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APR 13 2010

April 13, 2010

PUBLIC SERVICE COMMISSION

Hand Delivered

Mr. Darrell Nitschke
Executive Secretary
North Dakota Public Service Commission
600 East Boulevard Avenue
Dept. 408
Bismarck, ND 58505-0480

In re: Hess Corporation
Letter of Intent/Application for Waiver of Procedures and Time Frames

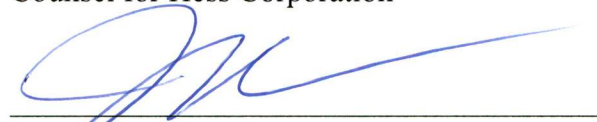
Dear Mr. Nitschke:

Enclosed please find the original plus ten (10) copies of a Letter of Intent for filing and consideration by the Public Service Commission.

Thank you.

Very truly yours,

Crowley Fleck PLLP
Counsel for Hess Corporation



By: John W. Morrison

cc: B.S. Wright
Rory Nelson

1 **PU-10-120** Filed: 4/13/2010 Pages: 4
Letter of Intent

Hess Corporation

John Morrison, Attorney, Crowley Fleck

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Dear Mr. Nitschke:

Pursuant to Section 49-22-07.1 of the North Dakota Century Code and Section 69-06-03-01 of the North Dakota Administrative Code, Hess Corporation ("Hess"), hereby files its letter of intent to construct an addition to the Tioga Gas Plant (the "Plant") which will not be completely contained within the geographic location on which the Plant is currently located.

1. Description of size and type of facility and area to be served.

The Plant is located one (1) mile east of Tioga, ND. It was originally constructed in the early 1950's and was put in service in 1954 with a nameplate inlet capacity of 120 MMCFD (million standard cubic feet per day). The current process is a refrigerated lean oil fractionation. The Plant has not previously been sited by the Commission because it was constructed prior to the enactment of the Energy Conversion and Transmission Facility Siting Act (Chapter 49-22, N.D.C.C.).

Although the Plant is over 50 years old, it is processing near record volumes. Local drilling activity has accelerated in recent years and Hess wishes to expand the Plant to keep pace with additional production. Therefore, the Plant process is to be changed from the existing lean oil fractionation to a cryogenic turboexpander process that will be designed for ethane recovery

but capable of ethane rejection. A plant with maximum operating flexibility including the capability to fully fractionate the recovered liquids will result.

The new plant will be a state of the art facility. It will have a nameplate inlet capacity of 250 MMCFD and will operate with improved efficiency and reduced impact on the environment. Most of the project will be constructed within the existing footprint but there will be various processing facilities including a flare stack that will be located on an adjacent tract comprised of 21 acres.

The expanded plant will continue to serve the area connected to the Plant gathering system, which system will likely expand as drilling activity expands into new geographical area and supports an economic expansion of the gathering system.

2. Request for waiver of procedures and time frames.

To minimize delay, Hess requests that the Commission waive the requirement of filing a letter of intent at least one year prior to filing the application for a certificate, or alternatively reduce such period to one-month so as to allow this project to be timely constructed and placed in service.

3. Map of study area.

See map enclosed herewith.

4. Anticipated construction and operation schedule.

Hess anticipates that construction will begin in March, 2011, and that the expanded plant will be put in service by December, 2012.

5. Estimated cost of construction.

Hess estimates that total cost of the expansion project will be \$325,000,000.00

If you have any questions or need any additional information, please contact the undersigned at your earliest convenience.

