

BEFORE THE INDUSTRIAL COMMISSION
OF THE STATE OF NORTH DAKOTA

CASE NO. 25584
ORDER NO. 27992

IN THE MATTER OF A HEARING CALLED ON A MOTION OF THE COMMISSION TO CONSIDER THE APPLICATION OF SM ENERGY CO. PURSUANT TO NDAC § 43-02-03-88.1 FOR AN ORDER ALLOWING OIL AND GAS PRODUCED FROM THE DONNA BUDDY 15B-20HN (FILE NO. 32449), GRACIOUS GOD 15B-20HS (FILE NO. 32450), HANK KATIE 15-20HN (FILE NO. 32462), MILT SANDRA 15-20HS (FILE NO. 32463), EDNA MARIE 16B-20HN (FILE NO. 32668), SOPHUS 16-20HS (FILE NO. 32669), STEEN 16-20HN (FILE NO. 32667), AND STELLA 16B-20HS (FILE NO. 32670) WELLS, SECTIONS 17 AND 20, T.163N., R.99W., DIVIDE COUNTY, ND, TO BE COMMINGLED IN A CENTRAL PRODUCTION FACILITY LOCATED IN SECTION 20, T.163N., R.99W., PURSUANT TO NDAC § 43-02-03-48.1 OR GRANTING SUCH OTHER AND FURTHER RELIEF AS MAY BE APPROPRIATE.

ORDER OF THE COMMISSION

THE COMMISSION FINDS:

- (1) This cause came on for hearing at 9:00 a.m. on the 22nd day of February, 2017.
- (2) Pursuant to North Dakota Administrative Code (NDAC) Section 43-02-03-88.1, the Director is authorized to sign, on behalf of the Commission, orders relating to, inter alia, commingling of production from two or more wells in a central tank battery under NDAC Section 43-02-03-48.1.
- (3) SM Energy Company (SM Energy) is the operator of the following wells in the Ambrose Field, Divide County, North Dakota:

| <u>File No.</u> | <u>Well Name & No.</u> | <u>Location</u> |
|-----------------|----------------------------|----------------------------|
| 32449 | Donna Buddy 15B-20HN | SWSE Section 20-T163N-R99W |
| 32450 | Gracious God 15B-20HS | SWSE Section 20-T163N-R99W |

| <u>File No.</u> | <u>Well Name & No.</u> | <u>Location</u> |
|-----------------|----------------------------|----------------------------|
| 32462 | Hank Katie 15-20HN | SWSE Section 20-T163N-R99W |
| 32463 | Milt Sandra 15-20HS | SWSE Section 20-T163N-R99W |
| 32668 | Edna Marie 16B-20HN | SESE Section 20-T163N-R99W |
| 32669 | Sophus 16-20HS | SESE Section 20-T163N-R99W |
| 32667 | Steen 16-20HN | SESE Section 20-T163N-R99W |
| 32670 | Stella 16B-20HS | SESE Section 20-T163N-R99W |

(4) SM Energy requests permission to commingle the production from the wells listed in paragraph (3) in the Hank Katie 15-20 CTB (CTB No. 232449-01) located in the SW/4 SE/4 of Section 20, Township 163 North, Range 99 West, Divide County, North Dakota, pursuant to NDAC Section 43-02-03-48.1. There are no wells currently authorized to be commingled in the Hank Katie 15-20 Central Tank Battery.

(5) SM Energy submitted a Sundry Notice and attachments for approval pursuant to NDAC Section 43-02-03-88.1 and NDAC Section 43-02-03-48.1.

(6) SM Energy states that the ownership in the wells listed in paragraph (3) above is diverse.

(7) SM Energy will allocate production measured at the central production facility to the various wells on the basis of production tests utilizing the facilities at the central production facility. The production from each well will be separately measured each month and applicant believes that such allocation will result in a reasonably accurate determination of production from each well.

