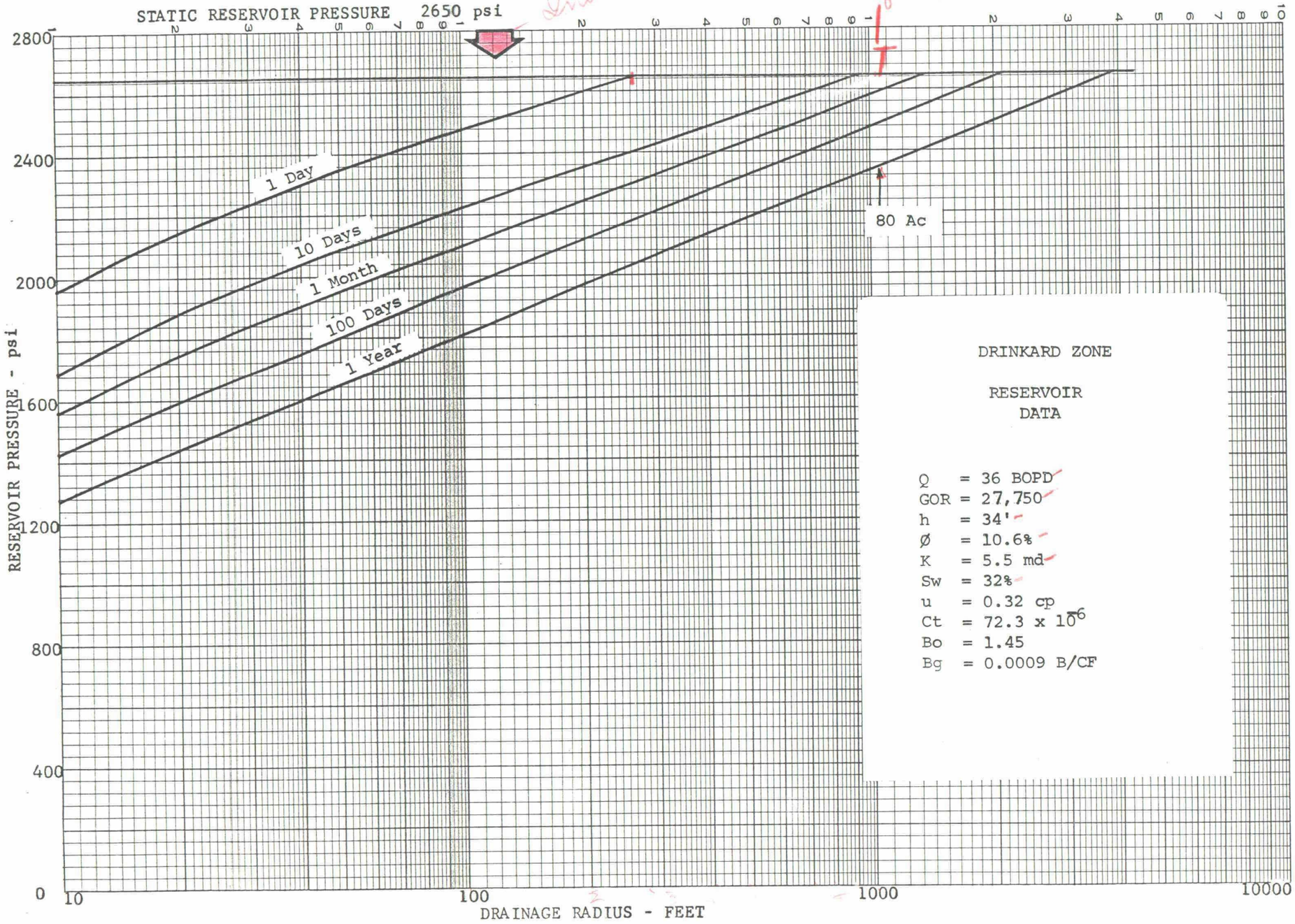
NO. 340R-L310 DIETZGEN GRAPH PAPER
SEMI-LOGARITHMIC—3 CYCLES X 70 DIVISIONS

EUGENE DIETZGEN CO.
MADE IN U. S. A.

Initial B.H.P.

80 Ac Reline

STATIC RESERVOIR PRESSURE 2650 psi



DRINKARD ZONE

RESERVOIR
DATA

Q = 36 BOPD
GOR = 27,750
h = 34'
Ø = 10.6%
K = 5.5 md
Sw = 32%
u = 0.32 cp
Ct = 72.3 x 10^{-6}
Bo = 1.45
Bg = 0.0009 B/CF

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
amended
Hea EXHIBIT NO. 4
CASE NO. 4173

HOBBS DRINKARD FIELD

WELL SPACING ECONOMICS

	40 Acre Spacing	80 Acre Spacing
Gross Recovery		
Oil, BSTO	26,100	52,200
Gas, MMSCF	668.0	1,336.0
Gross Interest Income		
Oil, $	71,400	143,800
Gas, $	74,200	150,600
Total	145,600	294,400
State and Local Tax, $	14,600	29,400
Lifting Cost @ $250/month, $	18,000	36,000
Total Expense, $	32,600	65,400
Operating Income, $	113,000	229,000
Single Well Cost Investment, $	92,200	92,200
Net Income Before Income Tax, $	20,800	136,800
Profit To Investment Ratio	0.23	1.50
Producing Life, Years	6	12
Dual Well Cost Investment, $	**19,900**	**19,900**
Net Income Before Income Tax, $	**93,100**	**209,100**
Profit to Investment Ratio	**4.7**	**10.5**

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
amerada Hess EXHIBIT NO. 5
CASE NO. 4173

HOBBS DRINKARD FIELD

ECONOMIC COMPARISON OF GOR RESTRICTION

ALLOWABLE COMPARISON

	Top Allowable		Prorated Allowable	
	Oil Bbl/D	Gas MCF/D	Oil Bbl/D	Gas MCF/D
40 Ac w/ 2,000 GOR Limit	114	228	10.7	228
80 Ac w/ 2,000 GOR Limit	178	356	16.7	356
40 or 80 Ac Unpenalized	-	-	36.0	769

MONTHLY INCOME COMPARISON

	Income			Expense		Net Profit
	Oil	Gas	Total	Tax	Lifting	BFIT
40 Ac w/ 2,000 GOR Limit	$ 876	$ 760	$1,636	$131	$250	$1,255
80 Ac w/ 2,000 GOR Limit	$1,367	$1,187	$2,554	$204	$250	$2,100
40 or 80 Ac Unpenalized	$2,948	$2,564	$5,512	$441	$250	$4,821

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
Amerada Hess EXHIBIT NO. 6
CASE NO. 4173

