

BEFORE THE INDUSTRIAL COMMISSION  
OF THE STATE OF NORTH DAKOTA

CASE NO. 1003  
ORDER NO. 1080

IN THE MATTER OF A HEARING CALLED ON A  
MOTION OF THE COMMISSION TO CONSIDER THE  
APPLICATION OF CONTINENTAL OIL COMPANY  
FOR AN ORDER TO PERMIT THE DRILLING OF A  
WELL APPROXIMATELY 1980 FEET FROM THE  
SOUTH LINE AND 1980 FEET FROM THE EAST  
LINE OF SECTION 22, TOWNSHIP 140 NORTH,  
RANGE 96 WEST, STARK COUNTY, NORTH  
DAKOTA AS AN EXCEPTION TO COMMISSION  
ORDER NO. 920 ESTABLISHING THE PROPER  
SPACING FOR THE DICKINSON-HEATH POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

A hearing having been held in Bismarck, North Dakota, on this 26th day of May, 1970, at 9:30 a.m., before the North Dakota Industrial Commission, hereinafter referred to as the "Commission."

NOW, on this 24th day of June, 1970, 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 Continental Oil Company, Operator, and North American Royalties, Inc., Lewis W. Hill, Jr., and J. Hiram Moore are the owners of the oil and gas leasehold estates in the S/2 of Section 22, Township 140 North, Range 96 West, Stark County, North Dakota, which lands are within the outline of the Dickinson-Heath Pool, as established by Order No. 920 issued in Case No. 848, of the North Dakota Industrial Commission.

(3) That pursuant to said Order, all wells drilled in the Dickinson-Heath Pool in Zone II shall be on a 320 acre spacing pattern and any wells so drilled shall be located in the SW/4 SE/4 and SW/4 NW/4 of each section.

(4) That a dry hole has been drilled in the SW/4 SE/4 of said Section 22, in conformity with the spacing pattern, which dry hole is located 1320 feet south of the location for which the exception herein is requested. The well encountered one and one-half feet of low porosity, low permeability oil saturated Heath sand. Therefore, the Applicant believes the well penetrated the Heath sand on the extreme south boundary of the reservoir.

(5) That based upon the geological information, a well drilled as an exception to the spacing pattern and at a location 1980 feet west of the east line and 1980 feet north of its south line of Section 22, Township 140 North, Range 96 West, would be potentially productive of oil in commercial quantities.

(6) That the drilling of a test well at the proposed location in lieu of any other location would result in the greatest potential recovery of oil and gas and as a result thereof protect the correlative rights of the

parties and prevent unnecessary waste.

IT IS THEREFORE ORDERED:

(1) That this application for an exception location in the approximate C NW/4 SE/4 of Section 22, Township 140 North, Range 96 West, Stark County, North Dakota, be, and the same is hereby granted.

(2) That the interested parties make application to the office of the State Geologist for permit to drill said well.

(3) That upon completion of said well, the State Geologist shall determine the acreage to be allocated to said well for the purpose of determining its allowable.

DONE, in Bismarck, North Dakota, this 24th day of June, 1970.

THE NORTH DAKOTA  
INDUSTRIAL COMMISSION

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

/s/ Helgi Johanneson  
Helgi Johanneson, Attorney General

/s/ Arne Dahl  
Arne Dahl, Commissioner of Agriculture