ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



Hess Corporation

ADMINISTRATIVE APPLICATION CHECKLIST 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] Ward Received Con Swift Co [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication \square NSL \square NSP \square SD Check One Only for [B] or [C] Commingling - Storage - Measurement [B] ☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM Injection - Disposal - Pressure Increase - Enhanced Oil Recovery [C]WFX PMX SWD PPI BOR PPR [D]Other: Specify [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply Working, Royalty or Overriding Royalty Interest Owners Offset Operators, Leaseholders or Surface Owner [B] [C]Application is One Which Requires Published Legal Notice Notification and/or Concurrent Approval by BLM or SLO [D]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, $[\mathbf{F}]$ Waivers are Attached SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE [3] 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. Note: Statement must be completed by an individual with managerial and/or supervisory capacity. Land Manager 01/12/2010 James S. Hughart Title Date Print or Type Name jhughart@hess.com e-mail Address





James S. Hughart

Land Manager PHONE: (713) 609-5517 FAX: (713) 609-5670 jhughart@hess.com

VIA EMAIL

January 13, 2010

David Brooks, OCD Hearing Examiner Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

RE: Unorthodox Well Location Application

WBDGU 1829 0310

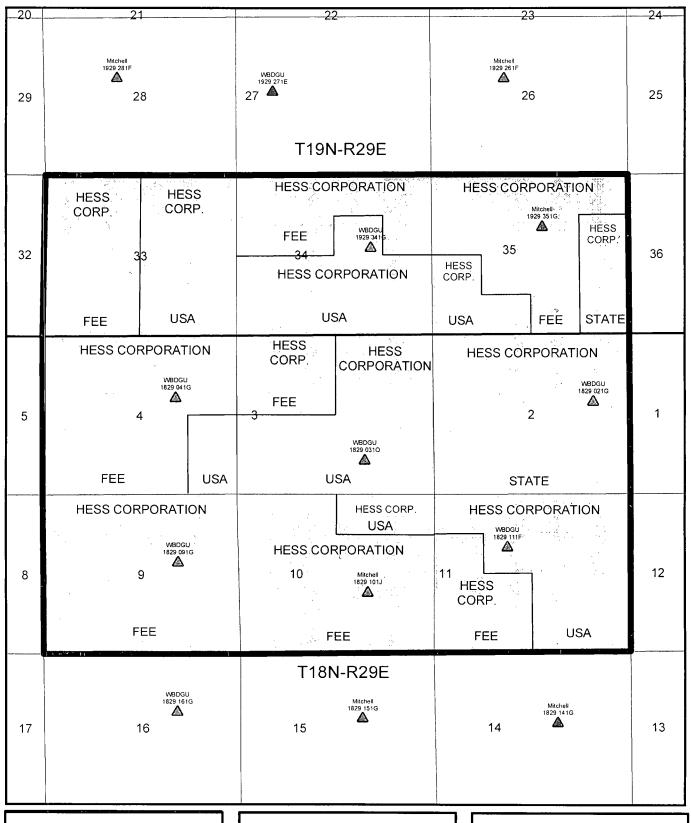
Harding County, New Mexico

Dear Mr. Brooks:

In compliance with 19.15.15.13 NMAC, Hess Corporation (Hess) as operator of the proposed WBDGU 1829 031O requests administrative approval of our application for permit to drill the subject well to be located 1,200' FSL and 1,800' FEL of Section 03 (SE/4SW/4), T18N, R29E. Hess cannot drill at a legal location in the NW/4SE/4 of Section 03 due to topographical considerations.

A copy of the C-102 filed with the APD is enclosed. The well is to be drilled to a depth of 3,026' to test the Granite Wash sand of the Tubb Formation. Based on our records, Order # R-7737 covering the Tubb Formation in West Bravo Dome Field is in effect for Section 3 providing for 640 acre spacing. Hess has all of the mineral interest leased in this section which will be the drilling unit for the well and is the sole working interest owner of the leasehold. Section 3 is also completely included within and committed to the West Bravo Dome Carbon Dioxide Gas Unit and will not need to be communitized in the event of production from this well.

