

BEFORE THE INDUSTRIAL COMMISSION
OF THE STATE OF NORTH DAKOTA

CASE NO. 1072
ORDER NO. 1147

IN THE MATTER OF A HEARING CALLED ON A
MOTION OF THE COMMISSION TO CONSIDER THE
APPLICATION OF CARDINAL PETROLEUM
COMPANY FOR AN ORDER POOLING ALL
INTERESTS IN THE 320-ACRE SPACING UNIT
COMPRISED OF THE S/2 OF SECTION 11,
TOWNSHIP 140 NORTH, RANGE 96 WEST, STARK
COUNTY, NORTH DAKOTA.

ORDER OF THE COMMISSION

BY THE COMMISSION:

Pursuant to legal notice this cause came on for hearing at 9:30 a.m. on the 9th day of December, 1971, in the Hearing Room, State Capitol Building, Bismarck, North Dakota, before the Industrial Commission of North Dakota, hereinafter referred to as the "Commission."

NOW, on this 9th day of December, 1971, 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 applicant is the owner of an interest in the oil and gas leasehold estate in the S/2 of Section 11, Township 140 North, Range 96 West, Stark County, North Dakota.

(3) That by its order the Commission established the field boundaries for the Dickinson-Heath Pool and that Section 11, Township 140 North, Range 96 West, Stark County, North Dakota, is adjacent to such pool.

(4) That orders of the Commission established 320 acres as the spacing for the Dickinson-Heath Pool and that such orders further authorized that spacing units should consist of any two adjacent and contiguous quarter-sections within a section.

(5) That Section 38-08-08, North Dakota Century Code, requires the Commission to enter a pooling order when two or more separately owned tracts are embraced within a spacing unit, or when there are separately owned interests in all or a part of a spacing unit in the absence of voluntary pooling.

(6) That in order to protect correlative rights and prevent the drilling of unnecessary wells, the Commission should pool all interests in this spacing unit.

(7) That such pooling order should be effective on the date hereof.

IT IS THEREFORE ORDERED:

(1) That all of the interests in the S/2 of Section 11, Township 140 North, Range 96 West, Stark County, North Dakota, be, and the same are hereby pooled for the development and operation of a spacing unit, and that

all interested parties participate in the proceeds from a well drilled thereon in proportion as their interests may appear.

(2) That Cardinal Petroleum Company shall be the operator of this spacing unit and shall conduct operations in a manner such as to protect correlative rights of all interested parties.

(3) That this pooling order shall govern allocation of production from said spacing unit.

(4) That, in the event the size of spacing units in the Dickinson-Heath Pool is modified by the Commission, this order shall terminate as of the date of such modification order.

DONE, at Bismarck, North Dakota, this 9th day of December, 1971.

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