Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division

Administrative Order IPI-404
Application No. pTGW1117149441

June 28, 2011

Hess Corporation
PO Box 840
Seminole, TX 79360

Attention: Ms. Rita Smith

RE: Injection Pressure Increase Request
Mitchell Well No. 092F (API No. 30-021-20494) SWD-1181
Unit F, Sec. 9, T18 North, R30 East, NMPM, Harding County, New Mexico
Yeso formation
Through the open hole interval from 1,592 feet to 1,800 feet

Reference is made to your request on behalf of Hess Corporation (OGRID 495) to increase the surface injection pressure limit on the above named well.

This well was approved by the Division for injection into the Yeso Formation from approximately 1,592 feet to 1,800 feet with SWD-1181 and given a maximum surface injection pressure of 670 psi.

It is our understanding that this well will not take a sufficient volume of water at this pressure limit and a higher pressure limit is needed to optimize waterflood operations within this unit. It is also understood that an increase will not result in the fracturing of the injection formation and confining strata.

Your submitted step-rate test for this well run by Cardinal Surveys on March 29, 2010 does not support the reported parting pressure of 1751.8. However we feel it does support an increase to 1300 psi. Any future requested increase beyond 1300 psi will require resubmission of additional data and a new step-rate test.

You are hereby authorized to increase the surface injection pressure on the following

well located in Harding County, New Mexico:

Well Number	**Open Hole Interval**	**Surface Injection Pressure**
Mitchell Well No. 92F API No. 30-021-20494, Unit F, Section 9, Township 18 North, Range 30 East	1,592' – 1,800'	**1300 PSI**

This approval is subject to your being in compliance with all other Division rules, including but not limited to Division Rule 19.15.5.9.

The Division Director may rescind this injection pressure increase if it becomes apparent that the injected fluid is not being confined to the injection zone or fresh water aquifers are being endangered.

Sincerely,

Jami Bailey.
Division Director

JB/tw

cc: Oil Conservation Division – Santa Fe