GEOPHYSICAL EXPLORATION AFFIDAVIT OF COMPLETION REPORT - FORM GE 6B INDUSTRIAL COMMISSION OF NORTH DAKOTA OIL AND GAS DIVISION 600 EAST BOULEVARD DEPT 405 BISMARCK, ND 58505-0840 SFN 51456 (03-2011)
PERMIT NAME (Required): HESS HA-STATE
PERMIT NUMBER: 97-0277
AFFIDAVIT OF COMPLETION (GEOPHYSICAL CONTRACTOR)
STATE OF <u>alerado</u>)
COUNTY OF)
Before me, <u>PANELA JOHNSON</u> , a Notary Public in and for the said
County and State, this day personally appeared
who being first duly sworn, deposes and says that (s)he is employed by
, that (s)he has read North Dakota
Century Code Section 38-08.1, that the foregoing seismic project has been completed in
accordance with North Dakota Administrative Code Rule 43-02-12 and that the statements on
the reverse side of this document are true.
In St.
Geophysical Contractor Representative
Subscribed in my presence and sworn before me this 25 day of <u>march</u> , <u>2017</u> .
PAMELA M. JOHNSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19874101186 MY COMMISSION EXPIRES MAY 01, 2018
My Commission Expires

GEOPHYSICAL EXPLORATION COMPLETION REPORT - FORM GE 6A



INDUSTRIAL COMMISSION OF NORTH DAKOTA OIL AND GAS DIVISION 600 EAST BOULEVARD DEPT 405 BISMARCK, ND 58505-0840 SFN 51456 (03-2011)

Permit No.	
97-0277	
Shot Hole Operations	*Non-Explosive Operations
	Non-Explosive

SECTION 1

Geophysical Contractor	
Halliburton Energy Services	
Project Name and Number	County(s)
Hess HA State	McKenzie
Township(s)	Range(s)
152N	95W
Drilling and Plugging Contractors	
Date Commenced	Date Completed
February 28, 2017	March 16, 2017

SECTION 2

First S.P. #			Last S.P. #								
Loaded Holes (Undet	onated Shot Points)										
S.P.#'s											
Charge Size											
Depth											
Reasons Holes Were	Not Shot		•	•						•	

SECTION 3

Flowing Holes and/or Blowouts
S.P.#'s
Procedure for Plugging Flowing Holes and/or Blowouts
Include a 7.5 minute USGS topographic quadrangle map or a computer generated post-plot facsimile of the approximate scale displaying each
individual shot hole, SP #, line #, and legal location.

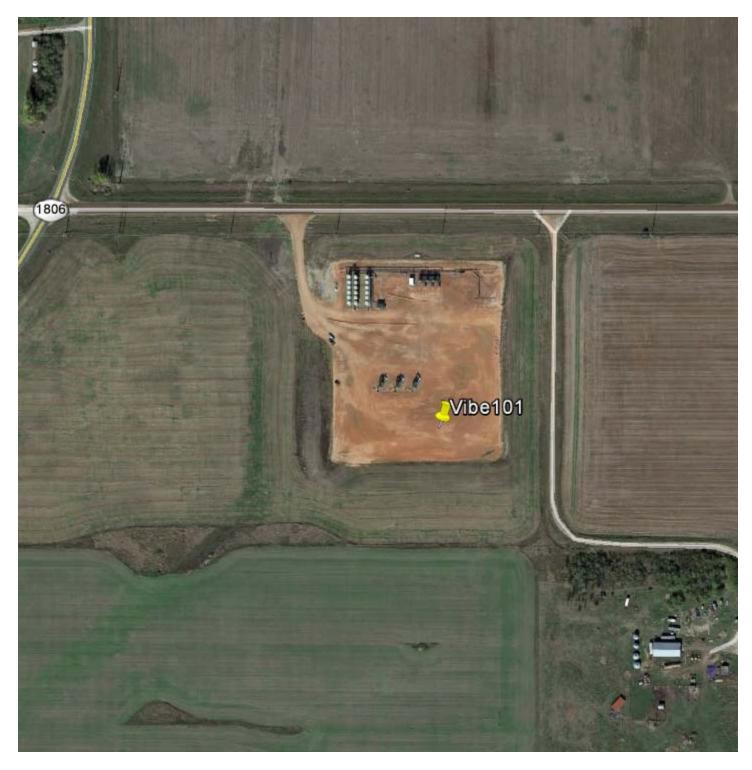
Holweger, Todd L.

