

DATE <u>2.22.12</u>	SUSPENSE	ENGINEER <u>DB</u>	LOGGED <u>2.22.12</u>	TYPE <u>NSP</u>	APP NO. <u>1205333842</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



Hess 495

WBDU #322J

## ADMINISTRATIVE APPLICATION CHECKLIST 20-021-20542

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

### Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

1956

### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☒ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Hess Corporation Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

By: James S. Hughart  
Print or Type Name

James S. Hughart  
Signature

Land Manager  
Title

2/22/2012  
Date

j.hughart@hess.com  
e-mail Address

J-32-19N-30E  
State/Harding



HESS CORPORATION  
1501 McKinney  
Houston, TX 77010

James S. Hughart  
Land Manager  
PHONE: (713) 496-5517  
FAX: (713) 496-8042  
jhughart@hess.com

February 21, 2012

Jami Bailey  
Director  
Oil Conservation Division  
New Mexico Department of Energy  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Re: *Application of Hess Corporation for Administrative Approval of a Non-Standard Gas Spacing Unit for its WBDGU 1930 322J Well, comprised of 160 acres in the Southeast quarter of Section 32, Township 19 North, Range 30 East, N.M.P.M., Harding County, New Mexico.*

Dear Ms. Bailey:

Hess Corporation, operator of the West Bravo Dome Carbon Dioxide Gas Unit, hereby seeks administrative approval pursuant to the provisions of Division Rule 19.15.15.11.B(2), of a non-standard gas spacing and proration unit in the Tubb formation, West Bravo Dome Carbon Dioxide Gas Pool for its WBDGU 1930 322J Well to be comprised of 160 acres in the Southeast quarter of Section 32, Township 19 North, Range 30 East, N.M.P.M., Harding County, New Mexico.

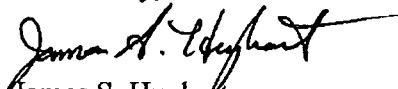
The creation of this non-standard gas spacing unit will enable Hess to produce the well on a 160 acre unit basis, which will combine the drill site lease, being State of New Mexico Lease # LO 5827-5 covering the NW/4SE/4 and the S/2SE/4 with a fee lease from T. E. Mitchell & Son, Inc. covering the NE/4SE/4, both tracts of which are fully committed to the West Bravo Dome Carbon Dioxide Gas Unit (WBDGU), without having to include State of New Mexico Lease # LO 5827-4 covering the NE/4NE/4 of Section 32 in a 640 acre unit, which lease is owned by Oxy USA and committed to the Bravo Dome Carbon Dioxide Gas Unit. Also excluded from this non-standard unit will be additional leasehold committed to the WBDGU, being additional acreage out of State of New Mexico Lease # LO 5827-5 and covering the NW/4 which is already subject to Administrative Order NSP 1952 dated March 9, 2011 for the WBDGU 1930 321F well, and the N/2SW/4 and SE/4SW/4, State of New Mexico Lease # LO 5828-5 covering SW/4SW/4, and a fee lease from T. E. Mitchell & Son, Inc. covering the NW/4NE/4 and the S/2NE/4, which fee lease is also included in the West Bravo Dome Carbon Dioxide Gas Unit. All

of this additional excluded acreage is in Section 32 and is owned by Hess Corporation. The creation of this non-standard unit will facilitate efficient unit operations.

