

DATE IN 12-19-11	SUSPENSE	ENGINEER DB	LOGGED IN	TYPE NSL	APP NO. 1136350708
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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 Corporation
 WBDGU 1829#261B

495

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

18540

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]

Handling

- [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

B-26-1801-29E

[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.

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

James S. Hughart

James S. Hughart
 Signature

Land Manager

Title
 jhughart@hess.com

12/15/2011

Date

Print or Type Name

e-mail Address



HESS CORPORATION
1501 McKinney
Houston, TX 77010

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

VIA EMAIL

December 15, 2011

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 261B
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 261B requests administrative approval of our application for permit to drill the subject well to be located 315' FNL and 1525' FEL of Section 26 (NW/4NE/4), T18N, R29E, Harding County, New Mexico. Hess cannot drill at a legal location in the SW/4NE/4 of Section 26 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 3,000' to test the Tubb Formation. Based on our records, Order # R-7737 covering the Tubb formation in West Bravo Dome Field is in effect for Section 26 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 26 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 26 T18N, R29E, the drill site located in the unorthodox location of the NW/4NE/4 of Section 26 and the adjoining affected units being all of Section's 23, 24 and 25. All three of these sections are subject to R-7737 and are 640 acre offsetting units. Hess owns all of the leasehold in sections 24 and 25 and is a 100% working interest owner. Hess owns 98.047% of the leasehold in Section 23 and 100% of the working interest with 1.953% of the minerals being unleased (see blow for affected parties).

The affected parties are:

1. All of Sections 24 and 25 – Hess Corporation – 100%.

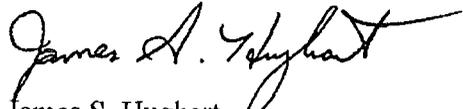
2. Section 23: E/2, E/2NW/4, SW/4SW/4 – Hess Corporation – 100%; Section 23: W/2NW/4, N/2SW/4, SE/4SW/4 – Hess Corporation – 93.75%; Heirs and devisees of H. F. McIntosh, J.A. McIntosh and Lillian E. McIntosh; the William and Heinreim McIntosh Trust; devisees of Henry Fuller McIntosh; and Carrie McIntosh Melear, totaling 6.25% and all unleased as these parties or their heirs cannot be located.

I, James S. Hughart, Land Manager of Hess Corporation, attest that Hess waives its own right to object to this unorthodox well application as to its working interest in the three offset units mentioned above. Further and with regard to the 6.25% unleased interests in Section 23: W/2NW/4, N/2SW/4, SE/4SW/4, I attest that on November 23, 2011, I had the Union County Leader in Clayton, New Mexico file a legal notice to the Heirs and devisees of H. F. McIntosh, J.A. McIntosh and Lillian E. McIntosh; the William and Heinreim McIntosh Trust; devisees of Henry Fuller McIntosh; and Carrie McIntosh Melear (copy of affidavit of publication is enclosed) advising that Hess had filed an application for permit to drill the well at an unorthodox location and that anyone wishing to object to the Commission in Santa Fe should do so within 20 days of the filing of the notice.

Also enclosed is an Administrative Application Checklist.

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

Yours truly,


James S. Hughart

Encls.

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

NSL – 1829 261B

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1501 W. Grand Avenue, Artesia, NM 88210

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

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised July 16, 2010

Submit 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 30-021-20550		Pool Code	Pool Name
Property Code	Property Name WBDGU 1829		Well Number 261B
OGRID No.	Operator Name HESS CORPORATION		Elevation 5331'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	26	18 N	29 E		315	NORTH	1525	EAST	HARDING