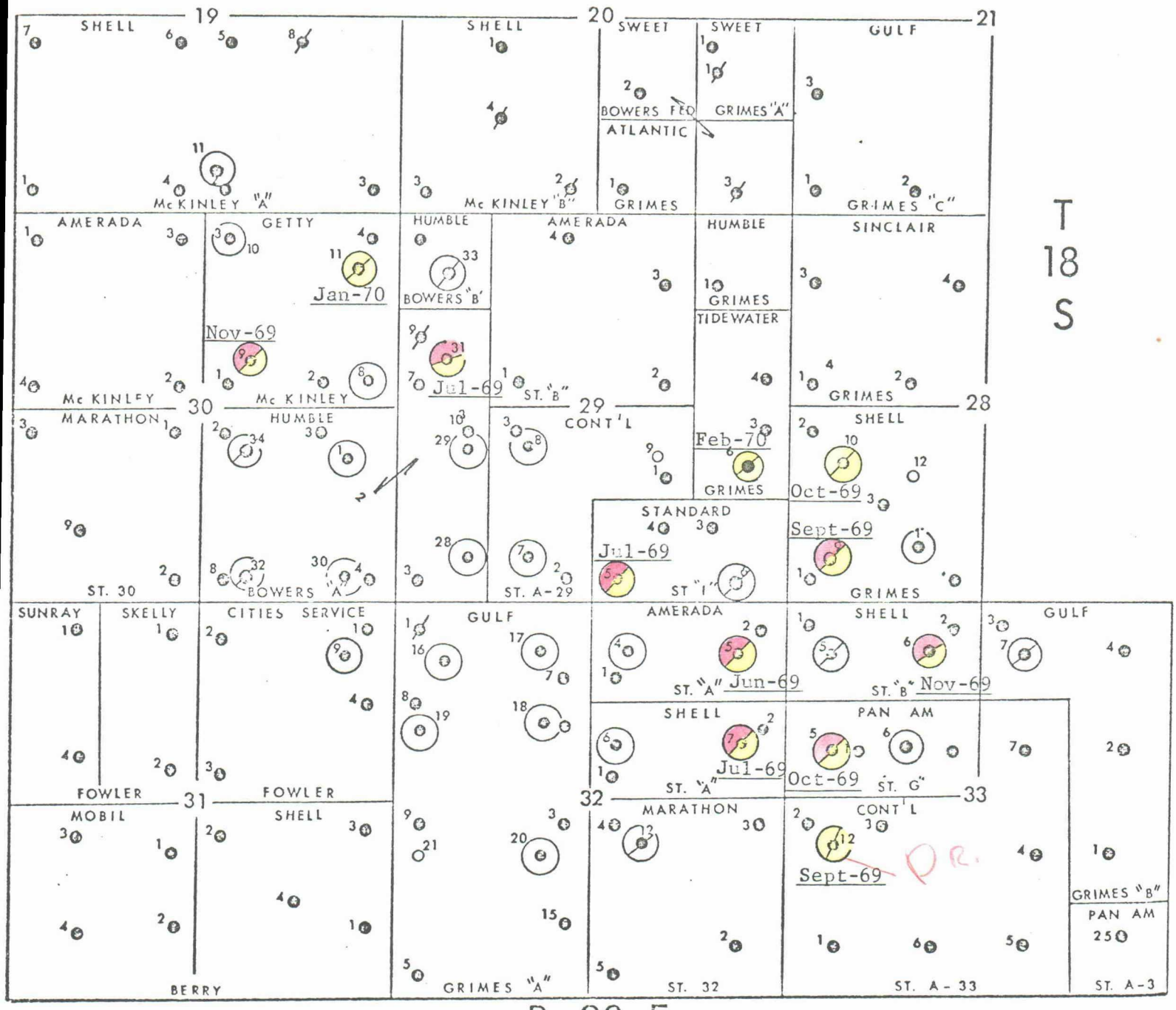
HOBBS - DRINKARD POOL

CASE NO. 4173

EXHIBITS

July 1, 1970

C
4173
7-1-70



T 18 S

R 38 E

HOBBS DRINKARD POOL

Lea County, New Mexico

Scale 1" = 2000'

- Grayburg-San Andres Well
- Drinkard Well
- Blinebry-Drinkard Dual Well
- Blinebry-San Andres Dual Well