(8) NDAC Section 43-02-03-48 states: "Oil production may not be transported from a well premises, central production facility, treating plant, or saltwater handling facility until its volume has been determined through the use of properly calibrated meter measurements or tank measurements. All meter and tank measurements, and volume determinations must conform to American petroleum institute standards and be corrected to a base temperature of sixty degrees Fahrenheit [15.56 degrees Celsius] and fourteen and seventy-three hundredths pounds per square inch absolute [1034.19 grams per square centimeter]."

(9) Allowing such commingling will reduce the expenditure of funds on surface facilities and enhance the economics of production, thereby preventing economic waste and promoting the greatest ultimate recovery of oil and gas from the Ambrose Field. Utilization of central production facilities will minimize surface disturbance and promote both full utilization of the surface and enhance the aesthetic values resulting from fewer production facilities.

(10) SM Energy will construct and operate the central production facility in such a manner that allows for reasonably accurate allocation of production to each respective party.

(11) The proposed process, measurement, and allocation will result in a reasonably accurate determination of production.

(12) There were no objections to this application.

(13) The granting of this application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) SM Energy Company, its assigns and successors, is hereby permitted to commingle production from the wells listed in paragraph (3) below into the Hank Katie 15-20 CTB (CTB No. 232449-01) located in the SW/4 SE/4 of Section 20, Township 163 North, Range 99 West, Divide County, North Dakota, pursuant to NDAC Section 43-02-03-48.1.

(2) Allocation tests shall be performed monthly.

(3) The following wells are authorized to be commingled in the Hank Katie 15-20 CTB:

| <u>File No.</u> | <u>Well Name & No.</u> | <u>Location</u> | <u>Order No.</u> |
|-----------------|----------------------------|----------------------------|------------------|
| 32449 | Donna Buddy 15B-20HN | SWSE Section 20-T163N-R99W | 27992 |
| 32450 | Gracious God 15B-20HS | SWSE Section 20-T163N-R99W | 27992 |
| 32462 | Hank Katie 15-20HN | SWSE Section 20-T163N-R99W | 27992 |
| 32463 | Milt Sandra 15-20HS | SWSE Section 20-T163N-R99W | 27992 |
| 32668 | Edna Marie 16B-20HN | SESE Section 20-T163N-R99W | 27992 |
| 32669 | Sophus 16-20HS | SESE Section 20-T163N-R99W | 27992 |
| 32667 | Steen 16-20HN | SESE Section 20-T163N-R99W | 27992 |
| 32670 | Stella 16B-20HS | SESE Section 20-T163N-R99W | 27992 |

(4) The permission granted herein is conditioned upon SM Energy receiving approval of the Sundry Notice and attachments submitted and complying with all provisions dictated by the Director for permission to commingle production from the wells listed in paragraph (3) above into the Hank Katie 15-20 CTB.

(5) SM Energy shall use the following procedures for allocating production to each well commingled in the Hank Katie 15-20 CTB:

- (a) Production from each well shall be isolated to allow production to stabilize before commingling can begin.
- (b) Each well shall be tested a minimum of three consecutive days per month.
- (c) The exact producing time, between the opening and closing inventory, shall be considered when determining the average well test rate for each well.
- (d) Each well's tests shall be averaged for the month.
- (e) Downtime shall be monitored to determine the exact total number of producing hours for each well.
- (f) A monthly production volume shall be calculated for each well as follows:

$$\text{Calculated oil volume} = (\text{Average well test oil rate}) * (\text{Number of producing hours}).$$

Calculated gas volume = (Average well test gas rate) *
(Number of producing hours).

Calculated water volume = (Average well test water rate) *
(Number of producing hours).