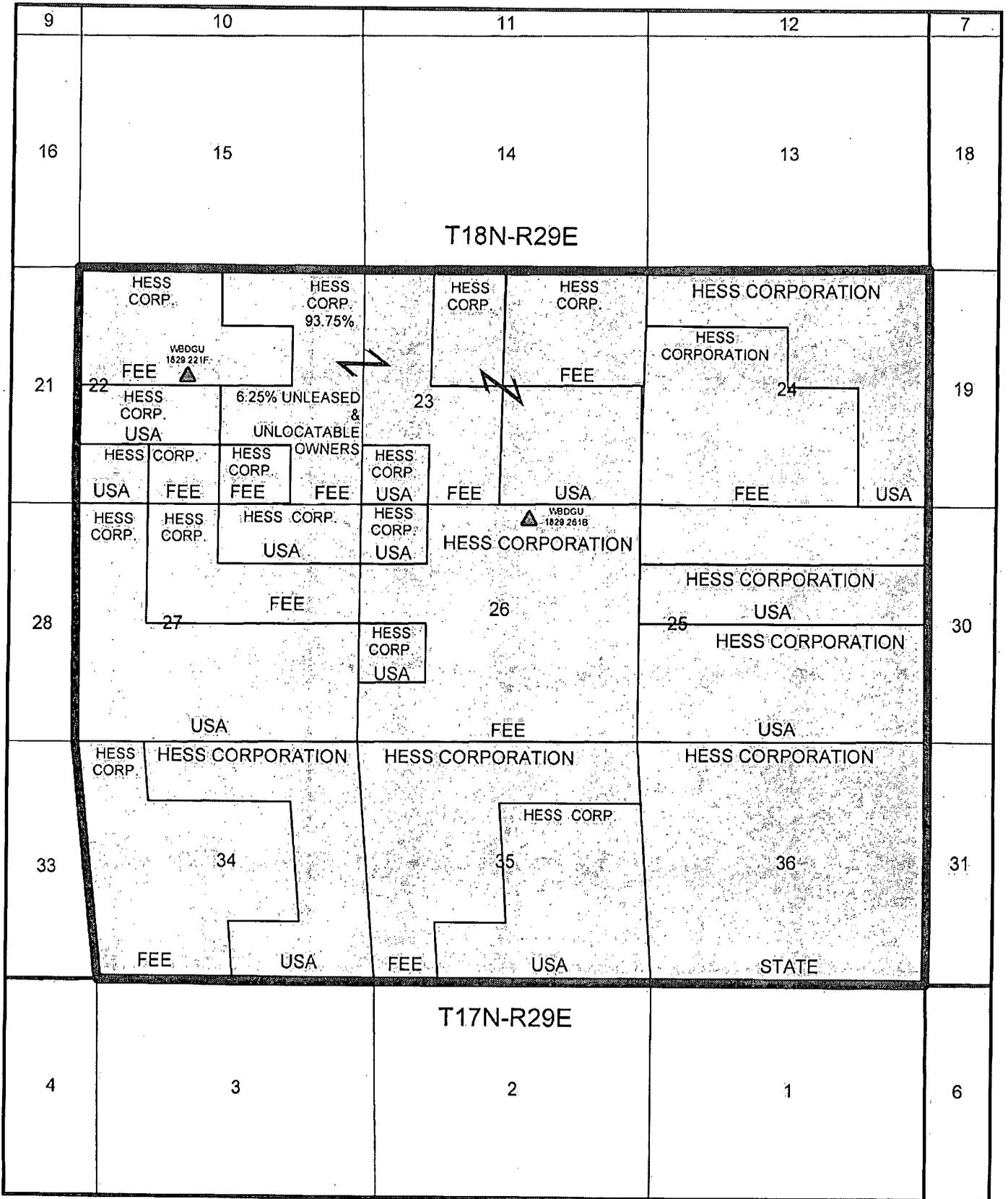
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	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 style="text-align: center;">SURFACE LOCATION</p> <p>Lat - N 35°46'02.11" Long - W 103°49'33.85" NMSPC - N 1734951.291 E 691819.030 (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>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 unleased 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>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>Email Address _____</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify 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>Date Surveyed _____</p> <p>Signature & Seal of Professional Surveyor _____</p>
	<p>Certificate No. Gary L. Jones 7977</p> <p style="text-align: right;">BASIN SURVEYS 24614</p>



Legend

Proposed wells

- ☼ PRODUCING CO₂ WELL
- ▲ 2012 DRILL

HESS CORPORATION

LEASE MAP

WBDGU 1829 261B

— NINE SECTION AREA

— AROUND DRILLSITE LOCATION

Harding_Co_NM_9.MXD

The heaviest turkey ever raised weighed 86 pounds, about the size of a large dog.

The ballroom dance, the turkey trot, was named for the short, jerky steps that turkeys take.

In England, 200 years ago, turkeys were walked to market in herds. They wore booties to protect their feet.

It was the first English King to enjoy turkey, and Edward VII made turkey eating fashionable at Christmas.

Israelis eat the most turkey: 28 pounds per person per year. The average American eats almost 17 pounds of turkey annually.



Harding County Legal Notices

NOTICE

Corporation: Hess the north line and date this notice is Tower, 1501 McKin- 1,525 feet from the published. The Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Failure to object will preclude you from conducting County, New Mexico. If you object to the application a later date. The well location in the to the application is located approximately 9 miles east of Mosquero, New Mexico.

