

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

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

Jami Bailey
Division Director
Oil Conservation Division



March 16, 2012

Hess Corporation
Attn: Mr. James S. Hughart

ADMINISTRATIVE NON-STANDARD PRORATION UNIT ORDER

Administrative Order NSP-1956
Administrative Application Reference No. pTWG12-05333842

Hess Corporation
OGRID 495
West Bravo Dome Gas Unit 1930 Well No. 322J
API No. 30-021-20542

Subject Well:

<u>Footages</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
1650 FSL & 1650 FEL	J	32	19N	30E	Harding

Proposed Non-Standard Unit:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
SE/4 of Section 32	160	West Bravo Dome CO2 Gas Area	96387

Reference is made to your application received on February 22, 2012.

You have requested to establish, and to dedicate the Subject Well to, a non-standard 160-acre Carbon Dioxide gas spacing unit in the West Bravo Dome CO2 Gas Area, described above. 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.

Your application has been duly filed under the provisions of Division Rules 15.11.B [19.15.15.11.B NMAC] and 4.12.A(3) [19.15.4.12.A(3) NMAC] and Rule 3 of the Special Rules and Regulations for the West Bravo Dome Carbon Dioxide Gas Area.

It is our understanding that you are seeking this non-standard unit because Section 32, which would otherwise constitute the appropriate spacing unit for the Subject Well, has previously been sub-divided by the establishment of the NW/4 of that section as a non-standard spacing unit by Order NSP-1952, issued on

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March 19, 2011. The Proposed Non-standard Unit meets the requirement for administrative approval of a non-standard proration unit as set forth in Rule 3 of the Special Rules and Regulations for the West Bravo Dome Carbon Dioxide Gas Area.

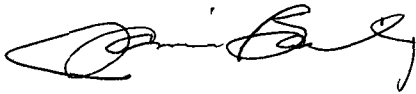
It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 4.12.A(3).

Pursuant to the authority conferred by Division Rule 15.11.B and the Special Rules and Regulations for the West Bravo Dome Carbon Dioxide Gas Area, the above-described non-standard spacing 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 [19.15.15.9 NMAC].

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 'Jami Bailey', with a stylized flourish at the end.

Jami Bailey
Director

JB/db

cc: New Mexico Oil Conservation Division – Santa Fe
New Mexico State Land Office