

AMERADA HESS CORPORATION

P. O. DRAWER "D"
MONUMENT, NEW MEXICO 88265

May 23, 1992

State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87505

ATTN: Mr. William J. Lemay

Re: Application for Administrative
Unorthodox Gas Well Location
Eumont Yates 7RQ (Pro Gas)
1650 FSL and 2310' FWL
Section 25, T-19S, R-36E
Lea County, New Mexico

Gentlemen:

Amerada Hess Corporation respectfully requests administrative approval of our application for the unorthodox gas well location.

We are planning to recomplete the State "T" #8 in the Eumont Yates Seven Rivers Queen Gas Pool. The State "T" #8 is located 1650' FSL and 2310' FWL, Section 25, T-19S, R-36E, Lea County, New Mexico. The well was officially abandoned in the Eunice Monument G/SA Zone in January, 1992. The proposed location is within an existing 160 acre proration unit, the State "T" Lease consisting of the E/2 W/2 of Section 25, T-19S, R-36E. The proposed location is unorthodox by virtue of being within 660' of the outer Eastern boundary of the proration unit.

This will be the second Eumont Well within the subject proration unit. The State "T" #3 shown on the attached plat, currently produces 100 MSCFD.

Since the minimum gas allowable was increased by Order No. R-8170-G, December 1, 1990 to 600 MCFD for a 160 acre proration unit, the proposed well will enable Amerada Hess Corporation to economically increase gas production from the unit.