- (g) The calculated monthly production volumes shall be totaled for all the wells producing into the central production facility to determine the total calculated monthly volumes for the central production facility.
 - (h) A correction factor shall be calculated by dividing the total actual monthly production volumes for the central production facility by the total calculated monthly production volumes for the central production facility.
 - (i) Each well's allocated production shall then be calculated by multiplying its individual calculated oil, gas, and water volumes by the correction factor calculated in step (h).
- (6) If gas is sold from the central production facility, the gas volumes must be accurately allocated back to the individual wells.
- (7) The following procedures shall be used for allocating gas sales from the vapor recovery unit (VRU) to each individual well:
- (a) The gas volume exiting the VRU shall be allocated to each individual well based upon the oil produced by each respective well.
 - (b) An allocation percentage for each well shall be calculated by dividing the monthly oil produced from the respective well, by the total monthly oil produced through the Hank Katie 15-20 CTB. The monthly gas sales allocation for each well shall be determined by multiplying the total gas sales exiting the VRU by the respective well's allocation percentage.
 - (c) Allocation percentages shall be determined monthly.
- (8) The Director is hereby authorized to issue an administrative order modifying any provision of this order in order to prevent waste or protect correlative rights or to modify any procedures for testing or allocation of production herein approved if it can be demonstrated to his satisfaction that production from a new well has stabilized and/or that a reasonably accurate allocation of production to each separate well producing into the facility will be obtained.
- (9) Additional wells can only be added to the Hank Katie 15-20 CTB by order of the Commission after due notice and hearing.
- (10) The results of each well's test and other data needed to determine the allocation for each well shall be filed with the Director at the same time monthly oil production reports are filed.

(11) SM Energy shall notify the Director in writing upon commencement of commingling production from the subject wells into the central production facility.

(12) Authorization to commingle is transferable only with approval of the Director.

(13) The Director is hereby authorized to rescind this order if SM Energy, its assigns or successors, fails to comply with any of the above provisions.

(14) This order shall remain in full force and effect until further order of the Commission.

Dated this 6th day of March, 2017.

INDUSTRIAL COMMISSION
STATE OF NORTH DAKOTA

By the Director, on behalf of the Commission

/s/ Lynn D. Helms, Director

SFN 5729

STATE OF NORTH DAKOTA

AFFIDAVIT OF MAILING

COUNTY OF BURLEIGH

I, Belinda Dickson, being duly sworn upon oath, depose and say: That on the 7th day of March, 2017 enclosed in separate envelopes true and correct copies of the attached Order No. 27992 of the North Dakota Industrial Commission, and deposited the same with the United States Postal Service in Bismarck, North Dakota, with postage thereon fully paid, directed to the following persons by the Industrial Commission in Case No. 25584:

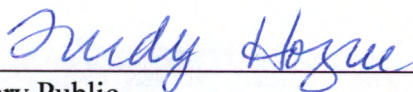
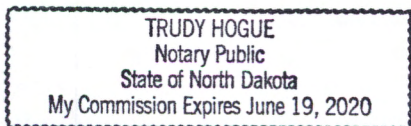
WADE MANN
CROWLEY FLECK PLLP
PO BOX 2798
BISMARCK ND 58502

JOHN MORRISON
CROWLEY FLECK PLLP
PO BOX 2798
BISMARCK ND 58502



Belinda Dickson
Oil & Gas Division

On this 7th day of March, 2017 before me personally appeared Belinda Dickson to me known as the person described in and who executed the foregoing instrument and acknowledged that she executed the same as her free act and deed.



Notary Public
State of North Dakota, County of Burleigh

Kadrmas, Bethany R.

From: Lisa Herberholz <lherberholz@crowleyfleck.com>
Sent: Tuesday, February 21, 2017 10:36 AM
To: Hicks, Bruce E.
Cc: David Peach; Kadrmas, Bethany R.; John W. Morrison
Subject: SM Energy Affidavits & Exhibits
Attachments: SM Filing Ltr - Peach Commingling Affidavits & Exhibits 25582-25585.pdf; SM - Peach Commingling Aff 25582.pdf; SM - Case 25582 Exhibits.pdf; SM - Peach Commingling Aff 25583.pdf; SM - Case 25583 Exhibits.pdf; SM - Peach Commingling Aff 25584.pdf; SM - Case 25584 Exhibits.pdf; SM - Peach Commingling Aff 25585.pdf; SM - Case 25585 Exhibits.pdf

CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe.