From:	Price Stark <price.stark@halliburton.com></price.stark@halliburton.com>
Sent:	Tuesday, March 28, 2017 11:13 AM
То:	Holweger, Todd L.
Subject:	Hess HA State Permit 97-0277 Completion Report
Attachments:	seismicformGE6A-completion.pdf; Hess HA-State - NDIC.kml; seismicformGE6B- affidavit.pdf

Todd,

Attached are the Form GE 6B, Form GE 6A, and KML file of the vibe locations.

Vibe Location 1



Vibe 2



Sincerely, Price

Price Stark Business Development Pinnacle

1125 17th Street Suite 1900 Denver, CO 80202-2016 Email: <u>price.stark@halliburton.com</u> Office: +1 303-899-4676 Mobile: +1 303-579-2088 Follow Halliburton: LinkedIn | Facebook | Twitter | YouTube | Blog



Oil and Gas Division

Lynn D. Helms - Director Bruce E. Hicks - Assistant Director Department of Mineral Resources Lynn D. Helms - Director North Dakota Industrial Commission www.dmr.nd.gov/oilgas/

February 14, 2017

The Honorable Linda Svihovec McKenzie County Auditor 201 5th St NW Ste 543 Watford City, ND 58854

> RE: Geophysical Exploration Permit #97-0277

Dear Ms. Svihovec:

Pursuant to Section 38-08.1-04.2 of the North Dakota Century Code, please be advised that HALLIBURTON ENERGY SERVICES was issued the above captioned permit on February 14, 2017 will remain in effect for a period of one year. The entire permit can be viewed on our website at: <u>https://www.dmr.nd.gov/oilgas/seismic/seismicstats.asp</u>

Should you have any questions, please contact our office.

Sincerely,

Todd L. Holweger DMR Permit Manager



Oil and Gas Division

Lynn D. Helms - Director Bruce E. Hicks - Assistant Director **Department of Mineral Resources** Lynn D. Helms - Director **North Dakota Industrial Commission** www.dmr.nd.gov/oilgas/

February 14, 2017

Mr. Simon Shaw Field Service Manager Halliburton Energy Services 719 Hangar Dr. Acadina Regional Airport Houston, TX 77042

RE: HESS HA STATE GEOPHYSICAL EXPLORATION PERMIT #97-0277 MCKENZIE COUNTY NON EXPLOSIVE METHOD

Dear Mr. Shaw:

Please be advised that we are in receipt of your Geophysical Exploration permit application and it is conditionally approved; effective for one year from February 14, 2017. PURSUANT TO NDAC 43-02-12-05 (DISTANCE RESTRICTION) nonexplosive exploration method may not be conducted not less than 300 feet from a water well, building, underground cistern, pipelines, and flowing spring. In addition, pursuant to NDAC 43-02-12-06 (NOTIFICATION OF WORK PERFORMED), "The director is authorized to suspend operations of the entire geophysical project, or any portion thereof, if further activity will cause excessive damage to the surface of the land". Review the following conditions for your permit:

- 1. A pre-program meeting with state seismic inspector Tom Torstenson is required. You must contact him at 701-290-1546 (cell) or 701-227-7436 at least 24 hours prior to any exploration operations. <u>Also, a copy of the entire permit is required</u> for all contractors at the pre-program meeting.
- 2. All variances for distance restrictions are to be furnished, and a pre-plot map displaying any source points that do not comply with the distance restriction rule must be supplied to the inspector.
- 3. The following information must be submitted within 30 days of the completion of the project by the Geophysical Company:
 - a. Completion Report,
 - b. Completion Affidavit,
 - c. Post Plot Map. It must show all water wells, buildings, underground cisterns, pipelines, and flowing springs that fall within the program area and within one half mile of the perimeter of the program.

