

BEFORE THE INDUSTRIAL COMMISSION
OF THE STATE OF NORTH DAKOTA

CASE NO. 2370
ORDER NO. 2667

IN THE MATTER OF A HEARING CALLED ON A
MOTION OF THE COMMISSION TO CONSIDER THE
APPLICATION OF CHANDLER AND ASSOCIATES,
INC. FOR AN ORDER TO PERMIT THE DRILLING
OF A WELL IN THE NW SW OF SECTION 7,
T.163N., R.92W., BURKE COUNTY, NORTH
DAKOTA, AS AN EXCEPTION TO THE SPACING
REQUIREMENTS IN THE SHORT CREEK FIELD.

ORDER OF THE COMMISSION

BY THE COMMISSION:

Pursuant to legal notice, this cause came on for hearing at 1:30 p.m. on the 17th day of February, 1982, in Minot, North Dakota, before an examiner appointed by the Industrial Commission of North Dakota, hereinafter referred to as the "Commission."

NOW, on this 23rd day of March, 1982, 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 oil and gas leasehold estate in the SW/4 of Section 7, Township 163 North, Range 92 West, Burke County, North Dakota, and has a permit for a well in the SW/4 of said quarter section.

(3) That said tract of land is within the boundaries of the Short Creek Field, and forms a spacing unit for the Madison Pool, and the spacing for such pool established by the Commission requires wells to be located in the approximate center of the SE/4 of each quarter.

(4) That applicant is desirous of drilling a Madison test well on said spacing unit located in the approximate center of the NW/4 of said quarter.

(5) That a well has been drilled in the proper location and resulted in a dry hole.

(6) That a well drilled at the proposed location would produce oil that might otherwise not be produced.

(7) That due to geological conditions, the proposed location is the most advantageous point to drill a test well on said spacing unit.

(8) That in order to prevent waste, and to protect correlative rights this application should be granted.

IT IS THEREFORE ORDERED:

(1) That permit #8852 is hereby cancelled.

(2) That applicant is hereby allowed to drill a well in the approximate center of the NW/4 of the SW/4 of Section 7, Township 163 North, Range 92 West, Burke County, North Dakota, as an exception to the spacing requirements in the Short Creek Field.

(3) That this order shall remain in full force and effect until further order of the Commission.

Dated this 23rd day of March, 1982.

INDUSTRIAL COMMISSION
STATE OF NORTH DAKOTA

/s/ Allen I. Olson
Allen I. Olson, Governor

/s/ Robert O. Wefald
Robert O. Wefald, Attorney General

/s/ Kent Jones
Kent Jones, Commissioner of Agriculture