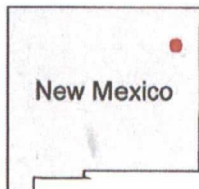
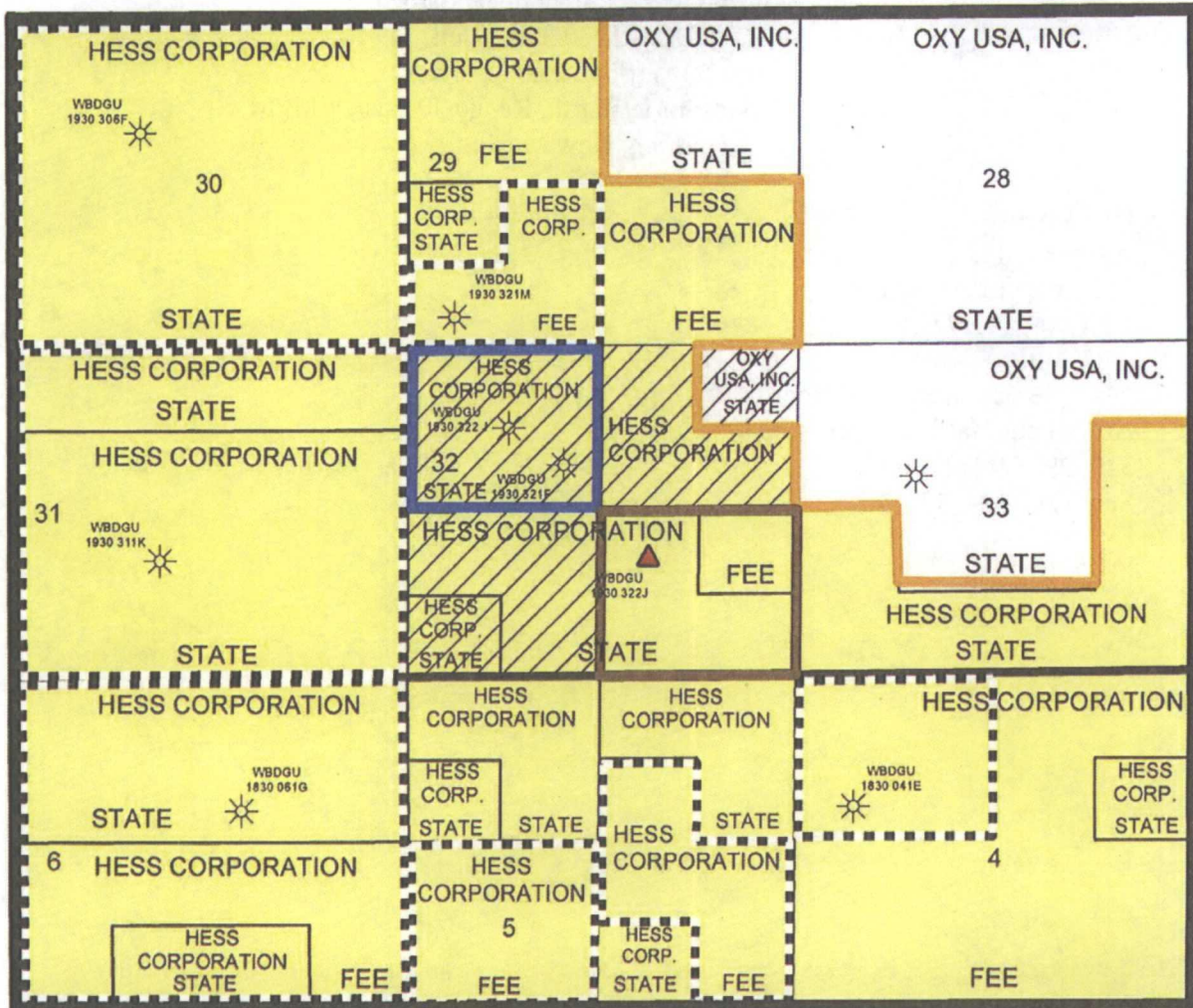
As you will note from the attached plat, this non-standard spacing and proration unit is comprised of contiguous quarter-quarter sections and lots and lies wholly within a single governmental half section. Attached is a plat which shows the subject spacing unit for this well and all adjoining spacing units or leases including NSP 1952 mentioned above. Also attached is a list of all parties affected by this application.

On or before the date on which this application was filed with the Division, a copy of this application with all attachments thereto was mailed to each of the affected parties by Certified Mail - Return Receipt Requested. Each of the affected parties was advised that if they have an objection to the proposed non-standard spacing or proration unit it must be filed in writing with the Division's Santa Fe office within twenty days from the date notice was sent. They were also advised that if no objections were received by the Division within twenty days, the Division Director could approve the application.

Yours truly,

  
James S. Hughart  
Land Manager

Encl's



#### Legend

- 2012 DRILL
- NSP 1952
- OFFSETTING UNITS
- OTHER PROPOSED NON-STANDARD UNITS
- ACREAGE TO BE EXCLUDED FROM NON-STANDARD UNIT
- BOUNDARY BRAVO DOME/ WEST BRAVO DOME UNITS
- NON-STANDARD UNIT
- WBDGU 1930 322 J

**HESS CORPORATION**  
**LEASE MAP**  
**WBDGU 1930 322 J WELL**  
**NINE SECTION AREA**  
**AROUND DRILLSITE LOCATION**

Harding\_Co\_NM\_16.MXD

AFFECTED PARTIES

Application of Hess Corporation

Administrative approval of a non-standard spacing unit  
WBDGU 1930 322J Well  
160 acres (Southeast Quarter)  
Section 32, Township 19 North, Range 30 East, NMPM  
Harding, New Mexico.

Oxy USA, Inc.  
Attn: Brett Didier  
110 Five Greenway Plaza  
Houston, TX. 77046

New Mexico State Land Board  
Attn: Pete Martinez, Jeff Albers  
310 Old Santa Fe Trail  
Santa Fe, NM. 87504

**Warnell, Terry G, EMNRD**

---

**From:** Hughart, Jim [JHughart@hess.com]  
**Sent:** Wednesday, February 22, 2012 8:28 AM  
**To:** Warnell, Terry G, EMNRD  
**Subject:** Application for Non-Standard Unit  
**Attachments:** WBDGU 1930 322J.pdf; 1930 322J Affected Parties.pdf

<<WBDGU 1930 322J.pdf>> <<1930 322J Affected Parties.pdf>>  
Terry,

Here is what was sent yesterday. The letter to Jami Bailey went regular mail and the letters to Oxy and the SLO were sent Certified. Pete Martinez responded to a courtesy copy I e-mailed him yesterday. Sorry for all the confusion.