- Must provide a GIS layer using NAD83 in an Esri shape file format and an Image file (.img) on a Flash Drive or email: <u>ttorstenson@nd.gov</u> with all source and receiver points,
- e. Affidavit stating that the Geophysical Company has given all surface owner's a copy of the Section and Chapter of the NDCC as stated in paragraph 4. (Received 2/14/2017)
- 4. It is required that within seven days of initial contact between the permitting agent and the operator of the land, the permitting agent shall provide the operator of the land and each landowner owning land within one-half mile of the land on which geophysical exploration activities are to be conducted a written copy of NDCC Section 38-08.1-04.1 (Exploration Permit) and NDCC Chapter 38-11.1 (Oil and Gas Production Damage Compensation). The permitting agent shall file an affidavit with this office confirming compliance with such notification. For your convenience, a copy of both Sections are enclosed. (Received 2/14/2017)
- 5. The permit agent shall notify the operator of the land at least seven days before commencement of any geophysical exploration activity, unless waived by mutual agreement of both parties. The notice must include the approximate time schedule and the location of the planned activity.
- Information regarding the location of water wells, springs, etc.; refer to the following ND State Water Commission Mapservice website, at: <u>http://mapservice.swc.state.nd.us/</u>
- 7. The entire permit can be viewed, as well as the status of various seismic projects in the state, at: <u>https://www.dmr.nd.gov/oilgas/seismic/seismicstats.asp</u>

Should you have any questions regarding this matter, feel free to contact me at 701-328-8020, or Tom Torstenson at the number listed in paragraph 1.

Sincerely, Fodd L. Holweger

DMR Permit Manager

Received

GEOPHYSICAL EXPLORATION PERMIT - FORM GE 1

•

FEB 9 2017



INDUSTRIAL COMMISSION OF NORTH DAKOTA OIL AND GAS DIVISION 600 EAST BOULEVARD DEPT 405 BISMARCK, ND 58505-0840 SFN 51459 (03-2011)

ND Oil & Gas Division

1) a. Company Halliburton		Address 719 Hangar Dr Acadiana Regional Airport New Iberia LA 70560					
Contact Simon Shaw		Telephone (281) 782-981	1		Fax		
Surely Company Westchester Fire II	nsurance Company	Bond Amount 25000.00			Bond Number K08358977		
2) a. Subcontractor(s)		Address			Telephone		
b. Subcontractor(s)		Address			Telephone		
3) Party Manager		Address (local)			Telephone (local)		
4) Project Name or Line N Hess HA State	umbers						
5) Exploration Method (Sh Non-explosive, ot		D, 3D, Other)					
	Aust check all that apply) sive - Distance setbacks a - Distance setbacks apply		•				
7) Size of Hole	Amt of Charge	Depth	Source points		No. of sq. mi.		
3-D Size of Hole	Am! of Charge	Depth	Source points	per ht. mk.	No. of In. mí,		
2-D 8) Approximate Start Date				nate Completio			
THE COMMISSION	MUST BE NOTIFIED AT	LEAST 24 HOU				OPHYSICAL OPERATIONS	
9) Location of Proposed P McKenzie County	roject - County						
	Section	5		Τ.	152N	^R 95W	
	Section Section	5 33		т. т.	152N 152N	^R 95W ^{R.} 95W	
Section(s).						95 W	
Section(s), Township(s) & Range(s)	Section			τ.		95W R. 95W	
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Township(s) & Range(s) I hereby swear or affirm th Signature Email Address(es) simon.shaw@hallib	Section Section Section Section Section	33 d is true, complete Printed Name Simon Shaw	and correct as det	T. T. T. T. ermined from a	152N all available records. Title Field Service M <u>Permit Co</u> mit in hand required	R. 95W R. R. R	
Township(s) & Range(s) I hereby swear or affirm th Signature Email Address(es) Simon.shaw@hallib	Section Section Section Section Section at the information provide 2	33 d is true, complete Printed Name Simon Shaw	and correct as dete	T. T. T. T. T. ermined from a T T T.	152N all available records. Title Field Service M <u>Permit Co</u> mit in hand required	R. 95W R. R. R	
Township(s) & Range(s) I hereby swear or affirm th Signature Email Address(es) Simon.shaw@hallib Permit No. Approved by	Section Section Section Section Section at the information provide 2	33 d is true, complete Printed Name Simon Shaw	and correct as dete	T. T. T. T. T. ermined from a T T T.	152N all available records. Title Field Service M <u>Permit C</u> mit in hand required field inspector and t	R. 95W R. R. R	