Total Producing Wells in Pool (7-1-70) ;12

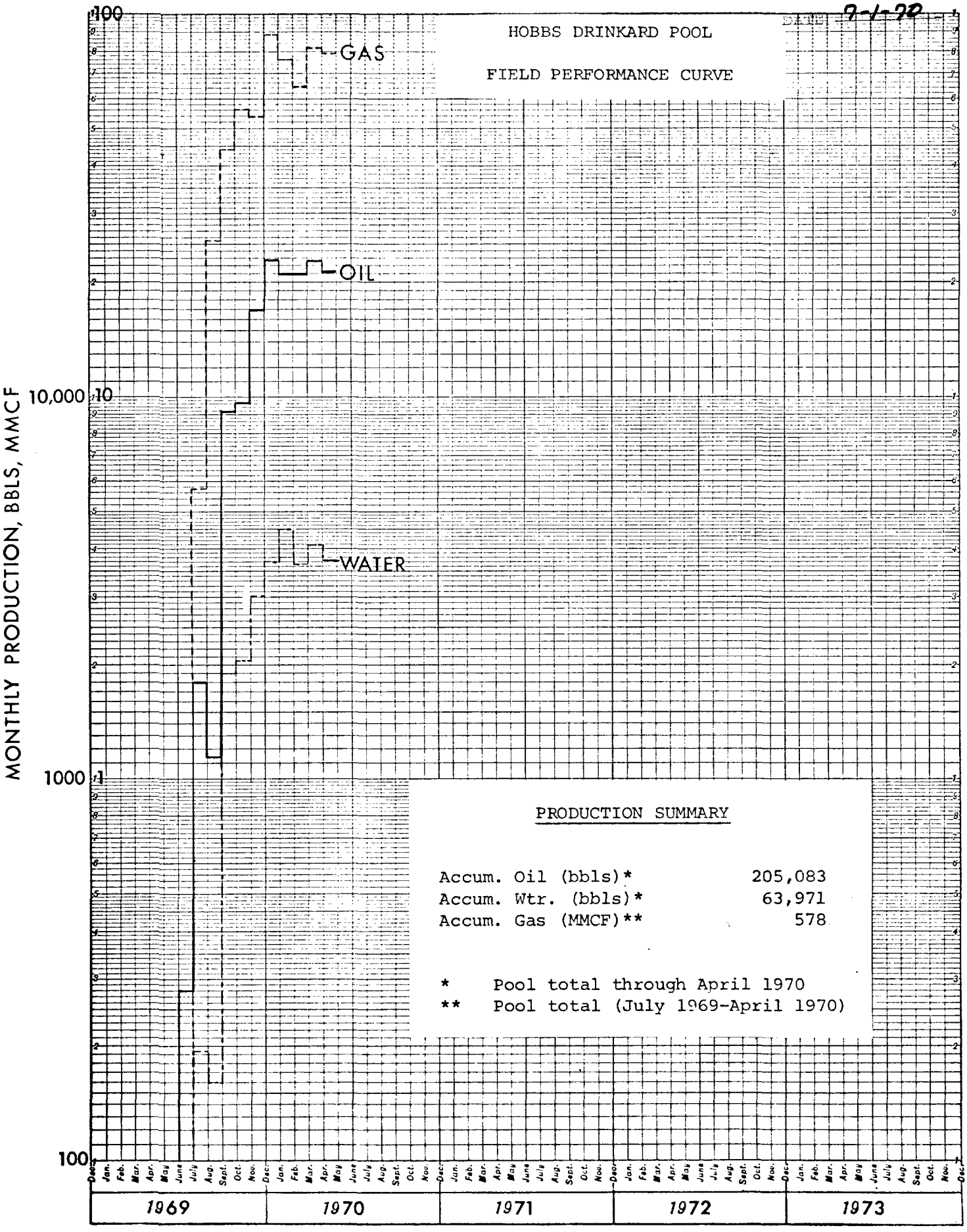
0

4/73

9-1-70

HOBBS DRINKARD POOL

FIELD PERFORMANCE CURVE



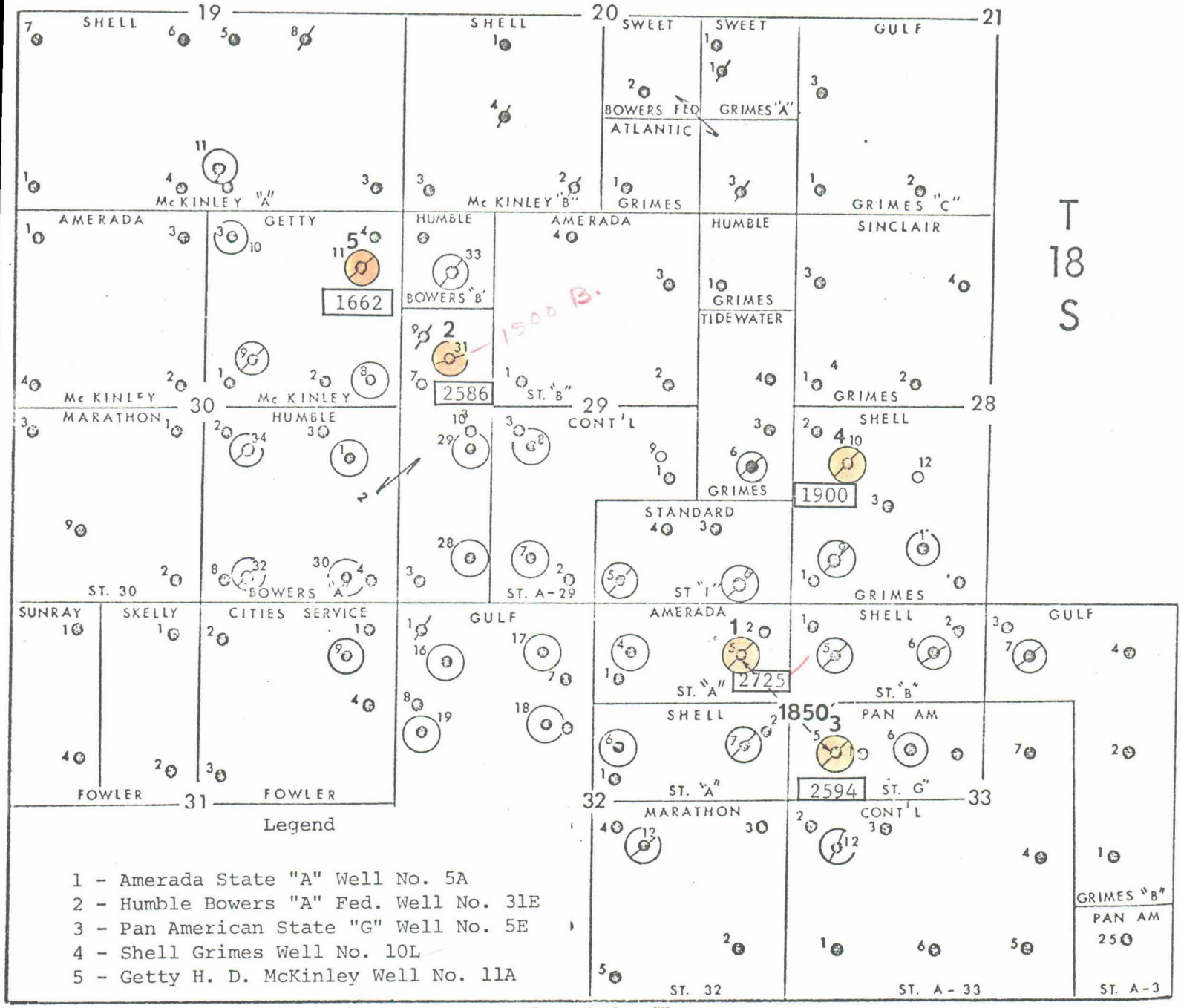
PRODUCTION SUMMARY

Accum. Oil (bbls)*	205,083
Accum. Wtr. (bbls)*	63,971
Accum. Gas (MMCF)**	578

* Pool total through April 1970

** Pool total (July 1969-April 1970)

EXHIBIT E
CASE 4173
DATE 7-1-70



T 18 S

R 38 E

Legend

1 - Amerada State "A" Well No. 5A
2 - Humble Bowers "A" Fed. Well No. 31E
3 - Pan American State "G" Well No. 5E
4 - Shell Grimes Well No. 10L
5 - Getty H. D. McKinley Well No. 11A

(6) Tested

HOBBS DRINKARD POOL

Lea County, New Mexico

Scale 1" = 2000'

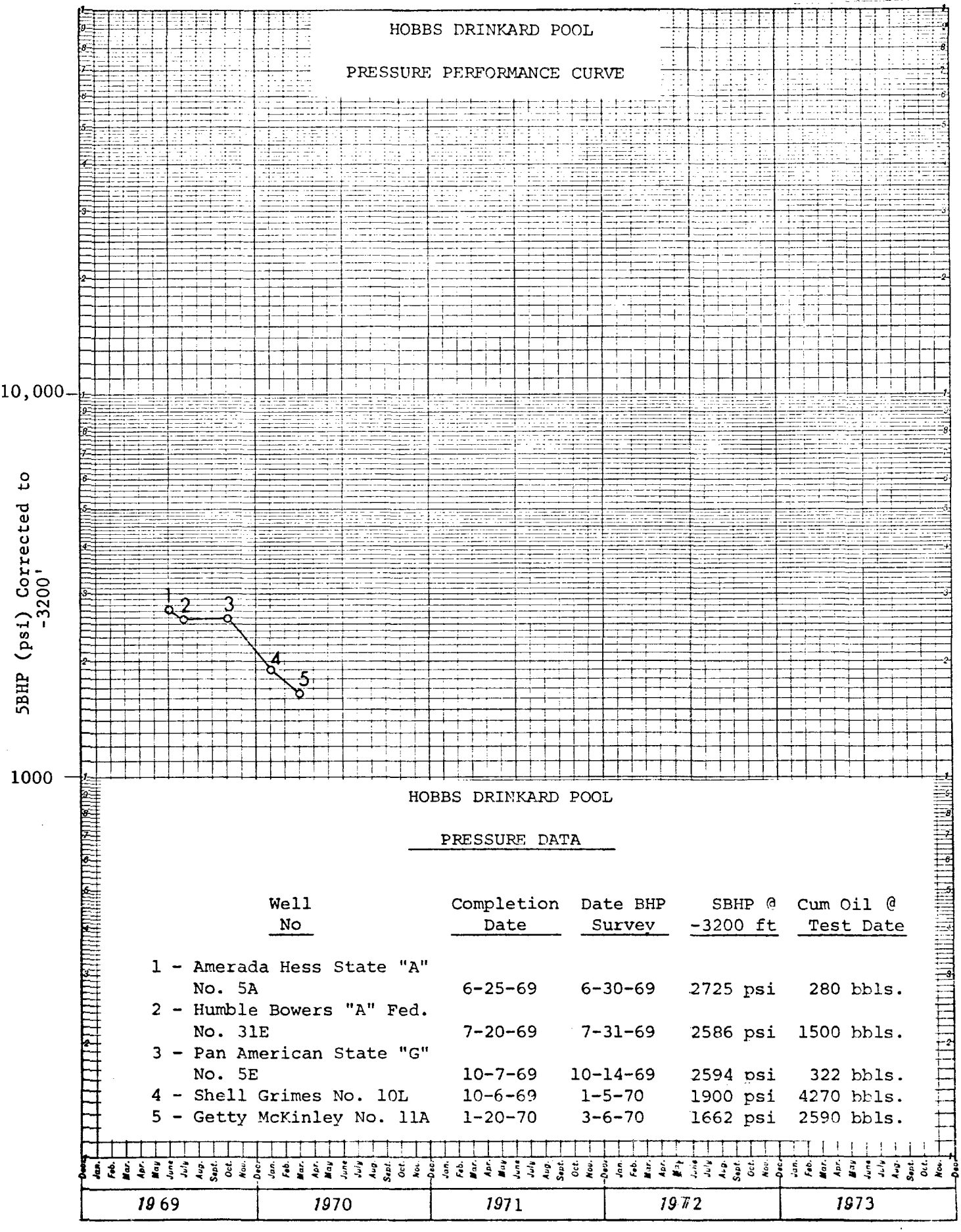
Note: All Pressures Corrected to a -3200' Datum