*Jim Hughart  
Hess Corporation  
1501 McKinney St.  
Houston, TX. 77010  
Phone: 713-496-5517  
Cell: 713-703-1255  
[jhughart@hess.com](mailto:jhughart@hess.com)*

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HESS CORPORATION  
1501 McKinney  
Houston, TX 77010

James S. Hughart  
Land Manager  
PHONE: (713) 496-5517  
FAX: (713) 496-8042  
jhughart@hess.com

**VIA CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

February 21, 2012

Oxy USA, Inc.  
Attn: Brett Didier  
110 Five Greenway Plaza  
Houston, TX. 77046

New Mexico State Land Board  
Attn: Pete Martinez, Jeff Albers  
310 Old Santa Fe Trail  
Santa Fe, NM. 87504

RE: Application of Hess Corporation for Administrative Approval of a Non-Standard Gas Spacing Unit for its WBDGU 1930 322J Well, comprised of 160 acres in the Southeast quarter of Section 32, Township 19 North, Range 30 East, N.M.P.M., Harding County, New Mexico.

Gentlemen:

Hess Corporation, operator of the proposed WBDGU 1930 322J carbon dioxide gas well, located in the SE/4NW/4 of Section 32, T19N, R30E, West Bravo Dome Field, is seeking administrative approval from the New Mexico Oil Conservation Division pursuant to the provisions of Division Rule 19.15.15.11.B(2), of a non-standard gas spacing and proration unit in the Tubb formation, West Bravo Dome Carbon Dioxide Gas Pool for its WBDGU 1930 322J Well to be comprised of 160 acres in the Southeast quarter of Section 32, Township 19 North, Range 30 East, N.M.P.M., Harding County, New Mexico.

The creation of this non-standard gas spacing unit will enable Hess to produce the well from the pooling of the NW/4SE/4 and the S/2SE/4 of State of New Mexico Lease # LO 5827-5 and the NE/4SE/4 of a fee lease from T. E. Mitchell & Son, Inc., both of which are fully committed to the West Bravo Dome

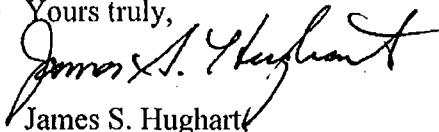
Carbon Dioxide Gas Unit (WBDGU), without having to include State of New Mexico Lease # LO 5827-4 covering the NE/4NE/4 of Section 32 in a 640 acre unit. This 40 acre lease is owned by Oxy USA and committed to the Bravo Dome Carbon Dioxide Gas Unit. Also excluded from this non-standard unit will be additional acreage out of State of New Mexico Lease # LO 5827-5 and covering the NW/4 which is already subject to Administrative Order NSP 1952 dated March 9, 2011 for the WBDGU 1930 321F well, and the N/2SW/4 and SE/4SW/4, State of New Mexico Lease # LO 5828-5 covering SW/4SW/4, and a fee lease from T. E. Mitchell & Son, Inc. covering the NW/4NE/4 and the S/2NE/4. All of this additional excluded acreage is in Section 32 and is owned by Hess Corporation and is committed to the WBDGU. The creation of this non-standard spacing unit will facilitate efficient WBDGU operations and avoid the cumbersome operational, accounting and division of interest issues that would result from merging Bravo Dome and West Bravo Dome units for a single well due to State spacing rules.

Division Rule 19.15.15.11.B(2) requires that Hess notify all affected parties via Certified Mail, Return Receipt Requested of this non-standard unit application. You may object in writing to the Division's Santa Fe office located at 1220 South Saint Francis Drive, Santa Fe New Mexico 87505. If no objection is received within 20 days of receipt of the application by the Division, the application may be administratively approved.

Attached is a copy of our application for non-standard unit to the New Mexico Oil Conservation Division.

If you have any comments or question, please contact me.

