AMEF IDA HESS CORPORATION

P. O. Box 52 Monument, NM 86260 Phone: (505) 393-2144

July 6, 1995

ADMINISTRATIVE APPLICATION FOR AN UNORTHODOX LOCATION EUNICE MONUMENT GRAYBURG/SA POOL NORTH MONUMENT G/SA UNIT WF PROJECT WELL # 284 (AHC ALIAS NMGSAU 2222) UNIT LETTER 'F' 2650' FNL & 2630' FWL SECTION 4, T-20S, R-37E LEA COUNTY, NEW MEXICO

State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504

NSL-3555 7/31/95

Attn: Mr. William J. Lemay

Dear Mr. Lemay:

Amerada Hess Corporation respectfully requests administrative approval to drill and complete the North Monument Grayburg / San Andres Unit (NMGSAU) #284 at an unorthodox well location. The proposed location is 2650 FNL and 2630 FWL (Unit F), Section 4, T20S, R 37E, NMPM, Lea County, New Mexico. This location is unorthodox by virtue of being less than the required 330' from a 1/4-1/4 section line and constitutes a '20 acre' infill location within the approved standard '40 acre' well spacing. Amerada Hess Corporation is the sole offset operator as this location is at a minimum of one-half mile inside the approved unitized boundary.

Amerada Hess Corporation also requests that this proposed completion be dedicated to the existing standard 40 acre oil spacing and proration unit comprising the SE/4 NW/4 of said Section 4, which is currently dedicated to the NMGSAU Block 22 Well No. 06, located at a standard oil well location 1980 FNL and 1980 FWL of said Section 4.

The Amerada Hess Corporation operated NMGSAU waterflood project was established under Division Order No. R-9596, dated October 15, 1991, within the existing Eunice Monument Grayburg / San Andres Pool. Since unitization on January 1, 1992, unit development has periodically required approval of such 'infill' wells for the purposes of data acquisition regarding the floodability of different areas of the Unit.

Your consideration of this application is appreciated.

Sincerely,

Robert L. Williams Jr. Sr. Production Foreman

file: rlw54-95.doc date:July 6, 1995