Attached please find affidavits and exhibits in Case Nos. 25582-25585. Thank you.

Lisa

CROWLEY | FLECK PLLP
ATTORNEYS

Lisa Herberholz

Administrative Assistant
Crowley Fleck PLLP
100 West Broadway Avenue, Suite 250
P.O. Box 2798
Bismarck, ND 58502
Direct 701.224.7538
Fax 701.222.4853
✉ lherberholz@crowleyfleck.com

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John W. Morrison
100 West Broadway, Suite 250
P.O. Box 2798
Bismarck, ND 58502-2798
Office: 701.223.6585
Direct: 701.224.7534
jmorrison@crowleyfleck.com

February 21, 2017

Via Electronic Mail

Mr. Bruce Hicks
Oil & Gas Division
ND INDUSTRIAL COMMISSION
600 E. Blvd. Ave., Dept. 405
Bismarck, ND 58505-0840

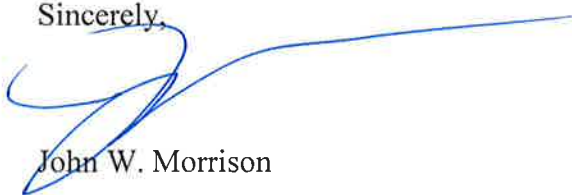
In re: SM Energy Company
Case Nos. 25582-25585

Dear Mr. Hicks:

Please find enclosed the affidavits of David Peach and exhibits in these cases. We request that these matters be decided on the basis of the affidavits.

If you need any further information, please let me know.

Sincerely,



John W. Morrison

lh
enc.

cc (via e-mail): David Peach
Bethany Kadrmas

BEFORE THE INDUSTRIAL COMMISSION
OF THE STATE OF NORTH DAKOTA

Application of SM Energy Co. pursuant to)
NDAC §43-02-03-88.1 for an order allowing)
oil and gas produced from the Donna Buddy)
15B-20HN (File No. 32449), Gracious God)
15B-20HS (File No. 32450), Hank Katie 15-)
20HN (File No. 32462), Milt Sandra 15-20HS)
(File No. 32463), Edna Marie 16B-20HN)
(File No. 32668), Sophus 16-20HS (File No.)
32669), Steen 16-20HN (File No. 32667), and)
Stella 16B-20HS (File No. 32670) wells,)
Sections 17 and 20, T.163N., R.99W., Divide)
County, ND, to be commingled in a central)
production facility located in Section 20,)
T.163N., R.99W., pursuant to NDAC § 43-02-)
03-48.1 or granting such other and further)
relief as is appropriate.)

Case No. 25584

AFFIDAVIT OF DAVID PEACH

STATE OF NORTH DAKOTA)
)SS.
COUNTY OF WILLIAMS)

David Peach, being duly sworn, states as follows:

1. I am employed by SM Energy Company as an engineer and my telephone number is (303) 861-8140 and I have personal knowledge of the matters set forth in this affidavit. I have a BS in Petroleum Engineering from Montana Tech, an accredited program. I have worked in the oil and gas industry since January of 2014 as a Production Engineer.

2. I prepared or supervised the preparation of the exhibits in Case No. 25584.

3. To the best of my knowledge, the exhibits in Case No. 25584 are true and correct.

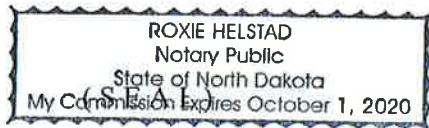
Dated this 26 day of February, 2017.