Yours truly,

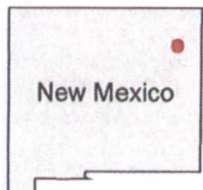
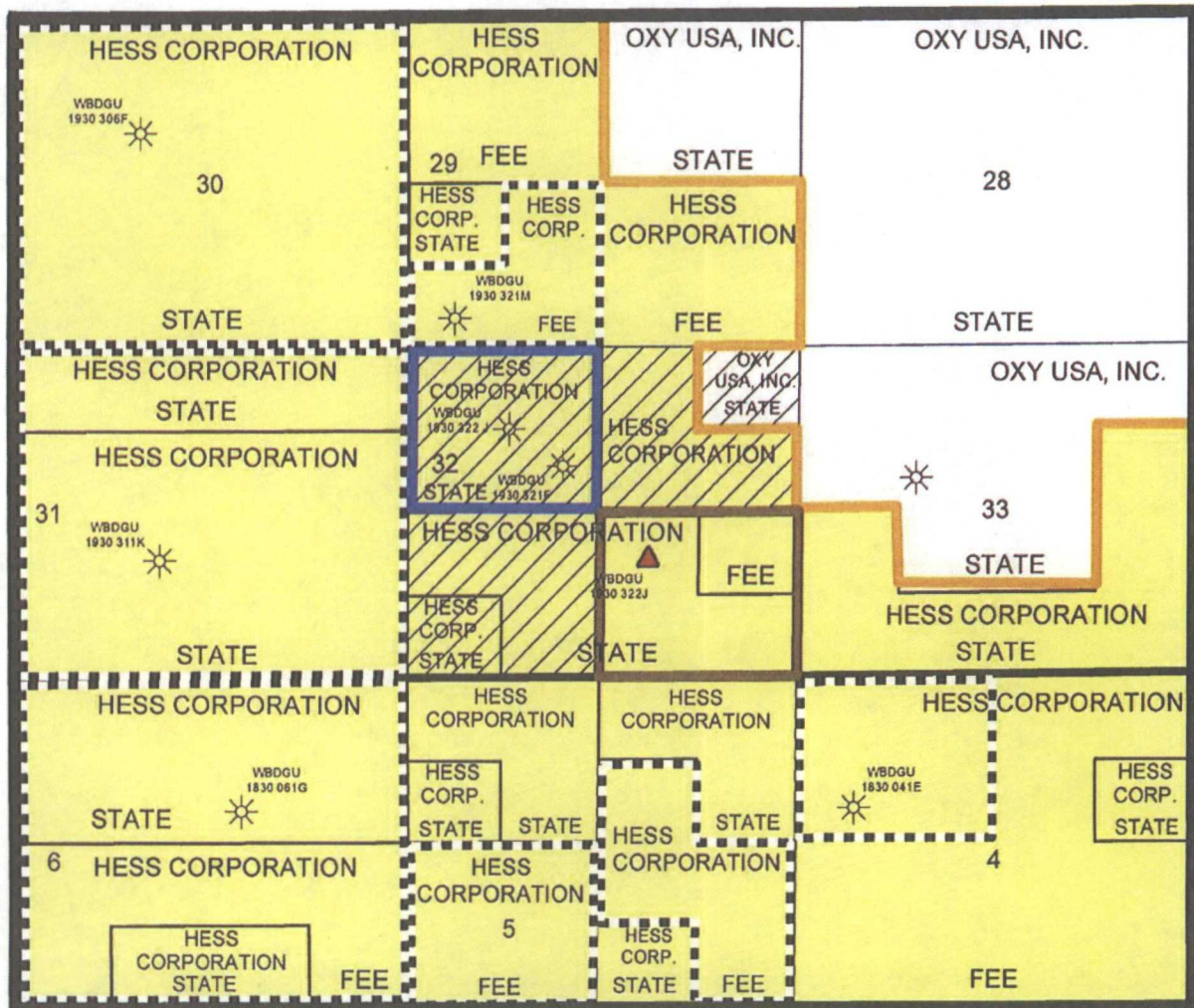


James S. Hughart  
Land Manager

Encl's

WBDGU 1930 322J Non-Standard Unit Letter to Affected Parties





- Legend**
- 2012 DRILL
  - NSP 1952
  - OFFSETTING UNITS
  - OTHER PROPOSED NON-STANDARD UNITS
  - ACREAGE TO BE EXCLUDED FROM NON-STANDARD UNIT
  - BOUNDARY BRAVO DOME/ WEST BRAVO DOME UNITS
  - NON-STANDARD UNIT
  - WBDGU 1930 322 J

**HESS CORPORATION**  
**LEASE MAP**  
 WBDGU 1930 322 J WELL  
 NINE SECTION AREA  
 AROUND DRILLSITE LOCATION

Harding\_Co\_NM\_16.MXD

## DISTRICT I

1825 N. French Dr., Hobbs, NM 88240

## DISTRICT II

1221 W. Grand Avenue, Artesia, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

1820 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources DepartmentForm C-102  
Revised July 18, 2010Submit one copy to appropriate  
District Office

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-021-20542</b>		Pool Code <b>96387</b>	Pool Name <b>West Bravo Dome CO2 GAS</b>
Property Code <b>16752</b>	West Bravo Dome Unit	Property Name <b>WBDGU 1930</b>	Well Number <b>322J</b>
OGRIID No. <b>495</b>	Operator Name <b>HESS CORPORATION</b>		Elevation <b>4400'</b>

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	32	19 N	30 E	J	1650	SOUTH	1650	EAST	HARDING

## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <b>640.00</b>	Joint or Infill	Consolidation Code <b>U</b>	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p><b>SURFACE LOCATION</b>          Lat - N 35°49'50.98"          Long - W 103°49'24.68"          NADSPCR- L 707275.300          (NAD-83)</p>	<p><b>OPERATOR CERTIFICATION</b>          I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.</p> <p><b>Rita C. Smith</b>          Digitally signed by Rita C. Smith, DN: cn=Rita C. Smith, o=Hess Corp., ou=Engineering, email=rita.smith@hess.com, c=US          Date: 2011.12.12 12:00:30 -0500</p> <p>Signature _____ Date _____</p> <p>Printed Name <b>Rita C Smith</b></p> <p>Email Address <b>rsmith@hess.com</b></p>	
	<p><b>SURVEYOR CERTIFICATION</b>          I hereby verify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p><b>GARY L. JONES</b>          Date Surveyed _____          Signature &amp; Seal of Professional Surveyor</p>	
	<p>Certificate No. <b>Gary L Jones 7977</b></p>	
	<p><b>BASIN SURVEYS 23207</b></p>	

## SENDER: COMPLETE THIS SECTION

- ☐ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- ☐ Print your name and address on the reverse so that we can return the card to you.
- ☐ Attach this card to the back of the mailpiece, or on the front if space permits.

## 1. Article Addressed to:

*SANTA FE 87507*  
 New Mexico State Land Board  
 Attn: Pete Martine FEB 2  
 310 Old Santa Fe Trail  
 Santa Fe, New Mexico 87504

## 2. Article Number

(Transfer from service label)

7002 2410 0004 9609 2682

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

## COMPLETE THIS SECTION ON DELIVERY

## A. Signature

X

☐ Agent☐ Addressee

## B. Received by (Printed Name)

## C. Date of Delivery

## D. Is delivery address different from item 1?

☐ YesIf YES, enter delivery address below: ☐ No

## 3. Service Type

☐ Certified Mail☐ Express Mail☒ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

## 4. Restricted Delivery? (Extra Fee)

☐ Yes

NSP Application

PT6W 1205333842

U.S. Postal Service™

## CERTIFIED MAIL™ RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

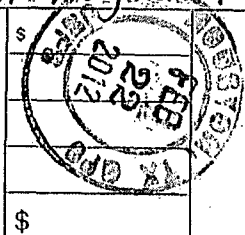
JIM HAGHART USE

Postage

Certified Fee

Return Receipt Fee  
(Endorsement Required)Restricted Delivery Fee  
(Endorsement Required)

Total Postage &amp; Fees

Postmark  
Here

Sent To

New Mexico State Land Board  
Attn: Pete MartineStreet, Apt. No.,  
or PO Box No.

310 Old Santa Fe Trail

City, State, ZIP+4

Santa Fe, New Mexico 87504

PS Form 3800, June 2002

See Reverse for Instructions

U.S. Postal Service™

## CERTIFIED MAIL™ RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

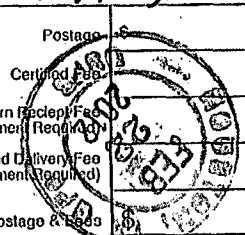
JIM HAGHART USE

Postage

Certified Fee

Return Receipt Fee  
(Endorsement Required)Restricted Delivery Fee  
(Endorsement Required)

Total Postage &amp; Fees

Postmark  
Here

Sent To

Oxy USA, Inc., Attn: Brett Didier

Street, Apt. No.,  
or PO Box No.

110 Five Greenway Plaza

City, State, ZIP+4

Houston, TX 77046

PS Form 3800, June 2002

See Reverse for Instructions

## SENDER: COMPLETE THIS SECTION

- ☐ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- ☐ Print your name and address on the reverse so that we can return the card to you.
- ☐ Attach this card to the back of the mailpiece, or on the front if space permits.

## 1. Article Addressed to:

Oxy USA, Inc.  
 Attn: Brett Didier  
 110 Five Greenway Plaza  
 Houston, TX 77046

## 2. Article Number

(Transfer from service label)

7002 3150 0001 6101 7550

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

## COMPLETE THIS SECTION ON DELIVERY

## A. Signature

*Brett Didier* ☐ Agent  
*James Dean* ☐ Addressee

## B. Received by (Printed Name)

## C. Date of Delivery

## D. Is delivery address different from item 1?

If YES, enter delivery address below: ☐ Yes☐ No

## 3. Service Type

☒ Certified Mail☐ Express Mail☒ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

## 4. Restricted Delivery? (Extra Fee)

☐ Yes

Warnell, Terry G, EMNRD

PTG-W  
Hess- WSP 1205333842

**From:** Hughart, Jim [JHughart@hess.com]  
**Sent:** Thursday, March 08, 2012 3:21 PM  
**To:** Warnell, Terry G, EMNRD  
**Cc:** Albers, Jeff J.  
**Subject:** FW:  
**Attachments:** Harding\_Co\_NM\_16.pdf

Terry,

I just noticed today an error in the plat for the Non-Standard Unit for the 1930 322J well. There was a location for this well mistakenly plotted in the NW/4. That has been removed. in the attached revised plat. The Oxy representative actually discovered it. Oxy has been furnished a revised plat and so has Jeff Albers with the State Land office..