RESERVOIR PRESSURE

F
4173
7-1-70

HOBBS DRINKARD POOL

PRESSURE PERFORMANCE CURVE



HOBBS DRINKARD POOL

PRESSURE DATA

Well No	Completion Date	Date BHP Survey	SBHP @ -3200 ft	Cum Oil @ Test Date
1 - Amerada Hess State "A" No. 5A	6-25-69	6-30-69	2725 psi	280 bbls.
2 - Humble Bowers "A" Fed. No. 31E	7-20-69	7-31-69	2586 psi	1500 bbls.
3 - Pan American State "G" No. 5E	10-7-69	10-14-69	2594 psi	322 bbls.
4 - Shell Grimes No. 10L	10-6-69	1-5-70	1900 psi	4270 bbls.
5 - Getty McKinley No. 11A	1-20-70	3-6-70	1662 psi	2590 bbls.

HOBBS DRINKARD FIELD

WELL SPACING ECONOMICS

	40 Acre Spacing	80 Acre Spacing
Gross Recovery		
Oil, BSTO	26,100	52,200
Gas, MMSCF	668.0	1,336.0
Gross Interest Income		
Oil, $	71,400	143,800
Gas, $	74,200	150,600
Total	145,600	294,400
State and Local Tax, $	14,600	29,400
Lifting Cost @ $250/month, $	18,000	36,000
Total Expense, $	32,600	65,400
Operating Income, $	113,000	229,000
Single Well Cost Investment, $	92,200	92,200
Net Income Before Income Tax, $	20,800	136,800
Profit To Investment Ratio	0.23	1.50
Producing Life, Years	6	12
Dual Well Cost Investment, $	19,900	19,900
Net Income Before Income Tax, $	93,100	209,100
Profit to Investment Ratio	4.7	10.5

AMERADA DIVISION
AMERADA HESS CORPORATION
EXHIBIT H
CASE 4173
DATE 7-1-90

HOBBS DRINKARD POOL

ECONOMIC COMPARISON OF GOR RESTRICTION

ALLOWABLE COMPARISON (Well GOR = 4000 ft^3/BBL)

	TOP ALLOWABLE		PENALIZED ALLOWABLE	
	Oil (B/D)	Gas (MCF/D)	Oil (B/D)	Gas (MCF/D)
80 A w/2000 GOR Limit	194	388	97	388
80 A w/4000 GOR Limit	194	776	194	776

ECONOMIC COMPARISON (Based on Average well performance)

	80 A w/2000 GOR Limit	80 A w/4000 GOR Limit
Net Income Before Income Tax	$31,700	$48,400
Net Operating Expense	$15,000	$ 9,000
Profit/Investment Ratio	0.26	0.40
Gross Gas (MMCF)	104.4	208.8
Gross Oil (BBLS)	52,200	52,200

I
4173
7-1-70

HOBBS DRINKARD POOL

GOR DATA

Well	GOR (ft^3/BBL)*
Amerada Hess State "A" No. 5A	24165
Continental Oil State "A-33" No. 12L	2920
Getty Oil H. D. McKinley No. 9G	701
Getty Oil H. D. McKinley No. 11A	1936
Getty Oil W. D. Grimes No. 6I	14666
Humble Bowers "A" Fed. No. 31E	638
Pan American State "G" No. 5E	780
Shell Grimes No. 9M	2400
Shell Grimes No. 10L	6800
Shell State "A" No. 7H	5000
Shell State "B" No. 6C	1987
Standard Oil-Texas State "I" No. 50	6406

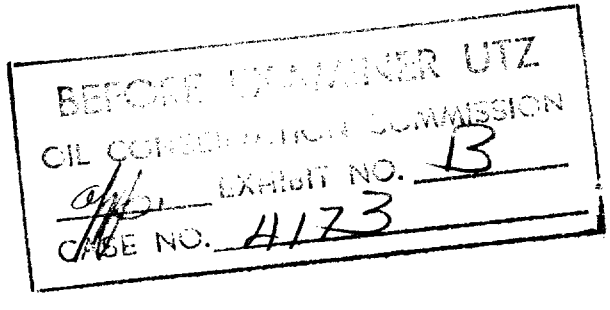
Pool Total: 12 wells

No. Wells in pool w/GOR greater than 4000/1: 5 or 42% total wells

No. Wells in pool w/GOR greater than 2000/1: 7 or 58% total wells

*GOR's taken from June 1970 Proration Schedule

HOBBS-DRINKARD POOL
LEA COUNTY, NEW MEXICO
CASE NO. 4173
OCTOBER 28, 1970



CHEVRON OIL COMPANY
EXHIBIT NO. _____
OIL & GAS DOCKET NO. 4173
DATE October 28, 1970

HOBBS DRINKARD FIELD
PRESENT WELL ECONOMICS
80 ACRE SPACING

sec. 29

Gross Recovery		
Oil	35,000 Barrels	
Gas	384,000 MCF	
Gross Working Interest Income		$134,000
Operating Cost		$ 12,000
State & Local Taxes		9,700
Total Expense		$ 21,700
Income Before Income Tax		$112,300
Investment - Single Well		$110,000
Net Profit Before Income Tax		$ 2,300
Producing Life		4 Years

B-1

CHEVRON OIL COMPANY
EXHIBIT NO. 1
OIL & GAS DOCKET NO. 4173
DATE October 28, 1970

HOBBS DRINKARD FIELD
GAS INJECTION PROJECT

Estimated Investment — $300,000

Gathering System
Compressor
Injection Lines
Injection Well Conversions

Operating Costs

Operating Costs of System	$4,000/month
Present Operating Costs (12 Wells)	3,000/month
Total Operating Costs	$7,000/month