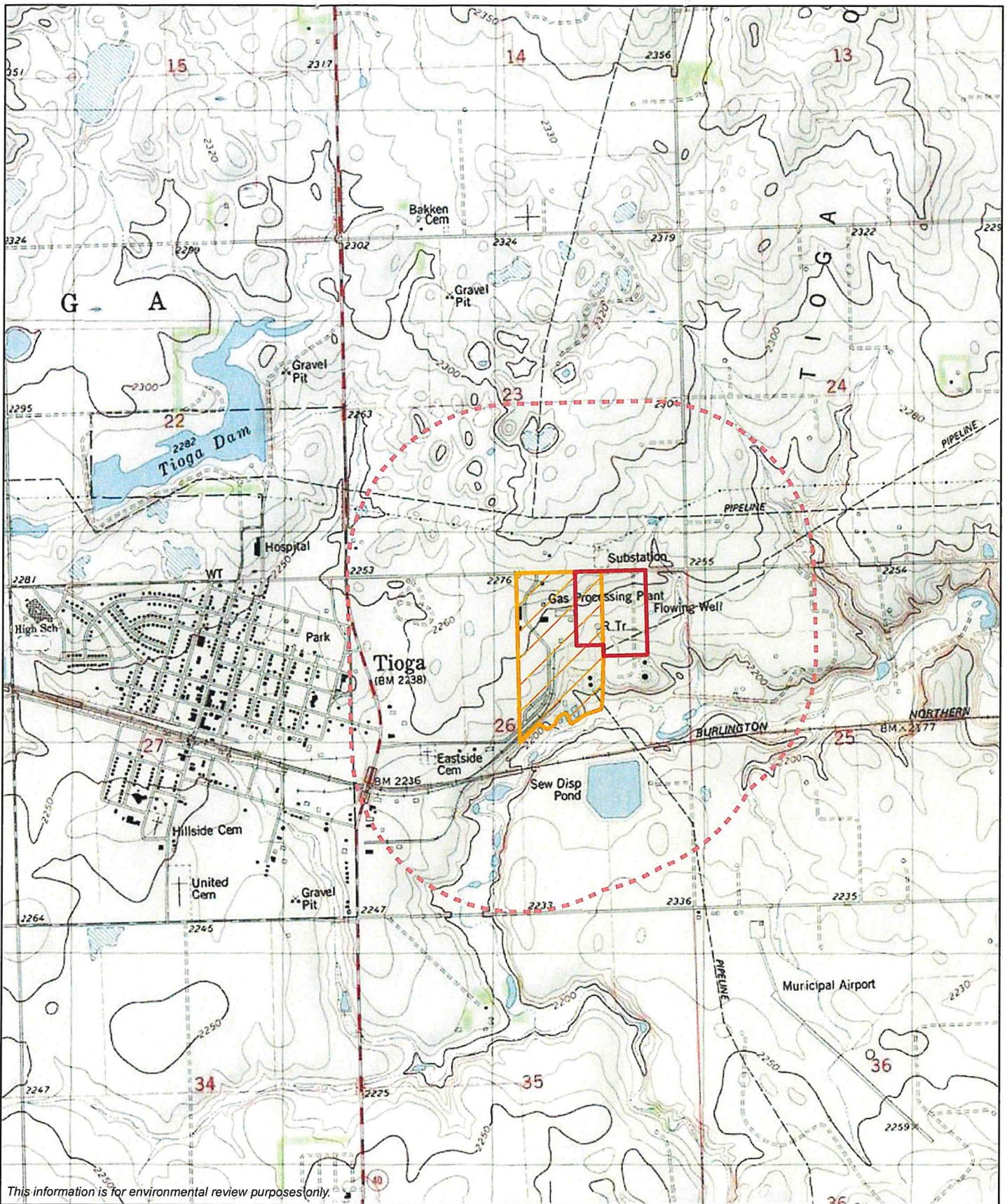
Sincerely,
Crowley Fleck PLLP
Counsel for Hess Corporation






By: John W. Morrison

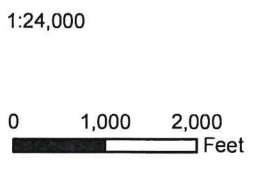
cc: B.S. Wright
Rory Nelson

Map Document: C:\000-GIS\GIS\Clients\Hess Corp\Tioga Gas Plant\Project Location.mxd
3/16/2010 - 10:53:18 AM



This information is for environmental review purposes only.

-  Proposed Project Footprint
-  0.5 Mile Buffer of Project Location
-  Existing Tioga Gas Plant



Tioga Gas Plant Expansion Project

Williams County, North Dakota



Revised: 03/16/10 