David Peach

STATE OF NORTH DAKOTA)
)SS.
COUNTY OF WILLIAMS)

Subscribed to and sworn before me this 20th day of February, 2017.



Roxie Helstad
Notary Public
State of North Dakota
My Commission Expires: October 1, 2020



SM Energy Company

Facility: Hank Katie 15-20 CTB

Case No: 25584

Hearing Date: February 22, 2017

Enclosed:

- Well information and ownership.
- Maps showing the location of the wells to be commingled, flowlines, and the central facility.
- Process flow diagram (PFD) of the central facility showing fluid flow, separation, metering, transfer, and storage.
- Description of meters to be used at the central facility.
- Explanation of allocation procedures.

Supplemental Information for the Hank Katie 15-20 CTB

| NDIC File# | Well Name | API Number | Location |
|------------|-----------------------|----------------|---------------------------------------|
| 32449 | Donna Buddy 15B-20HN | 33023013980000 | Sec 20 T163N R99W SWSE 305FSL 1905FEL |
| 32450 | Gracious God 15B-20HS | 33023013990000 | Sec 20 T163N R99W SWSE 305FSL 1955FEL |
| 32462 | Hank Katie 15-20HN | 33023014020000 | Sec 20 T163N R99W SWSE 305FSL 1855FEL |
| 32463 | Milt Sandra 15-20HS | 33023014030000 | Sec 20 T163N R99W SWSE 305FSL 1805FEL |
| 32668 | Edna Marie 16B-20HN | 33023014100000 | Sec 20 T163N R99W SESE 373FSL 245FEL |
| 32669 | Sophus 16-20HS | 33023014110000 | Sec 20 T163N R99W SESE 323FSL 245FEL |
| 32667 | Steen 16-20HN | 33023014090000 | Sec 20 T163N R99W SESE 423FSL 245FEL |
| 32670 | Stella 16B-20HS | 33023014120000 | Sec 20 T163N R99W SESE 273FSL 245FEL |