Increase in Ultimate Oil Recovery — -0-

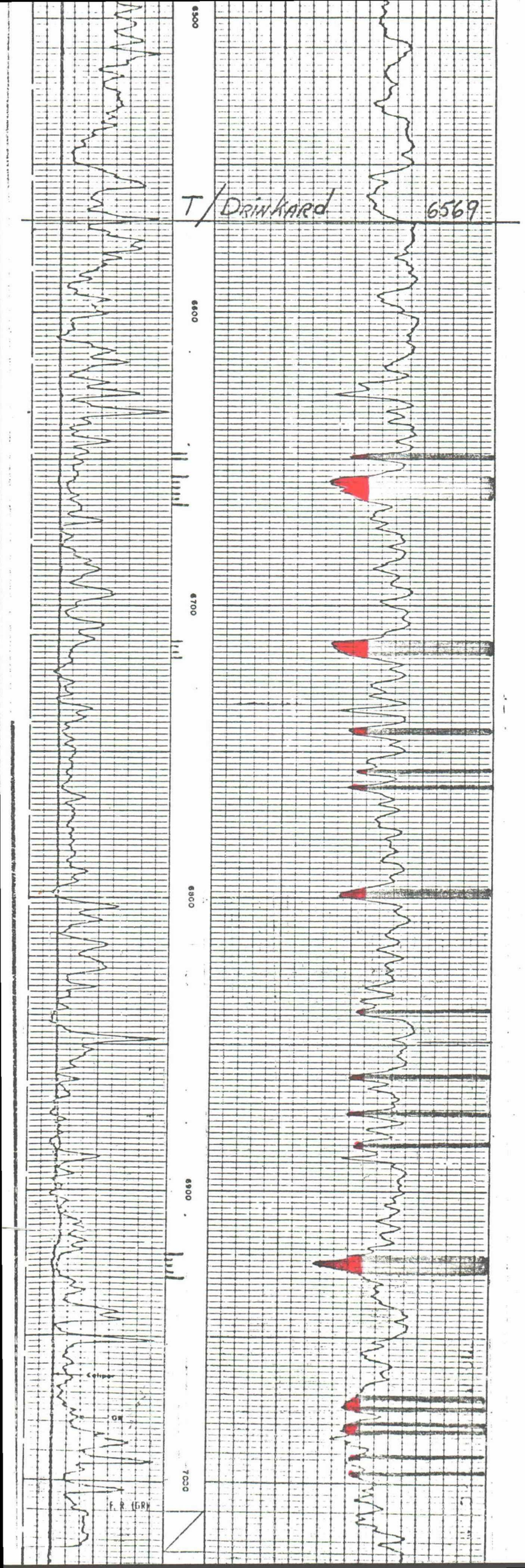
Project Risk and Reasons for Possible Loss in Ultimate Recovery

a. The presence of thin zones with high gas saturation may cause premature breakthrough of injected gas into offset producing wells.

b. All of the remaining reserves in the wells converted to injection may not be recovered by offset producing wells.

c. The greatly increased operating costs will cause abandonment of the field at a much higher producing rate.

CHEVRON OIL COMPANY
EXHIBIT NO. 3
OIL & GAS DOCKET NO. 4173
DATE October 28, 1970



Chevron Oil Company
State 1 No. 5 Well
Hobbs (Drinkard) Field

Initial Potential 7-29-69
Perfs 6648-66 & 6922-30

F 80 BO, 0 BWPD, TP 100 psi
GOR 6000

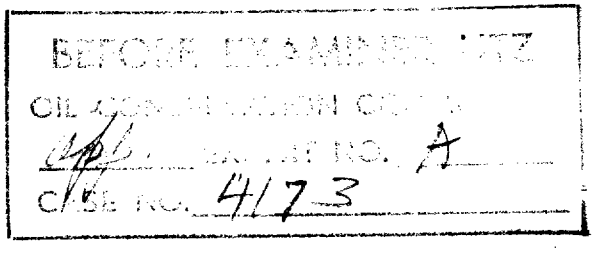
CHEVRON OIL COMPANY
EXHIBIT NO. 2
OIL & GAS DOCKET NO. 4173
DATE October 28, 1970

AMERADA DIVISION

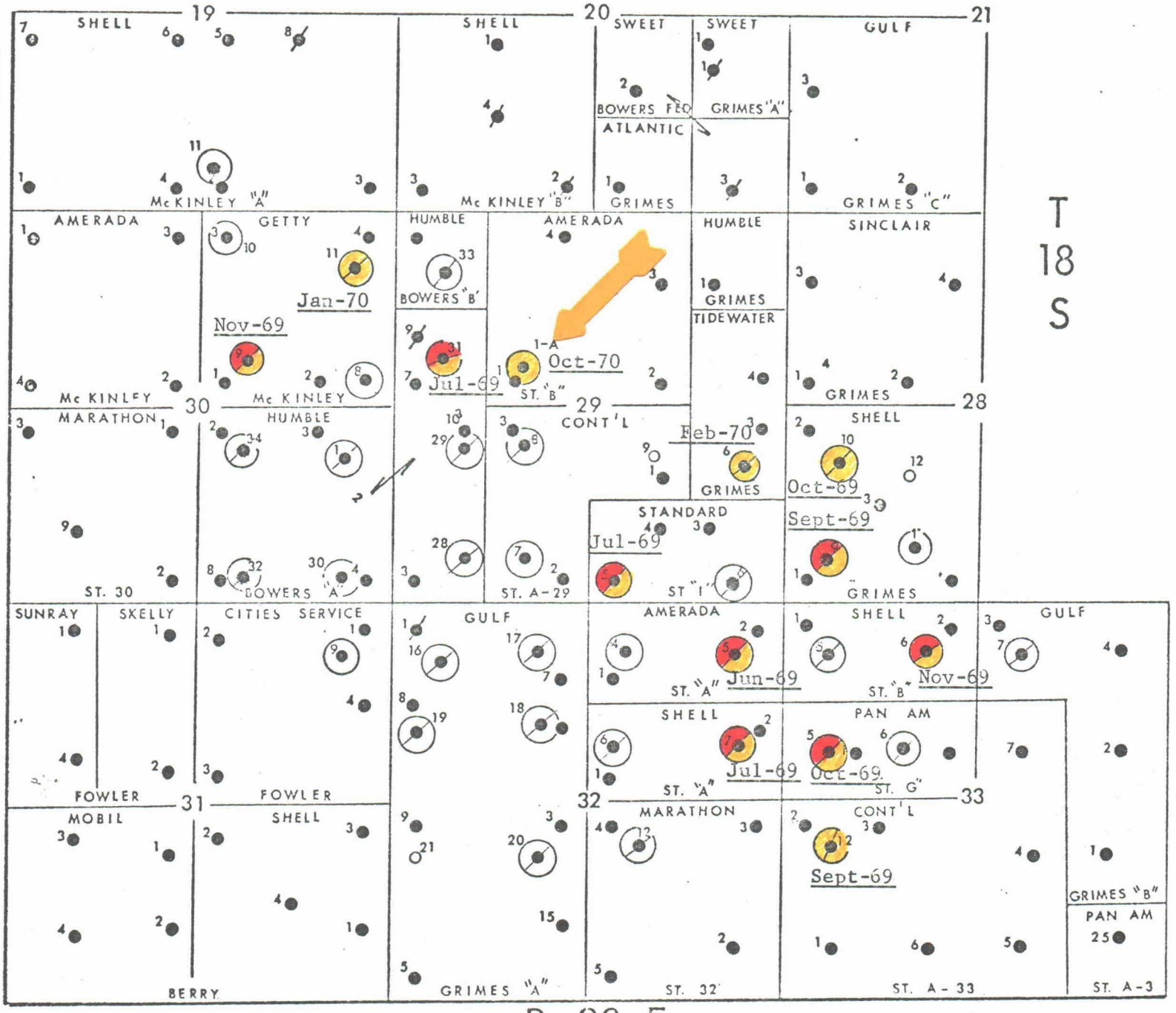
AMERADA HESS CORPORATION

EXHIBITS
CASE NO. 4173
HOBBS DRINKARD POOL
LEA COUNTY, NEW MEXICO

October 28, 1970



AMERADA DIVISION
AMERADA HESS CORPORATION
EXHIBIT #1
CASE 4473
DATE 10-28-70



T 18 S

R 38 E

HOBBS DRINKARD POOL

Lea County, New Mexico

Scale 1" = 2000'

- Grayburg-San Andres Well
- Drinkard Well
- Blinebry-Drinkard Dual Well
- Blinebry-San Andres Dual Well

