AMERADA HESS CORPORATION

P. O. Drawer &

May 8, 1995

United States Department of the Interior Bureau of Land Management Lea County Inspection Section P.O. Box 1157
Hobbs, NM 88240-1157

Attn: Andrea Massengill

Dear Ms. Massengill:

Amerada Hess Corporation (AHC) respectfully requests continued 'temporary abandoned' status for the six (6) wells referenced in your letter regarding Expiration of Approval TA/SI Wells, Lea County. Justification is as follows:

Reference: Britt 'A' #4 API #3002505969

Mexico #1 API #3002506163 Mexico #2 API #3002506164 Britt 'B' #2 API #3002505924

These four wells belong to a group of 17 underperforming, temporarily abandoned, or shut-in wells (located in T20S, R37E) that are under consideration for a workover or recompletion to the Grayburg gas cap. Our intent is to prioritize and implement these workovers/recompletions after evaluating performance of existing gas cap wells. Timing is dependant on the individual wells' opportunity for economic production and current gas pricing is poor at the present time.

A recent AHC study identified 17 Grayburg gas cap completions in the vicinity of Section 6, T-20-S, R-37-E with an average recovery of approximately 1 BCF per well. The best wells have recovered approximately 2 BCF. Based on the above data, AHC commenced a program of Grayburg gas cap reactivations & workovers in 1994. Recent activity in the Monument Field is summarized below.

- Britt 'A' #2 Lir K. Sec 6. T20S. R37E; Re-completed this TA'd well to the Grayburg gas cap.
 Producing rate on a recent test was 3 BOPD, 18 MCFD, and 408 BWPD. We suspect the completion is in communication with the water drive lower Grayburg; another workover is under consideration.
- NMGSAU #2001 Ltr. A. Sec 8, T20S, R37E; Installed artificial lift after gas rates
 dropped from about 300 MCFD to 10 MCFD. Gas rates began a slow steady increase after the
 workover; current rate is 182 MCFD.