BEFORE THE INDUSTRIAL COMMISSION

OF THE STATE OF NORTH DAKOTA

CASE NO. 3499 ORDER NO. 3980

IN THE MATTER OF A HEARING CALLED ON A MOTION OF THE COMMISSION TO CONSIDER THE APPLICATION OF NANCE PETROLEUM CORPORATION FOR AN ORDER PERMITTING THE DRILLING OF WELLS IN THE APPROXIMATE CENTERS OF THE SW NE AND NW SE OF SECTION 26, T.140N., R.96W., STARK COUNTY, NORTH DAKOTA, AS AN EXCEPTION TO THE SPACING REQUIREMENTS IN THE DICKINSON FIELD, AND FURTHER DESIGNATING THE N/2 AND S/2 OF SAID SECTION 26, AS THE SPACING UNITS FOR THE DICKINSON-HEATH POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

Pursuant to legal notice this cause came on for hearing at 9:00 a.m. on the 23 day of April, 1985, in Bismarck, North Dakota, before an examiner appointed by the Industrial Commission of North Dakota, hereinafter referred to as the "Commission."

NOW, on this $29 \, \text{th}$ _ day of April _, 1985, 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 desirous of drilling Heath (Tyler) test wells in the SW NE and the NW SE of Section 26, T.140N., R.96W., Stark County, North Dakota, and designating 320-acre laydown spacing units.
- (3) That said wells in (2) above are in the buffer zone of the Dickinson-Heath Pool and spacing for such wells is one well per 320 acres.
- (4) That most of the Dickinson-Heath Pool has been drilled out on a 160-acre spacing pattern as exceptions to said spacing requirements.
- (5) That said wells in (2) above are also in the buffer zone of the Davis Buttes-Tyler Pool and spacing for such pool established by the Commission is one well per 160-acres, with wells to be located at least 500 feet from the boundaries of a spacing unit and at least 1650 feet between other wells permitted to or producing from the same pool.
- (6) That said wells in (2) above are legal locations under the Davis Buttes-Tyler Pool Order.
- (7) That to protect correlative rights this application should be denied.

IT IS THEREFORE ORDERED:

(1) That this application is hereby denied.

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

Dated this 29th _ day of April _, 1985.

INDUSTRIAL COMMISSION STATE OF NORTH DAKOTA

/s/ George A. Sinner _ George A. Sinner, Governor

/s/ Nicholas J. Spaeth _ Nicholas J. Spaeth, Attorney General

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