



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



Administrative Order IPI-365
April 20, 2010

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.

The basis for granting this pressure increase is the step-rate test run by Cardinal on this well on March 29, 2010. The results of the step rate test show that an increase in the surface injection pressure for this well is justified and will not result in the fracturing of the injection formation and confining strata.

You are hereby authorized to utilize up to **1032 psi** as the maximum surface injection pressure on this well provided the tubing, size, type, and setting depth does not change. However, you are prohibited from injecting at pressures that would induce fracturing.

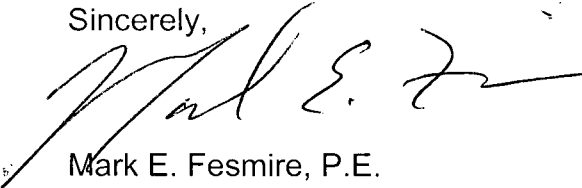


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This approval is subject to your being in compliance with all other Division rules, including but not limited to Division Rule 5.9.

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,

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.
Acting Division Director

MEF/tw

cc: Oil Conservation Division – Santa Fe
SWD-1181