*See Instructions On Reverse Side

February 6, 2017

Hess HA State Vibe Orientation

Operation Description

Table of Contents

Vibe Orientation	2
Description	2
Downhole Microseismic	
Project Completion	_

Vibe Orientation

Operational Description

Todd Holweger NDIC tholweger@nd.gov

Description

Pinnacle will be performing a series of geophysical exploration services for the upcoming treatment of the Hess HA State lateral well pad in McKenzie County, ND (S16, T152N, R95W). The expected timeframe for this operation is Feb 16th through 28th 2017.

Microseismic mapping of the HA State lateral wells will start with the hydraulic fracture treatment of the HA State wells, currently anticipated to begin February 16th. Details about the deployment of the microseismic geophones are provided in **Downhole Microseismic**.

A single downhole array will be used to map the upcoming hydraulic fracture treatment of the Hess HA State pad. We plan to measure the hydraulic fracture treatment using microseismic monitoring in order to determine fracture geometry and treatment extent. In order to calibrate the orientation of our downhole geophones we will perform a series of vibroseis sweeps at two known surface locations. A map view of the project pad, wells, and vibe locations is provided in **Figure 1**.



Figure 1. Hess Corporation HA State Pad and Vibe Locations

Simon Shaw

Field Service Manager

Halliburton

719 Hangar Dr Acadiana Regional Airport

New Iberia, LA 70560

Mobile: 281-782-9811

simon.shaw@halliburton.com

Borehole Seismic



Downhole Microseismic

Deployment

Halliburton will tractor-deploy a geophone toolstring in the HA-State 152-95-1621H-9 lateral observation well from a surface wireline logging unit. This deployment is comparable to any wireline deployed toolstring. The geophone toolstring will be periodically repositioned in the lateral well during the fracture treatment and will be withdrawn upon its completion.

These geophones require a known signal source to orient themselves to the physical world around them which will be accomplished using a surface vibroseis signals.

Vibe Operation

This orientation process will involve the use of a mini-vibroseis unit to perform a series of 10 second sweeps at two distinct locations in the area. An image of the mini-vibroseis unit is provided in **Figure 2.** For the purposes of this project all vibe locations are on existing well pads which Hess Corporation currently has access. These vibe locations and their relative positions are provided in **Table 1**.



Figure 2. Halliburton Mini-vibroseis Unit

Due to the unknown nature of field operations the vibroseis orientation may need to be repeated during the fracture treatment if mechanical issues force the geophone toolstring to be replaced and reoriented.

The vibe operation will be conducted in accordance with the rules and restrictions for a non-explosive exploration method. A variance has been obtained from Hess Corporation in regards to rule 43-02-12-05 regarding distance restrictions. A notarized copy of this variance will be delivered to the NDIC with the permit request. Images of the vibe locations are provided below in **Figure 3** and **Figure 4**. These locations are approximate depending on conditions in the field and accessibility.

Table 1 Vibe Locations

Location	Sec	Twn	Rng
1	5	152N	95W
2	33	152N	95W



Figure 3. Hess Corporation HA State Vibe Location 1





Figure 4. Hess Corporation HA State Vibe Location 2

Project Completion

At the completion of the fracture treatment, the downhole geophones will be retrieved on wireline and the logging unit will leave the area. Notifications will be provided of the completion of the project and the (form) will be submitted to the NDIC.

