



December 18, 2009

HAND DELIVERED

Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: West Bravo Dome Carbon Dioxide Gas Unit Agreement
Harding County, New Mexico
2010 Plan of Development

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Dear Mr. Fesmire:

Pursuant to Article 4.2 of the Unit Agreement for the Development and Operation of the West Bravo Dome Carbon Dioxide Gas Unit, Hess Corporation hereby submits the 2010 Plan of Development.

If you have questions concerning the enclosed, please advise.

Very truly yours,

William F. Carr

Enc.

cc: James S. Hughart
Hess Corporation
500 Dallas Street
Houston, TX 77002



HESS CORPORATION
100 NW 7th Street, PO Box 840
Seminole, TX 79360

Joaquin Martinez
Manager,
Permian Operations
(432) 758-6720 Wk
(432) 758-6768 Fax

December 1, 2009

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Attention: Director of the Oil and Gas Division

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501-2088

RE: Plan of Development: January 1, 2010 through December 31, 2010
West Bravo Dome Carbon Dioxide Gas Unit (WBDGU)
Harding County, New Mexico

Gentlemen:

With respect to the West Bravo Dome Carbon Dioxide Gas Unit (WBDGU) and in accordance with New Mexico Oil Conservation Order Number 7707, Hess Corporation, as unit operator, hereby submits five (5) copies of the Plan of Development (POD) for January 1, 2010 through December 31, 2010.

Presently, there are twenty two (22) producing carbon dioxide (CO₂) gas wells in the Unit which began production between December, 2008 and June, 2009. There are also 4 wells located on non-unitized leasehold which, because of spacing patterns, the unit shares in production based on unit participation in those communitized areas. There are 5 wells shut-in due to inability to produce.

The Unit originally contained 50,020.78 acres consisting of Federal, State and fee tracts. The unit was contracted effective on November 15, 1994 to 34,655.33 acres. By Certificate of Effectiveness dated March 23, 2009, Hess adjusted the total unit acreage to 34,619.11 acres to account for slight errors in the size of tracts 2005 and 2011 and title failure to 38 acres under tract 2045. The unit presently consists of

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15 Federal tracts (6,834.47 acres), 24 State of New Mexico tracts (13,201.18 acres) and 46 patented tracts (14,583.46 acres).

Hess completed construction of the West Bravo Dome field infrastructure and began production of unitized CO₂ from 10 unit wells in December '08. The remaining 12 unit wells were turned to production during the first half of 2009. To comply with New Mexico Oil Conservation Division spacing regulations and lease requirements, Hess communitized WBDGU leasehold in 14 drilling and spacing units containing non-unit acreage. Hess completed division order title opinions for the unit and associated communitized areas and began distribution of royalties in May, 2009. Hess continued preparatory work toward expanding the unit from its current size of 34,619 acres to approximately 77,000 acres, and expects to formally file the expansion application with the State Land Office, the Bureau of Land Management and the Oil Conservation Division this December. On the technical side, Hess has monitored production from the Field, recompleted a salt water disposal well to handle water production from the Field gas plant and is presently working over a number of wells in the Field, mostly non-unit, to enhance production levels. Hess has also staked and is permitting up to 10 additional wells to be drilled during 2010, mostly on non-unit acreage. This acreage, along with that associated with the above mentioned recompletions, is expected to be added to the Unit under the proposed unit expansion application.

The plan of development for 2010 will include the following:

- Complete the approval process for unit expansion and prepare a new division of interest.
- Make production payments.
- Drill 10 new wells and complete to production by July 31, 2010. Transact related infrastructure permitting and obtain right's of way as appropriate.
- Monitor and maintain existing and new wells in accordance with State regulations.
- Prepare a drilling plan for 2011.

If there are questions regarding this proposed Plan of Development for 2010, please contact me at (432) 758-6720.

Yours truly,

HESS CORPORATION



Joaquin Martinez
Manager, Permian Operations

Cc: Mr. Brian Davis – Bureau of Land Management