Thanks!

*Jim Hughart  
Hess Corporation  
1501 McKinney St.  
Houston, TX. 77010  
Phone: 713-496-5517  
Cell: 713-703-1255  
[jhughart@hess.com](mailto:jhughart@hess.com)*

---

**From:** Podraza, Bernard  
**Sent:** Thursday, March 08, 2012 4:09 PM  
**To:** Hughart, Jim  
**Subject:**

Here is the new PDF plat. I'm really sorry about my mistake. Hopefully this works.

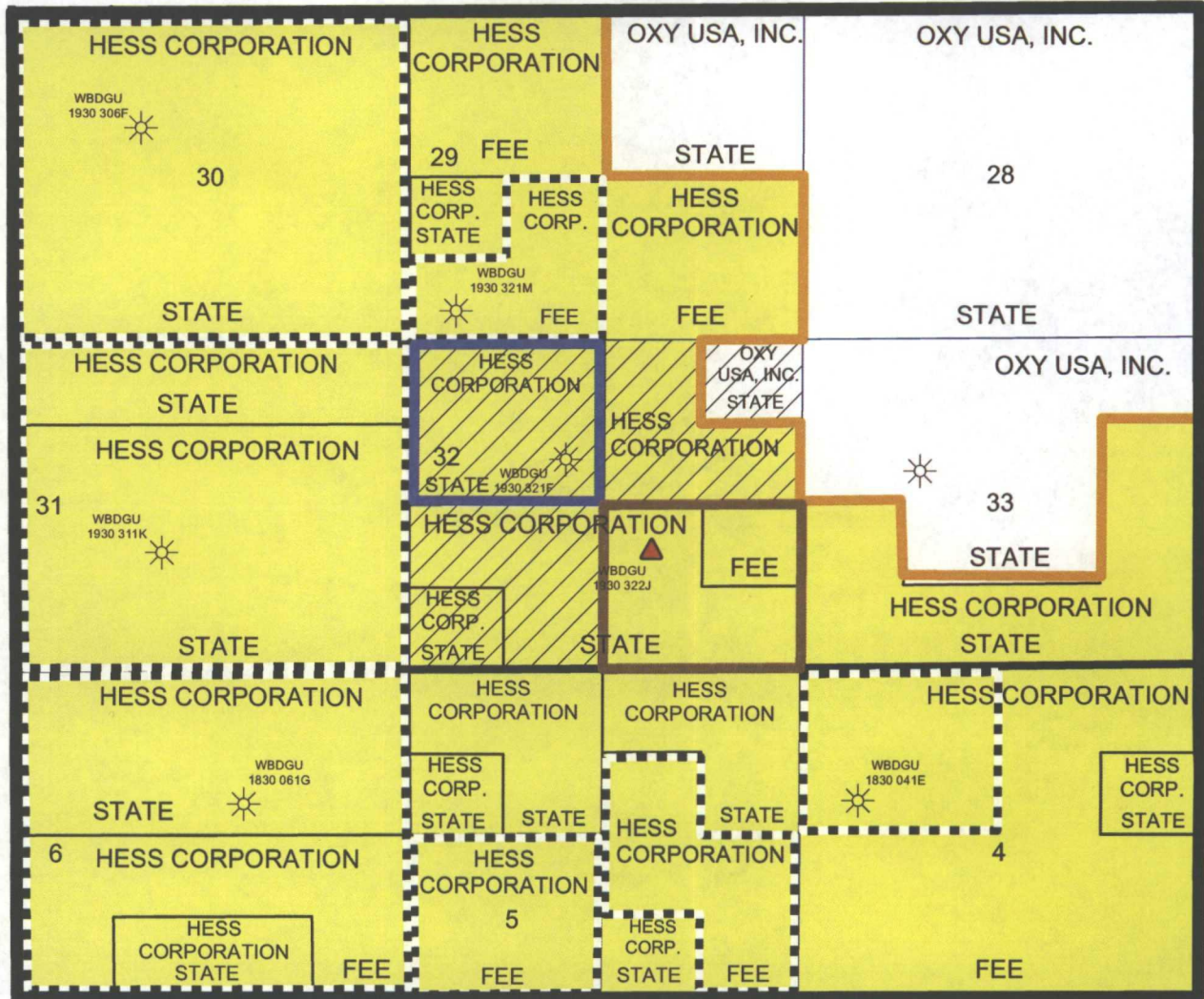
***Bernard Podraza***

Hess Corporation  
[BPodraza@Hess.com](mailto:BPodraza@Hess.com)  
Phone: 713-496-4303  
Room 14.012B

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PTGW 1205 333842



NSP

30-021-  
20542



- Legend**
- 2012 DRILL
  - NSP 1952
  - OFFSETTING UNITS
  - OTHER PROPOSED NON-STANDARD UNITS
  - ACREAGE TO BE EXCLUDED FROM NON-STANDARD UNIT
  - BOUNDARY BRAVO DOME/ WEST BRAVO DOME UNITS
  - NON-STANDARD UNIT
  - WBDGU 1930 322 J

