



HESS CORPORATION
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August 2, 2010

TO: Mr. Tom Feeney
State of North Dakota
1707 North 9th Street
P.O. Box 5523
Bismarck, ND 58506-3650

RE: AV-Iverson 162-94-2314 H-1 Well Proposal
T162N, R94W, Sections 23 & 14
Burke County, ND

Mr. Feeney:

Hess Corporation (Hess) commenced drilling the referenced well as a Middle Bakken and Three Forks, dual lateral well in a spacing unit comprised of the captioned lands. The State of North Dakota owns 80 unleased net acres in said spacing unit, being the SW of Section 23, being 6.25% of this spacing unit. This 80 acre tract appears on the August, 2010 sales list.

Please accept this letter as confirmation that Hess intends to invite the successful bidder for this tract to participate in the drilling and completion of this well, rather than attempt to force pool the State's unleased mineral interests. The estimated costs to drill, complete and equip this well total approximately \$10,422,600.

Please advise us of the successful bidder at this August sale, and we will provide a detailed AFE setting forth the costs for this project. The successful bidder will have thirty (30) days after receipt of this material to advise Hess of its election to participate in this well, or may be subject to non-consent provisions as promulgated by the North Dakota Industrial Commission, as will be more fully described in said AFE package.

Please contact me if you have any questions in this regard.

Sincerely,
HESS CORPORATION

Michael D. Allen, CPL
Land Advisor