

BEFORE THE INDUSTRIAL COMMISSION  
OF THE STATE OF NORTH DAKOTA

CASE NO. 5870  
ORDER NO. 6794

IN THE MATTER OF A HEARING CALLED ON A  
MOTION OF THE COMMISSION TO CONSIDER THE  
APPLICATION OF GENERAL ATLANTIC  
RESOURCES, INC. FOR AN ORDER PERMITTING  
PRODUCTION FROM THE AMBROSE-DUPEROW  
AND RED RIVER POOLS TO BE COMMINGLED IN  
THE WELLBORE OF THE NESS #41-23 WELL,  
LOCATED IN THE NE NE OF SECTION 23, T.163N.,  
R.99W., DIVIDE COUNTY, NORTH DAKOTA.

ORDER OF THE COMMISSION

BY THE COMMISSION:

Pursuant to legal notice this cause came on for hearing at 9:00 a.m. on the 26th day of January, 1994, in Bismarck, 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 February, 1994, the Director, on behalf of the Commission as authorized by the Commission, 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 General Atlantic Resources Inc. is desirous of commingling production from the Ambrose-Duperow and Red River Pools in the wellbore of its Ness #41-23 well, located in the NE NE of Section 23, Township 163 North, Range 99 West, Divide County, North Dakota.

(3) That the Ambrose-Duperow and Red River Pools in the Ness #41-23 well have identical spacing units.

(4) That if this application is granted, additional oil will be recovered by said well.

(5) That production allocation will be based upon the differences in chemical composition of oil from each respective pool.

(6) That the commingling of production from said pools in the Ness #41-23 well will recover oil that might not otherwise be produced and will protect correlative rights.

(7) That in order to prevent waste and protect correlative rights this case should be granted with provisions.

IT IS THEREFORE ORDERED:

(1) That General Atlantic Resources Inc., its assigns and successors, is hereby permitted to commingle production in the wellbore from the Ambrose-Duperow and Red River Pools in its Ness #41-23 well, located in the NE NE of Section 23, Township 163 North, Range 99 West, Divide County, North Dakota.

(2) That approval in (1) above is contingent upon the following provisions:

- (a) That the operator submit a Sundry Notice, Form 4, to the Oil and Gas Division prior to commingling, describing the proposed procedures for conversion to commingling.
- (b) That the allocation of oil to respective pools shall be by a chemical fingerprint analysis method approved by the Director.
- (c) That a chemical fingerprint analysis, of a representative sample of the commingled oil, be performed at regular intervals as approved by the Director.
- (d) That a copy of the chemical fingerprint analysis be submitted to the Oil and Gas Division within thirty (30) days of the test date.
- (e) That the results of all allocation tests required by the Director shall be reported to the Oil and Gas Division within thirty (30) days of the test date.

(3) That any authorization for commingling of production granted under the provisions of this order is contingent upon full compliance with the terms and conditions approved by the Director to insure proper allocation of production from the respective pools authorized to be commingled. Such authorization may be immediately revoked or rescinded by the Director upon a determination by the Director of noncompliance.

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

Dated this 23rd day of February, 1994.

INDUSTRIAL COMMISSION  
STATE OF NORTH DAKOTA

By the Director, on behalf of the Commission.

/s/ Wesley D. Norton, Director