**HESS CORPORATION**  
**LEASE MAP**  
**WBDGU 1930 322 J WELL**  
**NINE SECTION AREA**  
**AROUND DRILLSITE LOCATION**

Harding\_Co\_NM\_16.MXD



**OXY USA Inc.**  
A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521  
P.O. Box 27570, Houston, Texas 77227-7570  
Phone 713.215.7000

March 14, 2012

Mr. Daniel Sanchez  
Enforcement and Compliance Manager  
New Mexico Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**Re: Hess Corporation Application for Non-standard Gas Spacing Unit  
WBDGU 1930 322J – Harding County**

Dear Mr. Sanchez,

OXY USA Inc. ("Oxy") is in receipt of Hess Corporation's application for a non-standard spacing unit as noted above. Hess Corporation's letter is dated February 21, 2012.

Oxy will not protest and does not object to administrative approval of this application.

Please contact me at (713) 366-5485 or [karen\\_sinard@oxy.com](mailto:karen_sinard@oxy.com) with any questions.

Sincerely,

Karen M. Sinard  
Regulatory Team Leader

cc: Mr. James Hughart – HESS



RECEIVED OCD

HESS CORPORATION  
1501 McKinney  
Houston, TX 77010

2012 MAR -9 A 6:41

James S. Hughart  
Land Manager  
PHONE: (713) 496-5517  
FAX: (713) 496-8042  
jhughart@hess.com

February 21, 2012

Jami Bailey  
Director  
Oil Conservation Division  
New Mexico Department of Energy  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Re: ***Application of Hess Corporation for Administrative Approval of a Non-Standard Gas Spacing Unit for its WBDGU 1930 322J Well, comprised of 160 acres in the Southeast quarter of Section 32, Township 19 North, Range 30 East, N.M.P.M., Harding County, New Mexico.***

Dear Ms. Bailey:

Hess Corporation, operator of the West Bravo Dome Carbon Dioxide Gas Unit, hereby seeks administrative approval pursuant to the provisions of Division Rule 19.15.15.11.B(2), of a non-standard gas spacing and proration unit in the Tubb formation, West Bravo Dome Carbon Dioxide Gas Pool for its WBDGU 1930 322J Well to be comprised of 160 acres in the Southeast quarter of Section 32, Township 19 North, Range 30 East, N.M.P.M., Harding County, New Mexico.

The creation of this non-standard gas spacing unit will enable Hess to produce the well on a 160 acre unit basis, which will combine the drill site lease, being State of New Mexico Lease # LO 5827-5 covering the NW/4SE/4 and the S/2SE/4 with a fee lease from T. E. Mitchell & Son, Inc. covering the NE/4SE/4, both tracts of which are fully committed to the West Bravo Dome Carbon Dioxide Gas Unit (WBDGU), without having to include State of New Mexico Lease # LO 5827-4 covering the NE/4NE/4 of Section 32 in a 640 acre unit, which lease is owned by Oxy USA and committed to the Bravo Dome Carbon Dioxide Gas Unit. Also excluded from this non-standard unit will be additional leasehold committed to the WBDGU, being additional acreage out of State of New Mexico Lease # LO 5827-5 and covering the NW/4 which is already subject to Administrative Order NSP 1952 dated March 9, 2011 for the WBDGU 1930 321F well, and the N/2SW/4 and SE/4SW/4, State of New Mexico Lease # LO 5828-5 covering SW/4SW/4, and a fee lease from T. E. Mitchell & Son, Inc. covering the NW/4NE/4 and the S/2NE/4, which fee lease is also included in the West Bravo Dome Carbon Dioxide Gas Unit. All

NSP  
PTGW  
1705333842  
2-22-12

of this additional excluded acreage is in Section 32 and is owned by Hess Corporation. The creation of this non-standard unit will facilitate efficient unit operations.

As you will note from the attached plat, this non-standard spacing and proration unit is comprised of contiguous quarter-quarter sections and lots and lies wholly within a single governmental half section. Attached is a plat which shows the subject spacing unit for this well and all adjoining spacing units or leases including NSP 1952 mentioned above. Also attached is a list of all parties affected by this application.

On or before the date on which this application was filed with the Division, a copy of this application with all attachments thereto was mailed to each of the affected parties by Certified Mail - Return Receipt Requested. Each of the affected parties was advised that if they have an objection to the proposed non-standard spacing or proration unit it must be filed in writing with the Division's Santa Fe office within twenty days from the date notice was sent. They were also advised that if no objections were received by the Division within twenty days, the Division Director could approve the application.

Yours truly,

A handwritten signature in black ink, appearing to read "James S. Hughart", with a stylized flourish extending from the end.

