

AMERADA HESS CORPORATION

P. O. BOX D
MONUMENT, NM 88265-0052
505-365-2144

September 21, 1994

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division

Attn: William J. LeMay, Director

Re: Memo dated September 2, 1994 from the NMOCD
Commission Hearing on September 22, 1994 Concerning Prorated Gas
Allowables for the October 1994 through March 1995 Period

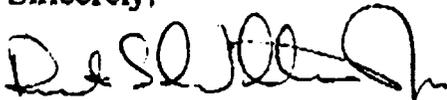
Dear Sirs:

Amerada Hess Corporation, a gas producer in prorated gas pools in New Mexico, respectfully supports the proposed Market Demand and Allowable Determination Schedule. Existing allowables in the Eumont Prorated Gas Pool, Lea County, New Mexico, have in the past 9 months encouraged development drilling of seven (7) Eumont gas wells, six (6) of which are completed and produce an average of 1319 MCFPD. One (1) fracture stimulation of an existing producer was performed exhibiting a 600 MCFPD production increase.

For the coming six (6) month period Amerada Hess plans, based on current allowables: to drill three (3) additional Eumont wells; perform two (2) recompletions to the Eumont; and perform six (6) fracture stimulations of existing producers.

Diminished allowables would discourage current activity and development levels resulting in delayed or cancellation of planned work. Amerada Hess Corporation thus supports allowable recommendations as presented.

Sincerely,



Robert L. Williams Jr.
Senior Production Foreman
Monument Area - New Mexico Production
Amerada Hess Corporation