BEFORE THE INDUSTRIAL COMMISSION

OF THE STATE OF NORTH DAKOTA

CASE NO. 2956 ORDER NO.3340

IN THE MATTER OF A HEARING CALLED ON A MOTION OF THE COMMISSION TO CONSIDER THE APPLICATION OF MCDONALD INVESTMENT CORPORATION FOR AN ORDER REDEFINING THE OUTLINE OF THE COLUMBUS AND SHORT CREEK FIELDS, BURKE COUNTY, NORTH DAKOTA, AND AMENDING THE SPACING REQUIREMENTS FOR THE COLUMBUS FIELD.

ORDER OF THE COMMISSION

BY THE COMMISSION:

Pursuant to legal notice this cause came on for hearing at 10:00 a.m. on the 10 day of October, 1983, in Bismarck, North Dakota, before an examiner appointed by the Industrial Commission of North Dakota, hereinafter referred to as the "Commission."

NOW, on this 28th day of October, 1983, 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 Short Creek Field contains 10 sections, more or less. There are only three wells in the field, and the productive area appears to be defined; hence the field outline should be reduced.
- (3) That the Columbus Field is adjacent to the Short Creek Field. The productive area in the Columbus Field appears to extend into part of the presently defined Short Creek Field.
- (4) That the boundaries of the Columbus and Short Creek Fields should be redefined.
- (5) That spacing in the Columbus Field is one well to each 80 acres with wells located in the NE and SW quarters of each quarter section.
- (6) That evidence presented in this matter indicates that in order to efficiently and effectively drain the recoverable oil in the Columbus Field, wells should be located within the 80-acre spacing unit at the optimum geological location, provided the wells are not less that 500 feet from the boundary of the spacing unit, nor closer than 1000 feet to another well producing from, or permitted to the producing interval in the field.

IT IS THEREFORE ORDERED:

(1) That the Short Creek Field is hereby redefined as the following described tracts of land in Burke County, North Dakota:

TOWNSHIP 163 NORTH, RANGE 93 WEST, 5TH PM ALL OF SECTION 12.

together with those additional quarter sections or governmental lots

corresponding thereto as may be proven productive by wells drilled on lands within one mile of the boundaries of the field as set forth above, provided further that such extensions of the field boundaries shall include only sufficient acreage to form a spacing unit for such wells, and any intervening lands.

(2) That the Columbus Field is hereby redefined as the following described tracts of land in Burke County, North Dakota:

TOWNSHIP 163, RANGE 93 WEST, 5TH PM ALL OF SECTIONS 14,15,22 AND 23.

together with those additional quarter sections or governmental lots corresponding thereto as may be proven productive by wells drilled on lands within one mile of the boundaries of the field as set forth above, provided further that such extensions of the field boundaries shall include only sufficient acreage to form a spacing unit for such wells, and any intervening lands.

- (3) That paragraph (3) of Order No. 247 is hereby amended to read as follows:
 - (3) That effective this date all wells drilled to the Columbus-Madison Pool shall be located not less that 500 feet from the boundary of the spacing unit, nor closer than 1000 feet to another well producing from or permitted to the pool
- (4) That this order shall remain in full force and effect until further order of the Commission.

Dated this 28th day of October, 1983.

INDUSTRIAL COMMISSION STATE OF NORTH DAKOTA

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

Robert O. Wefald, Attorney General

/s/ Kent Jones _ Kent Jones, Commissioner of Agriculture