James S. Hughart  
Land Manager

Encl's



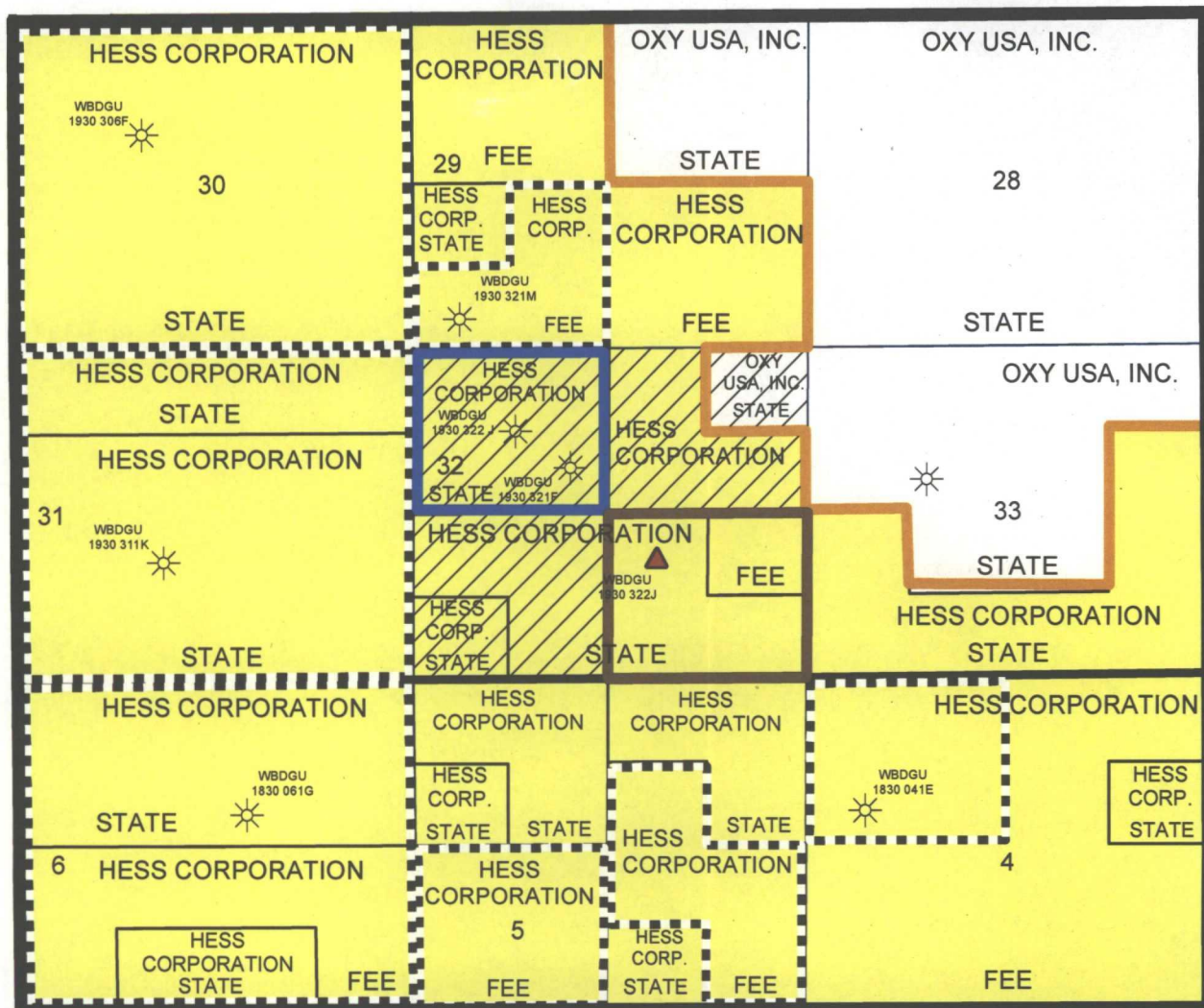
AFFECTED PARTIES

Application of Hess Corporation

Administrative approval of a non-standard spacing unit  
WBDGU 1930 322J Well  
160 acres (Southeast Quarter)  
Section 32, Township 19 North, Range 30 East, NMPM  
Harding, New Mexico.

Oxy USA, Inc.  
Attn: Brett Didier  
110 Five Greenway Plaza  
Houston, TX. 77046

New Mexico State Land Board  
Attn: Pete Martinez, Jeff Albers  
310 Old Santa Fe Trail  
Santa Fe, NM. 87504



#### Legend

-  2012 DRILL
-  NSP 1952
-  OFFSETTING UNITS
-  OTHER PROPOSED NON-STANDARD UNITS
-  ACREAGE TO BE EXCLUDED FROM NON-STANDARD UNIT
-  BOUNDARY BRAVO DOME/ WEST BRAVO DOME UNITS
-  NON-STANDARD UNIT
-  WBDGU 1930 322 J

**HESS CORPORATION**  
**LEASE MAP**  
 WBDGU 1930 322 J WELL  
**NINE SECTION AREA**  
 AROUND DRILLSITE LOCATION

Harding\_Co\_NM\_16.MXD