

BEFORE THE INDUSTRIAL COMMISSION  
OF THE STATE OF NORTH DAKOTA

CASE NO. 20507  
ORDER NO. 22813

IN THE MATTER OF A HEARING CALLED ON  
A MOTION OF THE COMMISSION TO  
CONSIDER THE APPLICATION OF SAMSON  
RESOURCES CO. FOR AN ORDER EXTENDING  
THE FIELD BOUNDARIES AND AMENDING  
THE FIELD RULES FOR THE WEST AMBROSE  
AND/OR AMBROSE-BAKKEN POOL TO  
CREATE AND ESTABLISH SIX OVERLAPPING  
4160-ACRE SPACING UNITS COMPRISED OF  
SECTIONS 25 AND 36, T.164N., R.100W.,  
SECTIONS 1 AND 12, T.163N., R.100W.,  
SECTIONS 30 AND 31, T.164N., R.99W., AND  
SECTIONS 6 AND 7, T.163N., R.99W.;  
SECTIONS 29, 30, 31, AND 32, T.164N., R.99W.  
AND SECTIONS 5, 6, 7, AND 8, T.163N., R.99W.;  
SECTIONS 28, 29, 32, AND 33, T.164N., R.99W.  
AND SECTIONS 4, 5, 8, AND 9, T.163N., R.99W.;  
SECTIONS 27, 28, 33, AND 34, T.164N., R.99W.  
AND SECTIONS 3, 4, 9, AND 10, T.163N.,  
R.99W.; SECTIONS 26, 27, 34, AND 35, T.164N.,  
R.99W. AND SECTIONS 2, 3, 10, AND 11,  
T.163N., R.99W.; AND SECTIONS 25, 26, 35,  
AND 36, T.164N., R.99W. AND SECTIONS 1, 2,  
11, AND 12, T.163N., R.99W.; THREE  
OVERLAPPING 5120-ACRE SPACING UNITS  
COMPRISED OF SECTIONS 14, 15, 22, 23, 26, 27,  
34, AND 35, T.163N., R.99W.; SECTIONS 13, 14,  
23, 24, 25, 26, 35, AND 36, T.163N., R.99W.; AND  
SECTIONS 13, 24, 25, AND 36, T.163N., R.99W.  
AND SECTIONS 18, 19, 30, AND 31, T.163N.,  
R.98W.; AND AN OVERLAPPING 2560-ACRE  
SPACING UNIT COMPRISED OF SECTIONS 1  
AND 12, T.162N., R.99W. AND SECTIONS 6  
AND 7, T.162N., R.98W., DIVIDE COUNTY, ND,  
AUTHORIZING THE DRILLING OF A  
HORIZONTAL WELL ON OR NEAR THE  
SECTION LINE ON EACH SPACING UNIT, AND  
SUCH OTHER RELIEF AS IS APPROPRIATE.

ORDER OF THE COMMISSION

THE COMMISSION FINDS:

- (1) This cause came on for hearing at 9:00 a.m. on the 27th day of June, 2013.
- (2) Samson made application to the Commission for an order extending the field boundaries and amending the field rules for the West Ambrose and/or Ambrose-Bakken Pool to create and establish six overlapping 4160-acre spacing units comprised of Sections 25 and 36, Township 164 North, Range 100 West, Sections 1 and 12, Township 163 North, Range 100 West, Sections 30 and 31, Township 164 North, Range 99 West, and Sections 6 and 7, Township 163 North, Range 99 West; Sections 29, 30, 31, and 32, Township 164 North, Range 99 West and Sections 5, 6, 7, and 8, Township 163 North, Range 99 West; Sections 28, 29, 32, and 33, Township 164 North, Range 99 West and Sections 4, 5, 8, and 9, Township 163 North, Range 99 West; Sections 27, 28, 33, and 34, Township 164 North, Range 99 West and Sections 3, 4, 9, and 10, Township 163 North, Range 99 West; Sections 26, 27, 34, and 35, Township 164 North, Range 99 West and Sections 2, 3, 10, and 11, Township 163 North, Range 99 West; and Sections 25, 26, 35, and 36, Township 164 North, Range 99 West and Sections 1, 2, 11, and 12, Township 163 North, Range 99 West; three overlapping 5120-acre spacing units comprised of Sections 14, 15, 22, 23, 26, 27, 34, and 35, Township 163 North, Range 99 West; Sections 13, 14, 23, 24, 25, 26, 35, and 36, Township 163 North, Range 99 West; and Sections 13, 24, 25, and 36, Township 163 North, Range 99 West and Sections 18, 19, 30, and 31, Township 163 North, Range 98 West; and an overlapping 2560-acre spacing unit comprised of Sections 1 and 12, Township 162 North, Range 99 West and Sections 6 and 7, Township 162 North, Range 98 West, Divide County, North Dakota, authorizing the drilling of a horizontal well on or near the section line on each spacing unit, and such other relief as is appropriate.
- (3) Samson withdrew the proposed 4160-acre spacing units described as Sections 25 and 36, Township 164 North, Range 100 West, Sections 1 and 12, Township 163 North, Range 100 West, Sections 30 and 31, Township 164 North, Range 99 West, and Sections 6 and 7, Township 163 North, Range 99 West; Sections 28, 29, 32, and 33, Township 164 North, Range 99 West and Sections 4, 5, 8, and 9, Township 163 North, Range 99 West; Sections 27, 28, 33, and 34, Township 164 North, Range 99 West and Sections 3, 4, 9, and 10, Township 163 North, Range 99 West; and Sections 26, 27, 34, and 35, Township 164 North, Range 99 West and Sections 2, 3, 10, and 11, Township 163 North, Range 99 West, Divide County, North Dakota, from the application.
- (4) Samson withdrew the proposed 5120-acre spacing unit described as Sections 14, 15, 22, 23, 26, 27, 34, and 35, Township 163 North, Range 99 West, Divide County, North Dakota, from the application.
- (5) Crescent Point Energy US Corporation (Crescent Point) submitted an email on June 26, 2013 in which it requested a continuance of Case No. 20507. Crescent Point supports the existing 500-foot setback and does not want it changed to allow for a section line well based upon microseismic which indicates a lesser setback could have significant offset drainage and interference. Crescent Point requires more information before a determination can be made if there will be interference and/or drainage from their existing spacing unit consisting of Sections 25, 26, 35, and 36, Township 164 North, Range 100 West, Divide County, North Dakota. Crescent Point has requested Samson supply them a copy of the application and continue the case, both of which Samson has denied. Crescent Point would like to resolve the issues and have the lands affecting their aforementioned spacing unit removed from the application without having to formally object.

They do object to any change or respacing of their aforementioned spacing unit. If the case is not continued, they formally object.

(6) The Commission notified Crescent Point on June 26, 2013 that the hearing examiner would not grant a continuance. The Commission notes that the proposed 4160-acre spacing unit described as Sections 25 and 36, Township 164 North, Range 100 West, Sections 1 and 12, Township 163 North, Range 100 West, Sections 30 and 31, Township 164 North, Range 99 West, and Sections 6 and 7, Township 163 North, Range 99 West, Divide County, North Dakota, which covered lands in Crescent Point's spacing unit described as Sections 25, 26, 35, and 36, Township 164 North, Range 100 West, Divide County, North Dakota, was withdrawn from Case No. 20507.

(7) Case No. 20507 was incorrectly advertised since it only requested one well per proposed 4160 or 5120-acre spacing unit but Samson presented testimony and evidence and established a record supporting two horizontal wells.

(8) Case No. 20661 heard on the July 31, 2013 docket, is an application by Samson for an order extending the field boundaries and amending the field rules for the West Ambrose and/or Ambrose-Bakken Pools to create and establish an overlapping 2560-acre spacing unit comprised of Sections 1 and 12, Township 162 North, Range 99 West and Sections 6 and 7, Township 162 North, Range 98 West; two overlapping 4160-acre spacing units comprised of Sections 29, 30, 31, and 32, Township 164 North, Range 99 West and Sections 5, 6, 7, and 8, Township 163 North, Range 99 West; and Sections 25, 26, 35, and 36, Township 164 North, Range 99 West and Sections 1, 2, 11, and 12, Township 163 North, Range 99 West; and two overlapping 5120-acre spacing units comprised of Sections 13, 14, 23, 24, 25, 26, 35, and 36, Township 163 North, Range 99 West; and Sections 13, 24, 25, and 36, Township 163 North, Range 99 West and Sections 18, 19, 30, and 31, Township 163 North, Range 98 West, Divide County, North Dakota, authorizing the drilling of multiple wells on or near the section line on each spacing unit, eliminating any tool error requirements, and such other relief as is appropriate.

(9) Case No. 20507 should be dismissed.

IT IS THEREFORE ORDERED:

(1) This case is hereby dismissed without prejudice.

Dated this 27th day of September, 2013.

INDUSTRIAL COMMISSION  
STATE OF NORTH DAKOTA

By the Director, on behalf of the Commission

/s/ Lynn D. Helms, Director