To: Heirs and devisees of H. F. McIntosh, J.A. McIntosh, Lillian E. McIntosh; the William and Heinreim McIntosh Trust; devisees of Henry Fuller McIntosh and Carrie McIntosh Melear: Hess Corporation (Hess Tower, 1501 McKin- 1,525 feet from the published. The Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Failure to object will preclude you from conducting County, New Mexico. If you object to the application a later date. The well location in the to the application is located approximately 9 miles east of Mosquero, New Mexico.

11-23

NOTICE

Corporation: Hess the south line and date this notice is Tower, 1501 McKin- 2,620 feet from the published. The Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Failure to object will preclude you from conducting County, New Mexico. If you object to the application a later date. The well location in the to the application is located approximately 9 miles east of Mosquero, New Mexico.

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11-23

WATTS LINE # 1
 Receipts: 1453
 Slaughter Cows/But
 Slaughter Cows/Fer
 \$3.00-\$5.00 higher,
 Pairs steady. Packag
 at \$147.00.
 Steers: 350-450 lbs.
 \$154.00; 650 lbs. and
 Heifers: 350-450 lbs.
 \$135.00; 650 lbs. and
 Slaughter Cows: Cut
 Cows \$52.00-\$57.00.
 Pairs: Old Pairs, No
 Bred Cows: Old Cow
 Bulls: High Dressing
 Las Vegas
 Clayton - I
 Clayton - I
 Las Vegas
 Nara Visa
 Capulin - V
 Clayton - E
 Roy - Mixe
 Las Vegas
 Clayton - B
 Grenville -
 Roy - Black
 Clayton - B
 Logan - Mix
 Roy - Mixe
 Clayton - B
 Clayton - M
 Clayton - M
 Early consignme
 View live sale an
 Vaccination with IBR/Pa
 Next Sale:
 Receiv
 Early Consignments call

12-15-11

Copy legal notice WBDGU 1829

well # 261 B

Jim Hagan

Think PAT NEEDS to resend Affidavits.

Werry
 Union County leader

AFFIDAVIT OF PUBLICATION

State of New Mexico
County of Union

SS.

The undersigned, being first duly sworn according to law, on her oath deposes and says that she is the office manager of the newspaper named the *Union County Leader* and that she has personal knowledge of the facts stated herein: That the said *Union County Leader* is a weekly newspaper of general paid circulation in Union and Harding Counties published in the County of Union and State of New Mexico; entered under the second class privilege at the U.S. Post Office at Clayton, Union County, New Mexico, and having been uninterruptedly and continuously so printed and published during a period of more than six months next to the date of the printing of the first publication concerning which this affidavit is made and a copy of which is hereto attached; that the said publication, a printed copy of which is hereto attached and made a part of this affidavit, was published in said newspaper once each week for one successive weeks, and that payment for said publication has been made or assessed as part of the court costs to which it relates; said publications having been made on the following dates, to wit:

- 1st publication: the 23 day of November, 2011
- 2nd publication: the ___ day of ___, 20__
- 3rd publication: the ___ day of ___, 20__
- 4th publication: the ___ day of ___, 20__

Union County Leader
Terry Martin
Terry Martin, Publisher/Editor

Subscribed and sworn to before me this 11th day of January, 2012
Patricia A. Herrera

Notary Public, Union County, New Mexico
My commission expires 11-5-2014

Publisher's Bill:
51 lines, ix times \$ 32.13
___ inches, display ___ times \$ ___
Tax \$ 2.53
Total \$ 34.66

Received payment:

Harding County Legal Notices

NOTICE

Corporation (Hess the north line and date this notice is Tower, 1501 McKim, Houston, Texas east line (the store's address is 1220 To: Heirs and de-ney, Houston, Texas east line (the store's address is 1220 vises of H. F. 77010) has filed an NW/4NE/4 of Sec. South St. Francis McIntosh, J.A. application with the non 26, Township 18 Drive, Santa Fe, New McIntosh and New Mexico Oil Con. North, Range 29 Mexico 87505, Fall McIntosh Lillian E. McIntosh Division East, N1/4PM, Harture to object will pre-tosh; the William seeking approval of ding County, New chude you from con-and Henreim an unorthodox gas Mexico. If you object testing this matter at McIntosh Trust; well location in the to the application a later date. The devisees of Henry Tubb formation for you must file a writ- well is located ap-Fuller McIntosh the WBDGU 1829 ten request for hear proximately 9 miles and Carrie Melh- Well No. 261, B. lo- ing with the Division east of Mosquero, tosh Melcar Hess cated 315 feet from within 20 days of the New Mexico.

11-23