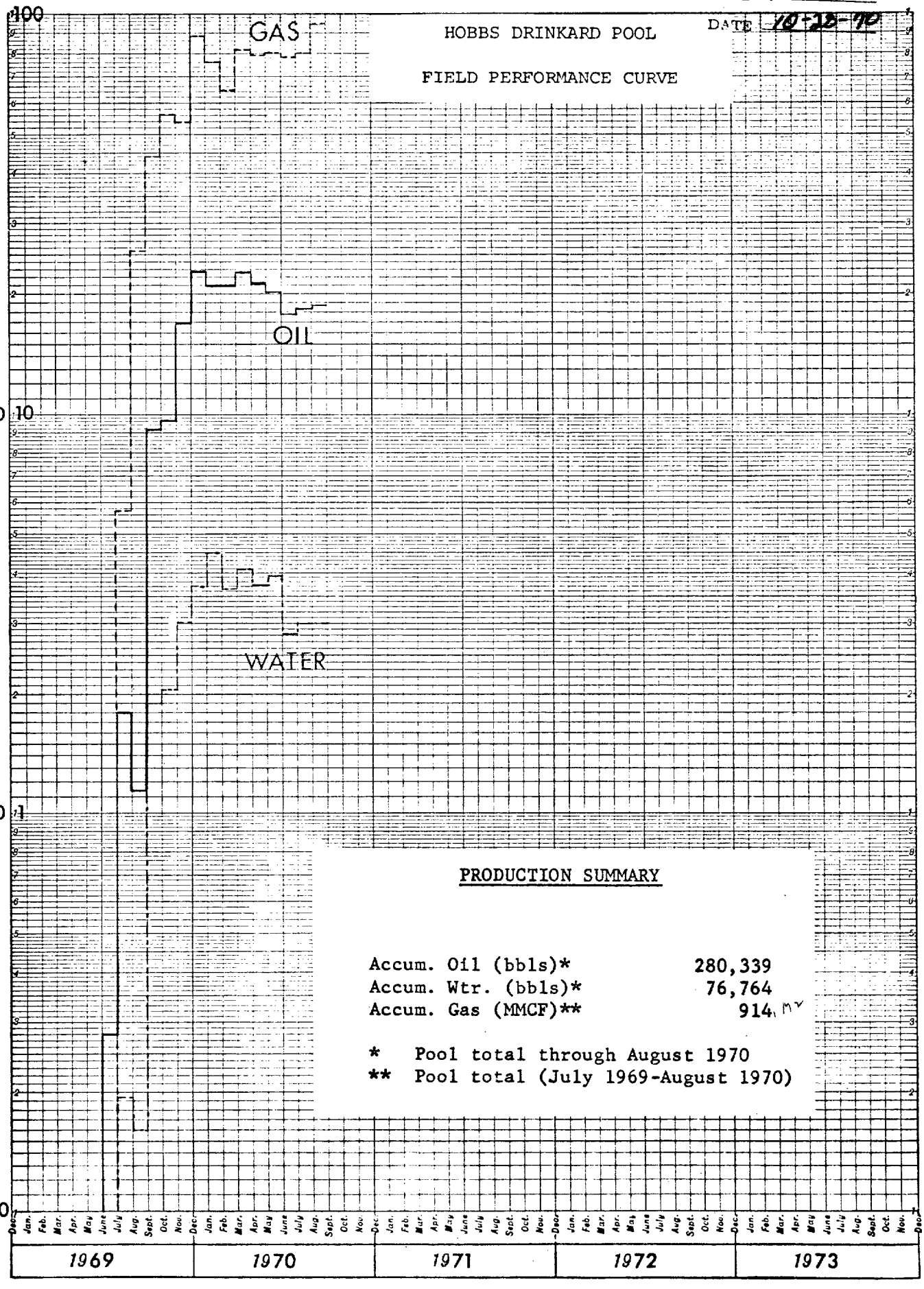
Total Producing Wells in Pool (11-1-70) ;13

AMERADA HESS CORPORATION

EXHIBIT #2

CASE 4173

DATE 10-28-70



PRODUCTION SUMMARY

Accum. Oil (bbls)*	280,339
Accum. Wtr. (bbls)*	76,764
Accum. Gas (MMCF)**	914 MV

* Pool total through August 1970

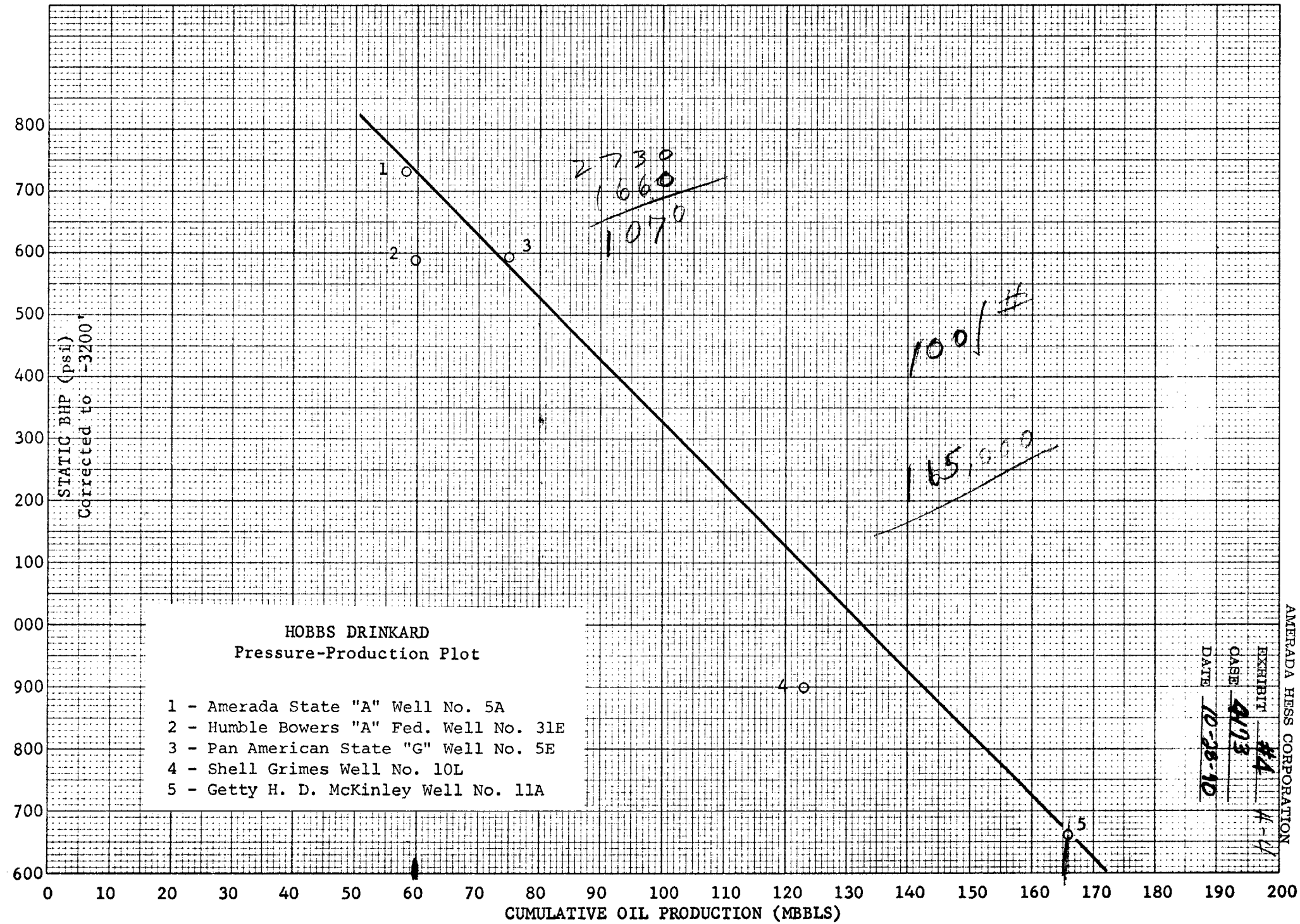
** Pool total (July 1969-August 1970)

