BEFORE THE INDUSTRIAL COMMISSION

OF THE STATE OF NORTH DAKOTA

CASE NO. 677 ORDER NO. 734

IN THE MATTER OF A HEARING CALLED ON A MOTION OF THE COMMISSION TO CONSIDER THE APPLICATION OF TOM A. SCHWARTZ FOR PERMIT TO DRILL AN OFF PATTERN WELL IN NE SE OF SECTION 36, T.164N., R.93W., BURKE COUNTY, NORTH DAKOTA. (SHORT CREEK FIELD).

ORDER OF THE COMMISSION

BY THE COMMISSION:

Pursuant to legal notice, this cause came on for hearing at 9:30 a.m., on the 19th day of August, 1964, at Bismarck, North Dakota, before the Industrial Commission of North Dakota, hereinafter referred to as the "Commission".

NOW, on this 3rd day of September, 1964, the Commission, a quorum being present, having considered the testimony adduced, and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given, as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That Commission's Order No. 289, dated 26 December 1958, established 160 acres per well as the proper spacing for the development of the Short Creek Field in Burke County, North Dakota.
- (3) That the SE/4 of Section 36, Township 164 North, Range 93 West, Burke County, North Dakota, constitutes a spacing unit in the Short Creek Field as that field is defined by Order No. 289.
- (4) That a well was drilled and completed in the prescribed location in said quarter section in accordance with the provisions of paragraph (3) of Order No. 289, and that said well, being the Northwest Oil Drilling Co., No. 1 Bonnie "B", is still capable of withdrawing fluids from the Madison Reservoir in the Short Creek Field.
- (5) That no more than one well, capable of withdrawing fluids from the Madison Reservoir should be completed in each spacing unit in said field.
- (6) That the present lessee, the applicant in this case, is desirous of drilling and completing a well on the spacing unit comprising the SE/4 of Section 36, Township 164 North, Range 93 West, Burke County, in the Short Creek Field and that said well be located in the center of the NE/4 of said spacing unit as an exception to Commission's Order No. 289.
- (7) That if producible reserves of oil and gas remain in and under said spacing unit that it is in the public interest that provision be made for their economical recovery.
- (8) That the Northwest Drilling Co. No. 1 Bonnie "B" well located in the SE SE of Section 36, Township 164 North, Range 93 West, Burke County, North Dakota, should be properly plugged so as to prevent loss or dissipation of reservoir fluids and/or reservoir energy.

- (9) That the record in this case contains no engineering or geological evidence or testimony bearing upon the reservoir conditions in and under said spacing unit.
- (10) That the present condition of the Bonnie "B" #1 well is such that it could be utilized for disposal of produced salt water into the Dakota formation.

IT IS THEREFORE ORDERED:

- (1) That Tom A. Schwartz be, and the same is hereby, granted an exception to Commission's Order No. 289 allowing him to drill a well in the NE SE Section 36, Township 164 North, Range 93 West, Burke County, North Dakota.
- (2) That the necessary steps be taken to insure that the Madison reservoir, in the Bonnie "B" #1 well, will not be in communication with the well bore in said well when perforating, acidizing, or fracturing, operations are undertaken at the exception location granted by this order.

DONE, in Bismarck, North Dakota, this 3rd day of September, 1964.

THE NORTH DAKOTA INDUSTRIAL COMMISSION

/s/ William L. Guy William L. Guy, Governor

/s/ Helgi Johanneson Helgi Johanneson, Attorney General

/s/ Math Dahl Math Dahl, Commissioner of Agriculture & Labor