Enclosed is a plat showing the spacing unit, being all of section 03, T18N, R29E, the drill site located in the unorthodox location of the SW/4SE/4 of Sec. 03 and the adjoining affected units being all of section's 2, 10 and 11. All three of these sections are subject to R-7737 and are 640 acre offsetting units. Hess owns all of the leasehold in these sections and is a 100% working interest owner. Hess Corporation is the only affected party in the offsetting units.





Legend

Proposed wells

▲ FUTURE DRILL ▲ 2010 DRILL

HESS CORPORATION

LEASE MAP
WBDGU 1829 0310
NINE SECTION AREA
AROUND DRILLSITE LOCATION

Harding_Co_NM_2.MXD

DISTRICT I
1025 N. Fronch Dr., Hobbs, NM 88240
DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

State of New Mexico Energy, Minerals and Natural Resources Department Form C-102 Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT III 1000 Rio Brazes Rd., Aztec, NM 87410

DISTRICT IV 1220 S. St. Prenois Dr., Santa Fe, NM 87505 OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-021-2	Number 20412		Pool Code Pool Name 96387 West Bravo Dome CO2 Ga							
Property C	Code Property Name WBDU WBDGU 1829						1	Well Number 0310		
ogrid no 495	•	Operator Name Elevation HESS CORPORATION 5384'								
					Surface Loc	ation				
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
0	3	18 N	29 E		1200	SOUTH	1800	EAST	HARDING	

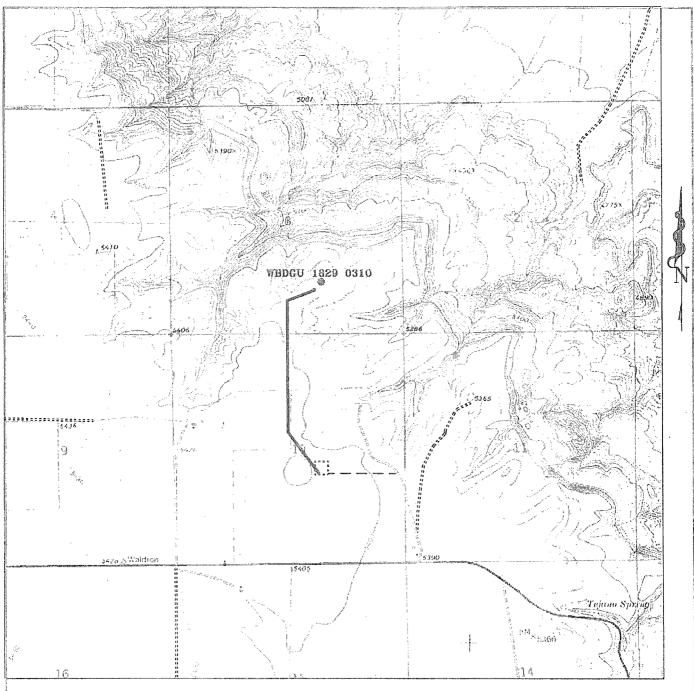
Bottom Hole Location If Different From Surface

	UL or lot No.	Section	Townsh	ip	Range	Lot I	ln	Feet from the	North/South line	Feet fr	om the	East/West line	County
-	Dedicated Acres	Joint o	r Infili	Cor	nsolidation (code	Ore	der No.					
	630.08		N		U	l	Uı	northodox	location,	Hess	owns	the	

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

OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and being, and that this organization either curs a working interest or unleased mineral interest in the land shoulding the proposed bettem hole being states or unleased mineral interest in the land shoulding the proposed bettem hole of a wolantery pooling agreement or a computary pooling agreement or a computary pooling order herefore entered by the division. Rita C. Smith Signature Date Rita C. Smith Printed Name SURVEYOR CERTIFICATION I hereby certify that the well location shourn on this plat was plotted from faild notes of actual surveys made by me or under my supervision, and that the zene its true and correct to the best of my beliaf. Lat - N35'48'52.5" Long - W103'50'41.2" (NAD-83) Date Surveys and correct to the best of my beliaf.
Signature Sough Mr. Signat