AMERADA DIVISION
AMERADA HESS CORPORATION
EXHIBIT #3 A-3.
CASE 4173
DATE 10-28-70

HOBBS DRINKARD FIELD

WELL SPACING ECONOMICS

	40 Acre Spacing	80 Acre Spacing
Gross Recovery		
Oil, BSTO	26,100	52,200
Gas, MMSCF	668.0	1,336.0
Gross Interest Income		
Oil, $	71,400	143,800
Gas, $	74,200	150,600
Total	145,600	294,400
State and Local Tax, $	14,600	29,400
Lifting Cost $250/month, $	18,000	36,000
Total Expense, $	32,600	65,400
Operating Income, $	113,000	229,000
SINGLE WELL COST INVESTMENT, $	92,200	92,200
Net Income Before Income Tax, $	20,800	136,800
Profit to Investment Ratio	0.23	1.50
Producing Life, Years	6	12



HOBBS DRINKARD
Pressure-Production Plot

1 - Amerada State "A" Well No. 5A
2 - Humble Bowers "A" Fed. Well No. 31E
3 - Pan American State "G" Well No. 5E
4 - Shell Grimes Well No. 10L
5 - Getty H. D. McKinley Well No. 11A

AMERADA HESS CORPORATION
AMERADA DIVISION

EXHIBIT #4
CASE 4423
DATE 10-28-10

CORE ANALYSIS TABULAR DATA

SAMPLE NUMBER	DEPTH	PLUG PERM M. D.	POROSITY %	WHOLE CORE PERMEABILITY MAX.	WHOLE CORE PERMEABILITY 90%	TOTAL WATER SATURATION % P. V.	RESIDUAL OIL SATURATION % P. V.	OIL FLO. %	REMARKS
216	6897-98	<.1	4.6			64.3	12.9	80	Dolo
217	-99	80.0	16.9			15.4	19.0	100	Dolo
218	-00	34.2	14.6			21.3	24.1	100	Dolo
219	6900-01	27.5	13.8			22.5	23.2	100	Dolo
220	-02	32.2	14.2			21.9	23.9	100	Dolo
221	-03	41.7	14.5			20.7	24.8	100	Dolo
222	-04	27.5	12.7			22.1	23.6	100	Dolo
223	-05	5.2	12.7			22.1	18.0	100	Dolo
224	-06	3.7	10.1			28.0	25.9	100	Dolo
225	-07	3.0	11.4			24.5	19.2	100	Dolo
226	-08	0.5	10.1			39.8	29.8	100	Dolo
227	-09	3.0	11.8			22.2	14.7	100	Dolo
228	-10.5	0.2	8.6			29.7	27.3	100	Dolo
	-11.5	No analysis (dolo, no stain)							
229	-13	0.4	10.6			27.4	28.3	100	Dolo
230	-14	0.1	7.2			38.6	30.3	100	Dolo
231	-15	0.1	10.2			27.6	21.7	90	Dolo
232	-16	<.1	3.2			50.2	18.8	90	Dolo
233	-17.5	0.1	6.5			30.8	34.9	90	Dolo
	-22	No analysis (dolo, no stain)							
234	6922-23	0.5	8.7			36.3	43.2	90	Dolo
235	-24	0.1	13.2			25.7	18.1	100	Dolo
236	-25	0.5	11.1			34.0	21.5	100	Dolo
237	-26	0.4	9.0			26.7	31.1	100	Dolo
238	-27	0.3	8.3			24.1	28.9	100	Dolo
239	-28	0.3	7.5			26.6	29.2	100	Dolo
240	-29	<.1	2.6			62.2	23.4	50	Dolo
241	-30	<.1	6.6			33.4	9.1	50	Dolo
242	-31	<.1	7.4			27.1	24.4	100	Dolo
243	-32	5.1	11.5			17.4	19.1	100	Dolo
244	-33	4.4	11.3			17.5	21.9	100	Dolo
245	-34	3.0	9.3			25.9	21.6	100	Dolo
246	-35	<.1	4.5			67.2	18.0	100	Dolo
247	-36	<.1	3.0			56.7	20.0	100	Dolo
248	-37	0.2	10.0			32.0	20.0	100	Dolo
	-39	No analysis (dolo, no stain)							
249	-40	<.1	6.9			40.4	26.0	90	Dolo
250	-41	3.0	9.1			28.5	28.5	90	Dolo
251	-42	106.0	16.5			20.6	23.0	90	Dolo
		Core #10 6942-6997' Rec. 55'							
252	-43	64.3	10.5			28.7	22.9	100	Dolo, anhy, PPP
253	-44	0.3	8.0			40.0	40.0	100	Dolo, anhy
254	-45	2.2	8.7			39.1	29.9	100	Dolo, anhy
255	-46	2.2	11.7			29.0	23.9	100	Dolo, anhy
256	-47	0.4	7.2			43.3	30.7	100	Dolo, anhy
257	-48	0.2	7.5			45.3	37.4	100	Dolo, anhy, PPP
258	-49	6.3	12.0			27.6	10.0	100	Dolo, anhy, PPP
259	-50	2.0	7.5			42.8	29.5	100	Dolo, anhy, PPP
260	-51	2.4	7.4			43.3	29.7	100	Dolo, anhy, PPP
261	-52	<.1	5.8			58.2	34.2	100	Dolo, anhy, PPP
262	-53	0.1	6.2			53.0	28.9	100	Dolo, anhy, PPP
263	-54	245.0	16.1			19.3	18.1	100	Dolo, anhy, PPP
264	-55	43.6	13.5			17.8	17.7	100	Dolo, anhy, PPP
265	-52	0.1	7.4			40.3	8.1	tr	Dolo, anhy, PPP
266	-57	<.1	7.1			42.3	8.4	tr	Dolo, anhy, PPP
267	-58	<.1	2.9			34.5	20.6	tr	Dolo, anhy, PPP
268	-59	<.1	2.6			54.5	23.4	tr	Dolo, anhy, PPP