Related Documents

- Geophysical Exploration Permit Form GE1
- Hess Corporation Notification of Variance
- Letter of Landowner Notification
- A plot map showing actual monitoring locations
- Geophysical Exploration Completion Report Form GE 6B

If there are any questions or concerns please feel free to contact us at...

Sincerely,

RIL

Simon Shaw Field Service Manager North America Halliburton

Mobile: 281-782-9811 Office: 281-871 -7149



HALLIBURTON

February 14, 2017

1125 17th Street, Suite 1900 Denver, CO 80202 Direct: 303-899-4700 • Fax: 720-904-0222

DMR Permit Manager Oil & Gas Division North Dakota Industrial Commission Attn: Todd L. Holweger 600 East Boulevard Dept. 405 Bismarck, ND 58505-0840

Dear Mr Holweger,

The intent of this letter is to notify you that Halliburton Energy Services has done its due diligence and provided the operator of the land and each landowner within one-half mile of the land on which geophysical exploration activities will be conducted a written copy of NDCC Section 28-08.1-04.1 (Exploration Permit) and NDCC Chapter 38-11.1 (Oil and Gas Production Damage Compensation).

Please accept this letter as compliance.

Sincerely, Halliburton Energy Services

Price Stark Business Development

Atate of Colorado County of Derver The goverging was acknowledged before one this 14B day of Gebruary, 2017, by Price Atart.

PAMELA M. JOHNSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19874101186 MY COMMISSION EXPIRES MAY 01, 2018

Chindon Johnoor notary Sublia



Hess Bakken Investments II, LLC 1501 McKinney Street Houston, TX 77010

February 1, 2017

North Dakota Industrial Commission Oil and Gas Division 600 East Boulevard Dept. 405 Bismarck, North Dakota 58505-0840 Attn: Todd L. Holweger

Ref: Distance Restriction Variance Hess HA-State Microseismic McKenzie County, North Dakota

Dear Mr. Holweger;

As part of the microseismic data collection to be done at Hess' operated HA-State location in February of 2017, a vib truck will be used to assist with the orientation of the downhole geophones. Per NDIC rule 43-02-12-05. Distance restrictions, a non-explosive vib location must remain greater than 300 feet from existing infrastructure. This letter is intended to provide notice that Hess Bakken Investments II, LLC hereby gives Halliburton Company a variance to the 300 foot distance allowing them to be less than 300 feet from Hess' existing infrastructure.

Please accept this letter in compliance to NDIC rule 43-02-12-05 mentioned above.

Bruce Davis Manager, Area Work Team South Hess Bakken

43-02-12-05. Distance restrictions –

Shot hole operations - Nonexplosive methods.

Seismic shot hole operations may not be conducted less than six hundred sixty feet [201.17 meters] from water wells, buildings, underground cisterns, pipelines, and flowing springs.

Nonexplosive exploration methods may not be conducted less than three hundred feet [91.44 meters] from water wells, buildings, underground cisterns, pipelines, and flowing springs.

Variances may be granted to this section by written agreement between the permitholder and the owner of the subject property and must be available to the director upon request. History: Effective December 1, 1997; amended effective September 1, 2000; May 1, 2004. General Authority: NDCC 38-08.1 Law Implemented: NDCC 38-08.1-08 43-02-12-06. Notification of work

CORPORATE ACKNOWLEDGEMENT

STATE OF TEXAS

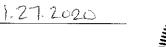
COUNTY OF HARRIS

On this, the \underline{U}^{μ} day of <u>February, 2016</u>, before me a notary public, the undersigned officer, personally appeared <u>Bruce Davis</u>, who acknowledged himself to be the <u>MANAGER</u> of Hess Corporation.

Being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as MANAGER .

In witness whereof, I hereunto set my hand and official seal.

My commission Expires:





Christina M. Wallace Notary Public Christina M. Wallace Print Name