SECTION 3, TOWNSHIP 18 NORTH, RANGE 29 EAST, N.M.P.M., HARDING COUNTY, NEW MEXICO. 150' NORTH OFF SET 5381.0' ⊡ HESS CORPORATION WBDGU 1829 0310 ELEV. - 5384' 150' WEST OFF SET [] 150' EAST 0 5384.8 5382.9" Lat.-N 35'48'52.5" Long-W 103*50'41.2" (NAD-83) 150' SOUTH OFF SET 668.8 5384.9 PROPOSED LEASE ROAD PROPOSEO LEASE ROAD 1568.5' 200 200 400 FEET SCALE: 1" = 200' Directions to Location: FROM MILEMARKER 42 OF STATE HWY 38, PROCEED WEST 0.2 MILES TO GATE, GO NORTH ON 2—TRACK 0.4 MILES TO PROPOSED LEASE ROAD TO THE MITCHELL 1829 101J AND PROPOSED LEASE ROAD. HESS CORPORATION HESS WBDGU 1829 0310 / WELL PAD TOPO THE WBDGU 1829 0310 LOCATED 1200' FROM THE SOUTH LINE AND 1800' FROM THE EAST LINE OF BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO SECTION 3, TOWNSHIP 18 NORTH, RANGE 29 EAST. N.M.P.M., HARDING COUNTY, NEW MEXICO. W.O. Number: 17794 Drawn By: Date: 03-19-2007 Survey Date: 03-09-2007 Sheet Disk: JMS 17794W Sheets



WBDGU 1829 0310

Located 1200' FSL and 1800' FEL Section 3, Township 18 North, Range 29 East, N.M.P.M., Harding County, New Mexico.



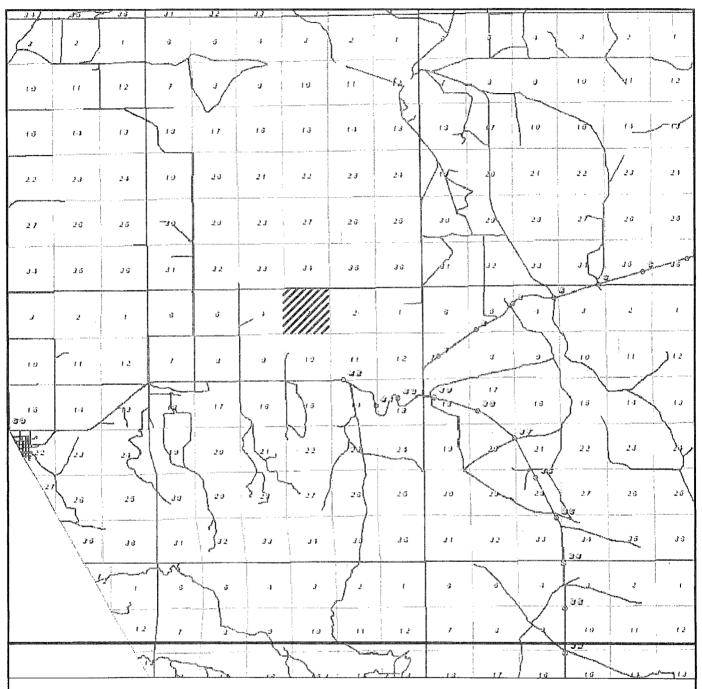
P.O. Sex 1766 1120 N. West County Rd. Hobbs, New 150-los 68231 (505) 393-7304 - Office

(885) 592-3974 - Fax basincurveys.com W.O. Number: JMS 17794T
Survey Date: 03-69-2007

Scale: 1" = 2000' Orke: 03--19-2007



HESS CORPORATION



WBDGU 1829 0310 Located 1200' FSL and 1800' FEL Section 3, Township 18 North, Range 29 East, N.M.P.M., Harding County, New Mexico.