AMERADA DIVISION
AMERADA HESS CORPORATION
EXHIBIT #5
CASE 4173
DATE 10-26-70

CORE ANALYSIS TABULAR DATA

SAMPLE NUMBER	DEPTH	PLUG PERM M. D.	POROSITY %	WHOLE CORE PERMEABILITY MAX.	WHOLE CORE PERMEABILITY 90%	TOTAL WATER SATURATION % P. V.	RESIDUAL OIL SATURATION % P. V.	OIL FLO. %	REMARKS
	6959-62	No analysis (dolo, anhy, no stain)							
269	-63	1.9	10.3			28.9	23.2	50	Dolo, anhy, PPP
270	-64	<.1	2.5			55.0	23.7	50	Dolo, anhy, PPP
271	-65	8.0	12.4			27.5	17.8	50	Dolo, anhy, PPP
	-68	No analysis (dolo, anhy, no stain)							
272	-69	29.0	14.3			44.7	30.7	100	Dolo, anhy, PPP
273	-70	12.8	9.3			32.3	23.7	100	Dolo, anhy, PPP
274	-71	2.4	10.7			31.7	24.2	100	Dolo, anhy, PPP
275	-72	<.1	5.6			57.0	32.0	100	Dolo, anhy, PPP
276	-73	45.5	13.1			25.9	21.3	100	Dolo, anhy, PPP
277	-74	32.2	10.5			26.6	30.5	100	Dolo, anhy, PPP
278	-75	0.4	7.0			37.5	40.3	100	Dolo, anhy, PPP
279	-76	<.1	5.0			60.0	12.0	100	Dolo, anhy, PPP
280	-77	0.4	5.4			38.8	42.5	100	Dolo, anhy, PPP
281	-78	20.4	10.4			30.9	23.2	100	Dolo, anhy, PPP
282	-79	10.7	10.3			27.1	15.5	100	Dolo, anhy, PPP
283	-80	33.6	6.7			69.0	9.0	100	Dolo, anhy, PPP
284	-81	6.7	2.1			29.6	13.1	100	Dolo, anhy, PPP
285	-82	<.1	4.2			61.5	14.2	100	Dolo, anhy, PPP
286	-83	1.7	7.7			36.6	26.1	100	Dolo, anhy, PPP
287	-84	30.8	18.1			43.7	11.6	100	Dolo, anhy, PPP
288	-85	0.4	7.0			34.5	31.6	100	Dolo, anhy, PPP
289	-86	14.3	13.2			31.7	15.1	100	Dolo, anhy, PPP
290	-87	3.0	10.2			33.4	19.7	100	Dolo, anhy, PPP
291	-88	<.1	5.3			35.6	41.2	100	Dolo, anhy, PPP
292	-89	0.4	9.0			33.2	24.3	100	Dolo, anhy, PPP
	-97	No analysis (dolo, anhy, no stain)							

AMERADA HESS CORPORATION
EXHIBIT #6
CASE 4173
DATE 10-28-70

PHILLIPS PETROLEUM COMPANY
ODESSA, TEXAS 79760
PHILLIPS BUILDING, FOURTH & WASHINGTON

EXPLORATION & PRODUCTION DEPARTMENT

October 12, 1970

Gas Handling Capacity
Hobbs Plant

File: Wl-Ju-102-70

Amerada Hess Corporation
Box 312
Midland, Texas 79701

Attention: Mr. S. K. Smith

Gentlemen:

This letter is in response to your recent inquiry relative to gas handling capacity at the Phillips Petroleum Company's Hobbs Plant. The nominal capacity of the Hobbs Plant is presently 30 MMCFD. By January 1, 1971, the capacity will be increased to a nominal 38 MMCFD.

Yours very truly,

PHILLIPS PETROLEUM COMPANY

C. G. Eaheart

C. G. Eaheart
Production Manager
Southwestern District
Exploration & Production Dept.

RHJ:ps

AMERADA DIVISION
AMERADA HESS CORPORATION
EXHIBIT #7 A-7
CASE 4173
DATE 10-28-70

HOBBS DRINKARD

TABULATION OF GAS INJECTION COST

1) Initial Investment

	Item	Est. Cost., $
A)	Well Conversion (3 wells @ $20,000/well)	60,000.00
B)	Compressors (4 Three Stage @ $50,000/comp)	200,000.00
C)	Compressor Installation (4 @ $1500/comp)	6,000.00
D)	Injection Line (15,000 ft. @ $1.50/ft.)	22,500.00
E)	Injection Line Installation (15,000 ft. @ $0.50/ft.)	7,500.00
F)	Miscellaneous (Business Lse., Connections, etc.)	4,000.00
	Total	$300,000.00

2) Other Costs

A) Maintenance Expense: $9000/yr.

B) Fuel: $11,800/yr.

250,000 = ... 30% above ...

3x

750,000

250
120
50
30,000

FORM 502 8-63

PAN AMERICAN PETROLEUM CORPORATION

OIL AND GAS BUILDING P. O. BOX 1410
FORT WORTH, TEXAS—76101

AMERADA DIVISION
AMERADA HESS CORPORATION
EXHIBIT #8
CASE 4173
DATE 10-28-70

October 23, 1970

File: PEH-536-986.510.1

Subject: Temporary Field Rules
And Gas Injection
Hobbs Drinkard Pool
Lea County, New Mexico

Amerada Hess Corporation
P. O. Box 591
Midland, Texas 79701

Attention: Mr. Sydney K. Smith

Gentlemen:

Reference is to the hearing scheduled on October 28, 1970, by the NMOCC to consider the temporary field rules and the reinjection of all produced gas in the Hobbs Drinkard Pool (Case No. 4173).

Pan American Petroleum Corporation operates one well in the field, the State G Well No. 5E, Sec. 33 T-18-S R-38-E. This well has recovered a cumulative of 26,742 barrels of oil as of September 1, 1970. We currently estimate this well will ultimately recover approximately 15% of the oil-in-place, and performance indicates the well is effectively draining 80 acres. Additional development to 40 acre density does not appear to be economical on our lease. Our well is currently producing at a GOR less than 2000:1; however, in our opinion, the current 4000:1 GOR limit will not result in underground waste.

A dispersed gas injection program for this field could only be implemented through field wide unitization and probably would have only a slight chance of being successful due to the thickness and very stratified nature of this reservoir. Gas cap injection is out of the question due to the very stratified nature of the reservoir.

Based on the above, Pan American supports Amerada's request to make the Hobbs Drinkard temporary pool rules permanent. It is also Pan American's opinion that reinjection of produced gas is not economically feasible.

Yours very truly,

Alex Clarke, Jr.
District Production
Superintendent

REM:sh

HUMBLE OIL & REFINING COMPANY

MIDLAND, TEXAS 79701

PRODUCTION DEPARTMENT
SOUTHWESTERN DIVISION

POST OFFICE BOX 1600

October 20, 1970

File: 20-3

Re: Hobbs-Drinkard Pool
Lea County, New Mexico
Case No. 4173, to be heard
October 28, 1970

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

Humble Oil & Refining Company is an operator in the Hobbs-Drinkard Pool with one oil completion and two dry holes. We are of the opinion that one well will drain at least 80 acres and that pressure depletion is the most ecnnomic means to produce this reservoir. Continuation of the 4000 gas-oil ratio limit will materially improve the economics of this Drinkard Pool and will not adversely affect ultimate recovery.

For these reasons, Humble Oil & Refining Company supports the proposal by Amerada-Hess to retain the present rules for the Hobbs-Drinkard Pool.

Yours very truly,
Original Signed By:
G. E. UTHLAUT

G. E. UTHLAUT

HNR/rs
cc: Amerada-Hess Corp. ✓
Western United Life Bldg.
Midland, Texas

bcc: Mr. C. W. Armstrong, Jr.
Hobbs

NE-O-TEX CORPORATION
2402 NORFOLK AVENUE
NORFOLK, NEBRASKA

October 23, 1970

Re Case #4173
Hobbs - Drinkard
October 28, 1970

New Mexico Oil Conservation Commission
Box 2088
Santa Fe, NewMexico 87501

Attention: A. L. Porter, Jr.

Gentlemen:

We have this date reviewed the data to be presented by Amerada Hess Corporation in regard to captioned to come before the Commission October 28, 1970.

We find Amerada's exhibits very interesting and factual and support their position 100% in letting the existing field rules of the Hobbs Drinkard remain at 80 acre spacing and 4000 gas oil ratio.

We are now in the process of completing our first Hobb-Drinkard well and will commence a second well immediately in Section 29, 18S, 38E.

Thank you for your consideration.

Yours very truly,

Ne-O-Tex Corporation
by Max H. Christensen, geologist

MHC:dc

cc: Amerada Hess Corporation