



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Jon Goldstein
Cabinet Secretary

Jim Noel
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



February 12, 2010

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

Administrative Order NSL-6154

**Re: Mitchell 1830 Well No. 111L
API No. 30-021-20511
1650 feet FSL and 760 feet FWL
Unit L, Section 11-18N-30E
Harding County, New Mexico**

Dear Mr. Hughart:

Reference is made to the following:

- (a) your application (**administrative application reference No. pTGW10-03432001**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on February 3, 2010, and
- (b) the Division's records pertinent to this request.

Hess Corporation [OGRID 495] (Hess) has requested to drill the above-referenced well at an unorthodox well location described above in the caption of this letter. All of Section 11 will be dedicated to this well in order to form a standard 640-acre spacing unit in the West Bravo Dome Carbon Dioxide Gas Area (72892). Spacing in this area is governed by the Special Rules and Regulations for the West Bravo Dome Carbon Dioxide Gas Area, as promulgated by Order R-7737, issued on November 19, 1984, which provide, as to the area affected by this Order, for 640-acre units, with wells to be located at least 1650 feet from a unit outer boundary. This location is less than 1650 feet from the western unit boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 and 4.12.A(2).



It is our understanding that you are seeking this location for topographic reasons.

It is also understood that you own 100% of the working interest in the offsetting units to the west and southwest, which are the only units toward which this location encroaches. Accordingly, notice of this application to offsetting operators or owners is not required.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a long horizontal flourish extending to the right.

Mark E. Fesmire, P.E.
Director

MEF/db

cc: New Mexico Oil Conservation Division – Santa Fe