BEFORE THE INDUSTRIAL COMMISSION

OF THE STATE OF NORTH DAKOTA

CASE NO. 1283 ORDER NO. 1386

IN THE MATTER OF A HEARING CALLED ON A MOTION OF THE COMMISSION TO CONSIDER THE APPLICATION OF CONTINENTAL OIL COMPANY FOR AN ORDER PERMITTING THE DRILLING OF CERTAIN INJECTION WELLS ALONG THE DICKINSON HEATH SAND UNIT BOUNDARY IN 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 14th day of October, 1975, in Bismarck, North Dakota, before the Industrial Commission of North Dakota, hereinafter referred to as the "Commission."

NOW, on this 13th day of November, 1975, 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 the applicant is the Unit Operator for the Dickinson Heath Sand Unit, Stark County, North Dakota, a statutory type Unit established by Commission Order No. 1202 on March 13, 1975.
- (3) That due to a lack of information all of the Heath Sand reservoir was not included in the Dickinson Heath Sand Unit. Present information indicates the oil saturated Heath Sand extends beyond the Dickinson Heath Sand unit boundaries to the north and west of Section 33, Township 140 North, Range 97 West, Stark County, North Dakota, into what has been designated the South Heart-Heath Pool.
- (4) That the Dickinson Heath Sand Unit might be expanded to include said lands containing oil saturated Heath Sand reservoir but by using the existing Dickinson Unit unitization formula, the lands outside the Unit Area might not receive their equitable share of Unit participation.
- (5) That because of secondary recovery operations through water flooding and the possible resulting increase in reservoir pressures, oil might, in time, migrate off unitized lands onto the lands outside the unit area mentioned in (3) above.
- (6) That in order to halt the possible migration of oil from the Dickinson Heath Sand Unit to wells in the wells in the South Heart Field, the applicant requests permission to drill two lease line injection wells, one located 400 feet from the west line and 10 feet from the north line, and the other 3640 feet from the west line and 10 feet from the north line of Section 33, Township 140 North, Range 97 West, Stark County, North Dakota.
- (7) That in December, 1975, wells in the Dickinson Heath Sand unit will have produced all of the primary reserves from the Heath Pool within

said unit.

- (8) That wells in the South Heart Field adjacent to the boundary of the Dickinson Heath Sand Unit have produced a year or less and have not recovered the primary reserves from that portion of the Heath Pool.
- (9) That injection of water into the Heath Pool through the wells at the locations proposed in (6) above might cause the "watering out" and premature abandonment of wells in the South Heart Field and would not protect the correlative rights of the owners of interest in the wells in the South Heart Field.
- (10) That the injection of water into the Heath Pool through the wells at the locations proposed in (6) above should not be permitted at this time; however, the proposed operation might increase the ultimate recovery of oil from the Heath Pool and may be reconsidered after June, 1976.

IT IS THEREFORE ORDERED:

- (1) That this application for permission to drill two injection wells, one located 400 feet from the west line and 10 feet from the north line and the other 3640 feet from the west line and 10 feet from the north line of Section 33, Township 140 North, Range 97 West, Stark County, North Dakota, be, and the same is hereby denied.
- (2) That this order shall continue in full force and effect until further order of the Commission.

DONE, at Bismarck, North Dakota, this 13th day of November, 1975.

THE NORTH DAKOTA INDUSTRIAL COMMISSION

/s/ Arthur A. Link Arthur A. Link, Governor

/s/ Allen I. Olson Allen I. Olson, Attorney General

/s/ Myron Just Myron Just, Commissioner of Agriculture