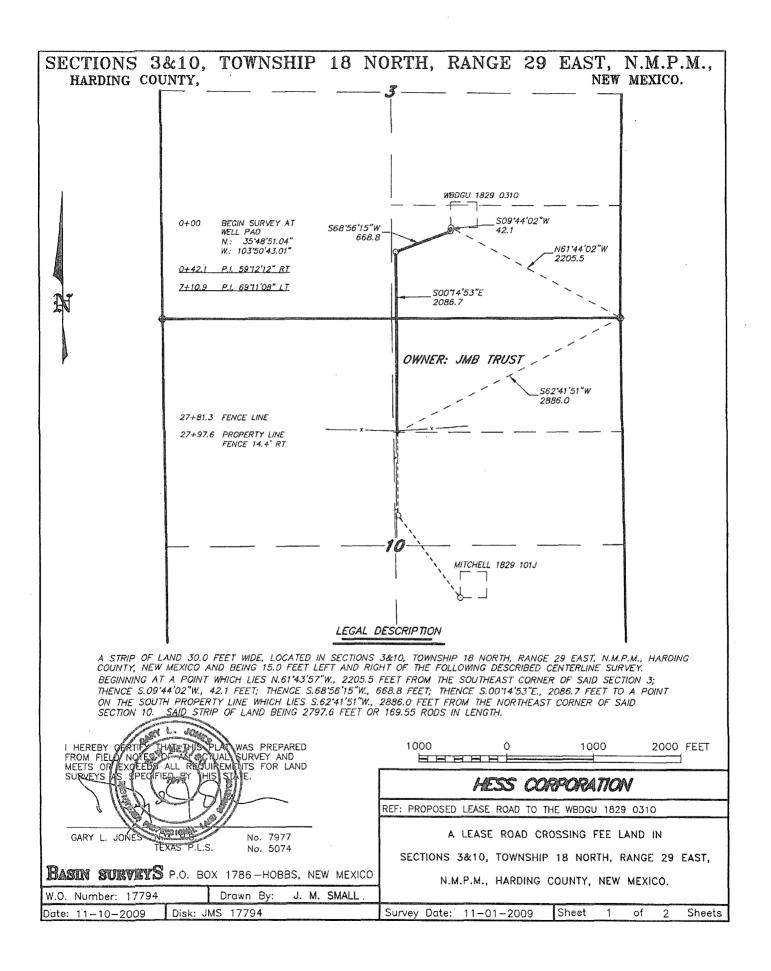


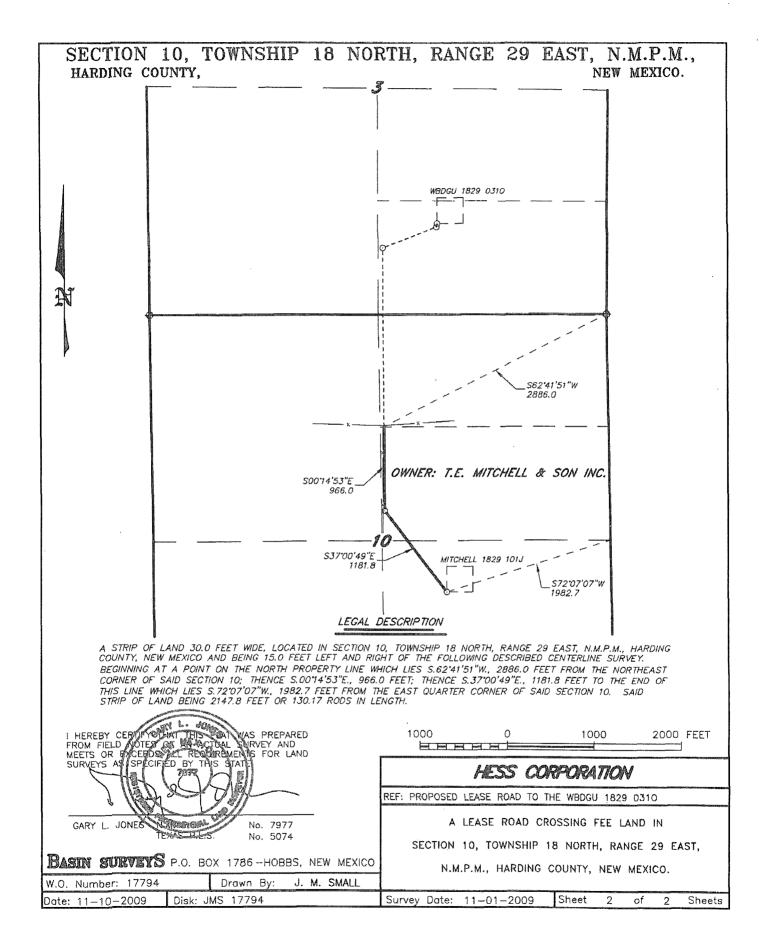
P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 - Office (505) 392-3074 - Fax basinsurveys.com

