock Blinebry West (47400)

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
 Oil Well  Gas Well  Other

2. Name of Operator  
 Amerada Hess Corporation

3. Address of Operator P.O. Box 840  
 Seminole, TX 79360

4. Well Location  
 Unit Letter C : 650 feet from the North line and 2070 feet from the West line  
 Section 17 Township 20S Range 38E NMPM County Lea

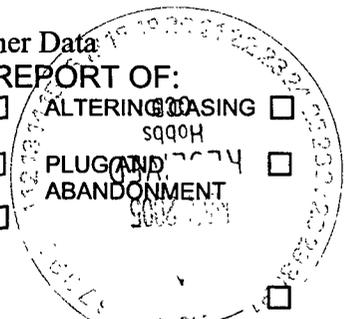
11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 3562' GL

**Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)**

Pit Location: UL      Sect      Twp      Rng      Pit type      Depth to Groundwater      Distance from nearest fresh water well       
 Distance from nearest surface water      Below-grade Tank Location UL      Sect      Twp      Rng      ;  
     feet from the      line and      feet from the      line

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER: <input type="checkbox"/>
OTHER: Downhole Commingle Drinkard/Blinebry <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	



13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. Please refer to Order R-11363

Plan to MIRU Key Energy, install 6" 900 BOP. TIH w/bit & drill out cement to TD of 7200'. Run CBL from 7187' - 1100'. TIH w/guns & perf 5 1/2" csg in ABO zone fr/7141'-7176'. Acidize zone, swab & test. TIH w/CIBP set @ 7130'. Perf Drinkard zone fr/6887'-7022'. Acidize zone, swab & test. Perf Blinebry fr/5886'-6082', & addtl Drinkard fr/6768'-6771'. Acidize perfs. Set RBP @ 6636' to isolate Blinebry, swab & test. Release RBP. Install production equip and produce well fr/Drinkard and Blinebry zones. Allocation based on reserves by zone and tests. Working, royalty & overriding royalty interests are identical in all commingled zones. Commingling will not reduce the value of production. Well is located on private land. Please see attached.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit  or an (attached) alternative OCD-approved plan .

SIGNATURE Carol J. Moore TITLE Senior Advisor/Regulatory DATE 2/2/2005  
 Type or print name Carol J. Moore E-mail address: cmoore@hess.com Telephone No. (432)758-6738

(This space for State use) DHC Order No. HOB-0108

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE MAR 07 2005  
 Conditions of approval, if any:

**ALLOCATION OF PRODUCTION FOR RALEY B#1 WELL**  
 (Allocation by zone for Blinebry and Drinkard zones)

**A. OIL PRODUCTION ALLOCATION DETERMINED FROM NET PAY OFF LOGS**  
 (Using best technical estimate of effective net pay / swab results)

<b>ZONE</b>	<b>NET PAY (FT.)</b>	<b>NET PAY (%)</b>
BLINEBRY NET PAY COMPLETED	13.5	77%
DRINKARD NET PAY COMPLETED	4	23%
<b>TOTAL NET PAY COMPLETED</b>	<b>17.5</b>	<b>100%</b>

**GAS PRODUCTION DETERMINED BY OFFSET CUM GOR AVERAGES**

BLINEBRY AVERAGE GOR	3000	59%
DRINKARD AVERAGE GOR	7000	41%

**C. SUMMARY OF ALLOCATION PERCENTAGES BY ZONE**

<b>ZONE</b>	<b>OIL</b>	<b>GAS</b>
<b>NADINE PADDOCK BLINEBRY WEST (47400)</b>	<b>77%</b>	<b>59%</b>
<b>SKAGGS DRINKARD (57000)</b>	<b>23%</b>	<b>41%</b>
	<b>100%</b>	<b>100%</b>

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 Oil Conservation Division  
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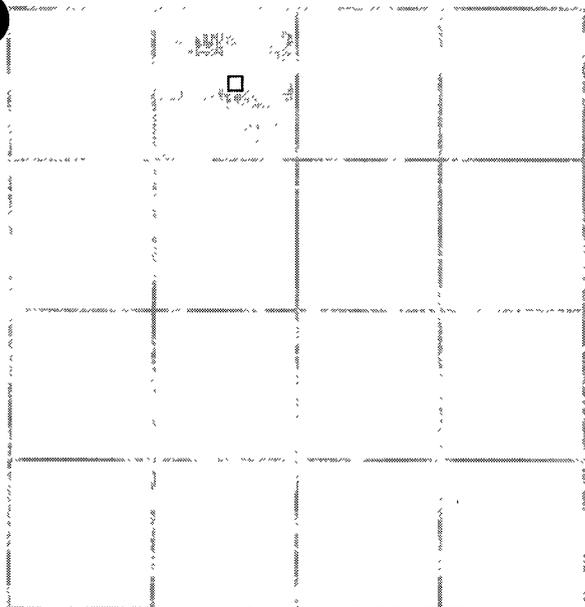
Form C-102  
 Permit 1222

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-025-36776	Pool Name NADINE,PADDOCK-BLINEBRY, WEST	Pool Code 47400
Property Code 34133	Property Name MJ RALEY B	Well No. 001
OGRID No. 495	Operator Name AMERADA HESS CORP	Elevation 3562

**Surface And Bottom Hole Location**

UL or Lot C	Section 17	Township 20S	Range 38E	Lot Idn C	Feet From 650	N/S Line N	Feet From 2070	E/W Line W	County Lea
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						



**OPERATOR CERTIFICATION**

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.*

Electronically Signed By: Carol Moore

Title: Semor Advisor, Regulatory

Date: 07/20/2004

**SURVEYOR CERTIFICATION**

*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.*

Surveyed By Gary Jones

Date of Survey: 09/18/2000

Certificate Number: 0522

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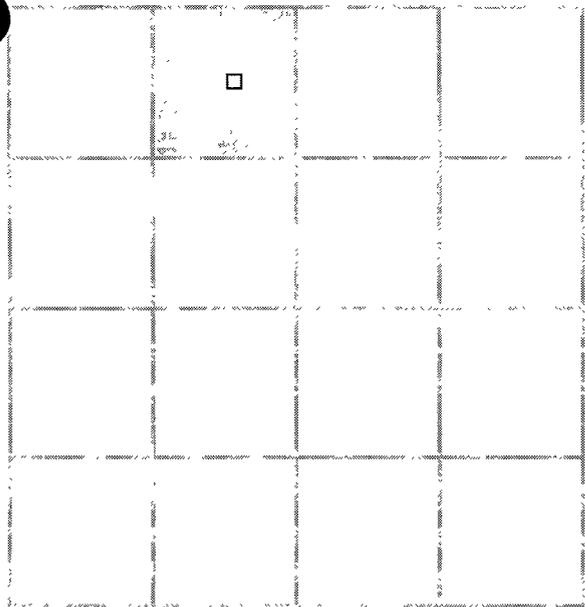
Form C-102  
 Permit 1222

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

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Property Code 34133	Property Name MJ RALEY B	Well No. 001
OGRID No. 495	Operator Name AMERADA HESS CORP	Elevation 3562

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