BEFORE THE INDUSTRIAL COMMISSION

OF THE STATE OF NORTH DAKOTA

CASE NO. 6041 ORDER NO. 6989

IN THE MATTER OF A HEARING CALLED ON A MOTION OF THE COMMISSION TO CONSIDER THE APPLICATION OF RAYMOND T. DUNCAN FOR AN ORDER GRANTING RELIEF FROM THE PROVISIONS OF ORDER NO. 6932 RELATING TO THE RESTRICTION OF PRODUCTION FROM WELLS IN THE DICKINSON-LODGEPOLE POOL FOR THE KNOPIK #1-11 WELL, LOCATED IN THE NW/4 OF SECTION 11, T.139N., R.97W., STARK COUNTY, NORTH DAKOTA, AND SUCH OTHER AND FURTHER RELIEF AS THE COMMISSION DEEMS APPROPRIATE.

ORDER OF THE COMMISSION

BY THE COMMISSION:

Pursuant to legal notice this cause came on for hearing at 9:00 a.m. on the 1st day of February, 1995, in Bismarck, North Dakota, before an examiner appointed by the Industrial Commission of North Dakota, hereinafter referred to as the "Commission."

NOW, on this 2nd day of February, 1995, 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 Raymond T. Duncan ("Duncan") operates the Knopik #1-11 well, located in the NW NW Section 11, Township 139 North, Range 97 West, Stark County, North Dakota, which produces from the Lodgepole Pool and is within the buffer zone of the Dickinson Field.
- (3) That Duncan requests relief from the provisions of Commission Order No. 6932 relating to the restriction of production of wells in the Dickinson-Lodgepole Pool.
- (4) That the Knopik #1-11 well does not produce from the same common source of supply as the other producing wells within the Dickinson-Lodgepole Pool.
- (5) That the separate accumulation in (4) above is informally called the "Knopik Area" and encompasses the S/2 Section 2, E/2 Section 3, E/2 Section 10, all of Section 11, and the N/2 of Section 14, all in Township 139 North, Range 97 West, Stark County, North Dakota.
- (6) That a new gas gathering line which will serve the "Knopik Area" is currently under construction.
- (7) That Duncan expects to have the Knopik #1-11 well connected for gas sales within 10 days.
 - (8) That Duncan's request to produce the well at an average rate of

2500 barrels of oil per day for a reasonable time to hook up a gas line should be granted.

- (9) That Duncan's request to extend the time period for flaring of excess gas from 30 days to 60 days should not be granted. Subsequent construction of gas gathering facilities for additional wells in the "Knopik Area" will not be as extensive as the initial trunk line construction.
- (10) That Duncan further requested that all producing Lodgepole wells in the "Knopik Area" which are connected to a gas line be allowed to produce at an average rate not to exceed 2500 barrels of oil per day. Evidence was presented showing said production restriction would not harm the reservoir prior to implementing any enhanced oil recovery project.
- (11) That Duncan also requested the Commission to designate a test period in which all producing Lodgepole wells in the "Knopik Area" be subjected to a 48-hour shut-in bottom hole pressure test. Such tests will facilitate future decisions regarding proper reservoir management.
 - (12) That there were no objections to this application.
- (13) That the granting of some relief from production restrictions will protect correlative rights and prevent waste.
 - (14) That this application should be granted with certain provisions.

IT IS THEREFORE ORDERED:

- (1) That Order No. 6932 regarding the proper spacing for the Dickinson-Lodgepole Pool shall remain in full force and effect except for the amended provisions herein.
- (2) That for the purposes of this order the "Knopik Area" in respect to the Dickinson-Lodgepole Pool is defined as the S/2 Section 2, E/2 Section 3, E/2 Section 10, all of Section 11, and the N/2 Section 14, all in Township 139 North, Range 97 West, Stark County, North Dakota.
- (3) That all wells producing from the Lodgepole Pool in the "Knopik Area" shall be restricted to an average oil production rate per well not exceeding 2500 barrels per day for a period of 30 days commencing on the first day oil is produced through well head equipment into tanks from the ultimate producing interval after casing has been run; thereafter, oil production per well shall not exceed an average of 100 barrels per day; if and when each well is connected to a gas gathering and processing facility, the oil production restriction of an average of 2500 barrels per day shall again be in effect.
- (4) That as an exception to the provisions in (3) above, the Knopik #1-11 well located in the NW NW Section 11, Township 139 North, Range 97 West, Stark County, North Dakota shall be allowed to produce at a restricted oil production rate not to exceed an average of 2500 barrels per day through the time period ending February 15, 1995. This is to allow sufficient time for a gas line connection to the well.
- (5) That a 48-hour shut-in bottom hole pressure test shall be obtained in all wells completed and producing from the Lodgepole Pool in the "Knopik Area." All pressure tests will be run simultaneously commencing 7:00 a.m. on March 29, 1995. Pressure measurements shall be made at or adjusted to a subsea datum of 7270 feet. Complete results shall be submitted to the Commission at the regularly scheduled hearings on April 26, 1995.
- (6) That this order shall remain in full force and effect until further order of the Commission.

INDUSTRIAL COMMISSION STATE OF NORTH DAKOTA

- /s/ Edward T. Schafer, Governor
- /s/ Heidi Heitkamp, Attorney General
- /s/ Sarah Vogel, Commissioner of Agriculture