W.O. Number:	JMS 17794TR
Survey Date:	03-09-2007
Scale: 1" =	2 MILES
Date: 03-19	3–2007



HESS CORPORATION





Brooks, David K., EMNRD

From: Sent: Hughart, Jim [JHughart@hess.com] Tuesday, January 12, 2010 3:05 PM

To:

Brooks, David K., EMNRD

Cc:

Martin, Ed, EMNRD; Smith, Rita; Holcomb, Danny

Subject:

Non Standard Locations (NSL's)

Attachments:

1830 181B NSL Ltr.pdf; 1830 181B NSL Plat.pdf; 1829 031O NSL Ltr.pdf; 1829 031O NSL

Plat.pdf

<<1830 181B NSL Ltr.pdf>> <<1830 181B NSL Plat.pdf>> <<1829 031O NSL Ltr.pdf>> <<1829 031O NSL Plat.pdf>>

David,

Attached are unorthodox well location applications for the proposed WBDGU 1829 031 and the Mitchell 1830 181B wells located in Harding County, New Mexico. There is a PDF letter and separate PDF plat for each well. I have done my best to prepare these according to the regulations, but if there are mistakes, please let me know and I will correct immediately.

For your information, Rita Smith will withdraw the application to drill the Mitchell 1830 111M. We intend to restake this as the Mitchell 1830 111L and a new application will be filed. Reliant has advised they will withdraw it's objection to the 1830 111M once the new location has been staked and a permit has been applied for.

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

Regards,

Jim Hughart Hess Corporation 713-609-5517 jhughart@hess.com

This inbound email has been scanned by the MessageLabs Email Security System.



James S. Hughart Land Manager PHONE: (713) 609-5517 FAX: (713) 609-5670 Jhughart@hess.com

VIA EMAIL

January 12, 2010

David Brooks, OCD Hearing Examiner Oil Conservation Division 1220 South Saint Francis Drive Santa Fe. New Mexico 87505

RE: Unorthodox Well Location Application

WBDGU 1829 0310

Harding County, New Mexico

Dear Mr. Brooks:

In compliance with 19.15.15.13 NMAC, Hess Corporation (Hess) as operator of the proposed WBDGU 1829 03 © requests administrative approval of our application for permit to drill the subject well to be located in the SW/4SE/4 of Section. 03, T18N, R29E. Hess cannot drill at a legal location in the NW/4SE/4 of Section 03 due to topographical considerations.

Enclosed is a plat showing the spacing unit, being all of section 03, T18N, R29E, the drill site located in the unorthodox location of the SW/4SE/4 of Sec. 03 and the adjoining affected units being all of section's 2, 10 and 11.

Hess Corporation is the only affected party in the offsetting units.

I, James S. Hughart, Land Manager of Hess Corporation, attest that Hess waives its own right to object to this unorthodox well application.

Also enclosed is an Administrative Application Checklist.

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

Yours truly.

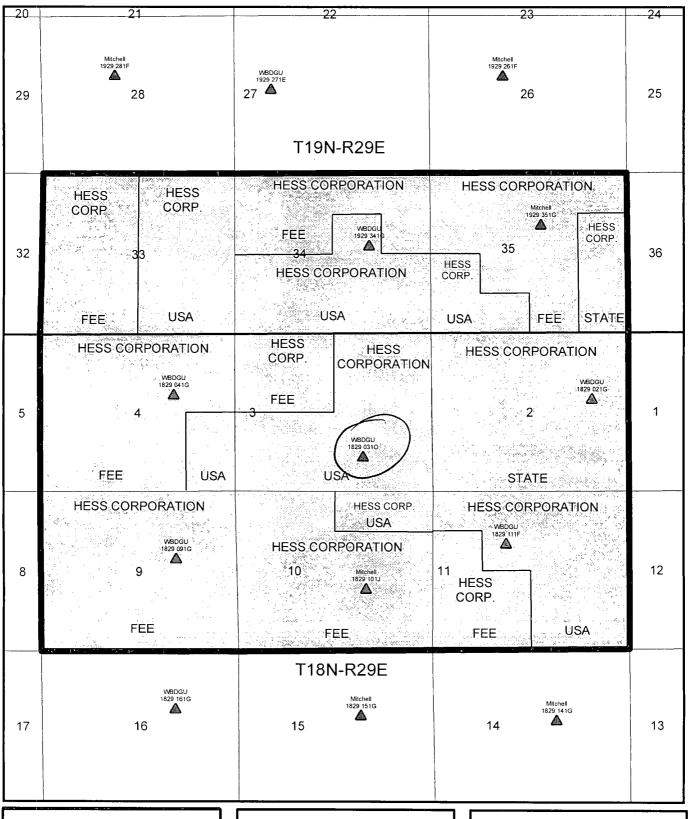
James S. Hughart,

Land Manager

Encl.

Cc. Ed Martin, District Supervisor OCD - ed.martin@state.nm.us

WBDGU 1829 0310





Legend

Proposed wells

FUTURE DRILL
2010 DRILL

HESS CORPORATION

LEASE MAP
WBDGU 1829 0310
NINE SECTION AREA
AROUND DRILLSITE LOCATION

Harding_Co_NM_2.MXD

Brooks, David K., EMNRD

From:

Brooks, David K., EMNRD

Sent:

Wednesday, January 13, 2010 10:19 AM

To:

'JHughart@hess.com'

Subject:

WBDGU 1829 #131, Harding County; NSL Application

Dear Mr. Hughart

I have received your NSL application for the referenced well. However, much of the information I will need to process this application is apparently not included.

First and foremost, your letter does not state the proposed location, nor does it state the pool or formation in which the well will be completed, information that is necessary to ascertain what spacing rules apply. Also, I will need a copy of the Form C-102 filed with the APD, which depicts the proposed location and the unit that will be dedicated to the proposed well.

I am inclined to infer from the plat submitted that Hess is the operator of the adjoining units in Sections 3 and 10. However, there is no statement in your application concerning working interests in those tracts. Please state if Hess owns 100% of the working interest in the adjoining tracts in Sections 3 and 10, and, if not, whether working interest ownership for those tracts is identical to working interest ownership of the SE/4 of Section 3. We need this information in order to be sure that all required notices of this application have been provided.

Thanks in advance for your assistance.

David K. Brooks Legal Examiner

Brooks, David K., EMNRD

From:

Brooks, David K., EMNRD

Sent:

Monday, February 01, 2010 4:00 PM

To:

'JHughart@hess.com'

Subject:

Hess Corporation - West Bravo Dome 1829 Well #31; NSL Application

Dear Mr. Hughart

On January 12, 2010, I received your application for NSL approval for the above-referenced well, together with a similar applications for your proposed Mitchell #18B well.

On January 13, I sent similar emails on both applications requesting additional information.

You promptly supplied the requested information regarding the Mitchell #18B, but I cannot find, if I have received, any further communication concerning the West Bravo Dome 1829 #31.

I would very much appreciate being furnished the requested information, or a copy thereof if it was previously send, so that I can complete the procession of the application on the #31 well.

Sincerely,

David K. Brooks