WELL LOCATION PLAT

SM ENERGY COMPANY

550 NORTH 31ST STREET BILLINGS, MT 59101

HANK KATIE 15-20HN

305 feet from the south line and 1855 feet from the east line

Section 20, T163N, R99W - 5th Principal Meridian

Divide County, North Dakota

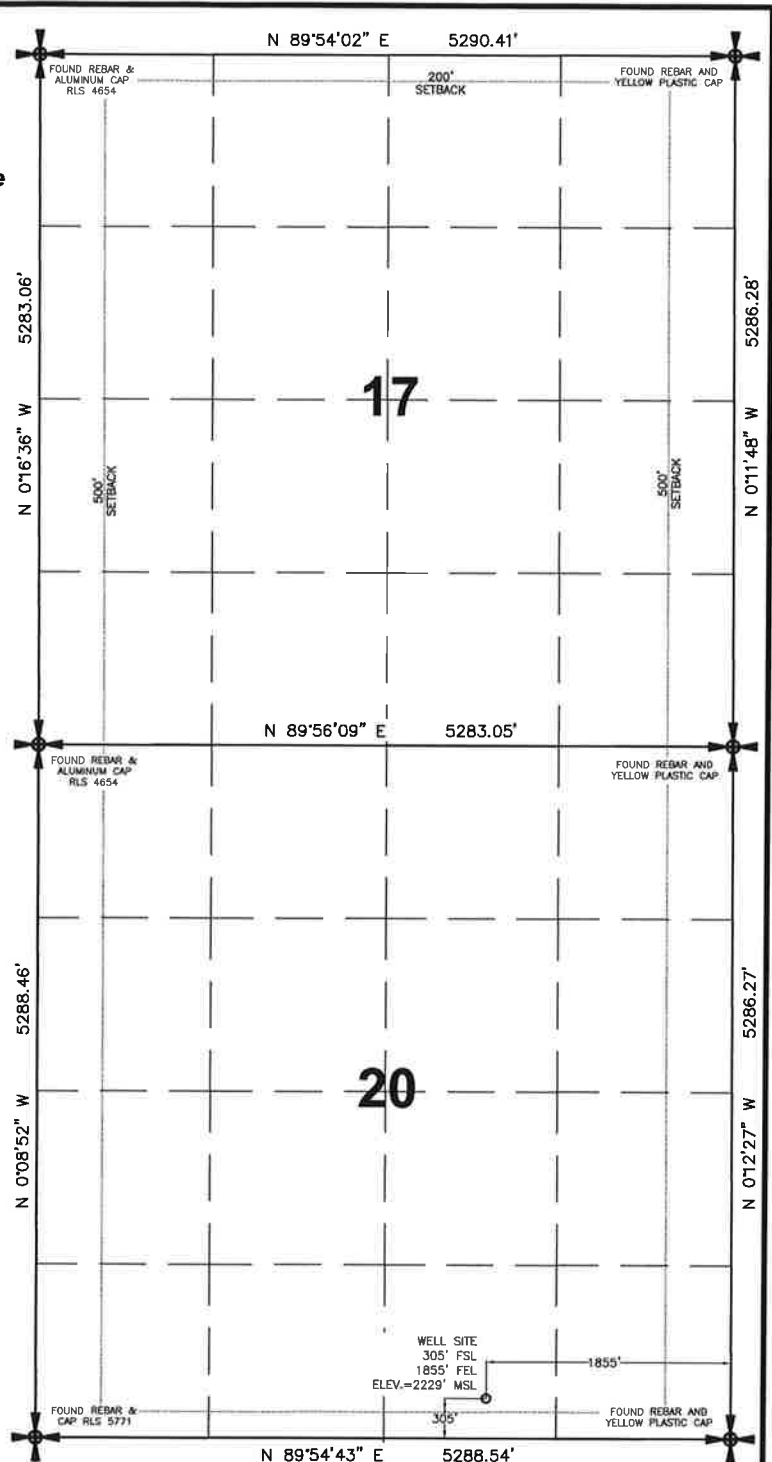
Surface Owner at well site - Shanon Gjovig Rev Living Trust

Latitude 48°55'27.19" (48.924220°) North -

Longitude 103°33'38.08" (103.560579°) West

[derived from N.G.S. O.P.U.S. Solution REF FRAME:

NAD_83 (CORS96)(EPOCH:2002.0000)]



NOTE: Drawing is shown based on a local coordinate system. Distances are ground distances, international feet.

NOTE: All land corners are assumed unless otherwise noted. Location shown hereon is a preliminary staked location and is not an as-built.

I, James D. Glasser, Registered Land Surveyor, N.D. No. 5771, do hereby certify that the well plat shown hereon was made by me, or under my direction, and is true and correct to the the best of my knowledge and belief.

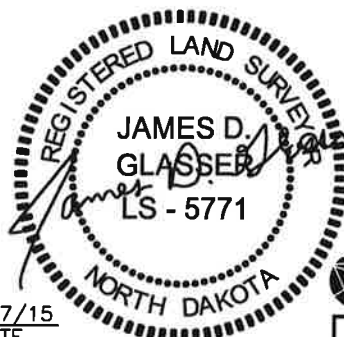
JAMES D. GLASSER 12/01/15

Surveyed by N.D.R.L.S. #5771 Date

Vertical Control Datum Used
Sea-Level Datum of NAVD 88
Based on elevation derived from OPUS Solution
on GPS Base Station (Base 6) in the SW $\frac{1}{4}$ SW $\frac{1}{4}$
of Section 21, T163N, R99W, 5th P.M. located
N83°18'19"E a distance of 241.1' from the
southwest corner of said section being at
2245.20 Elevation MSL.

HIGHLANDS
ENGINEERING &
SURVEYING, PLLC

319 24th Street East
Dickinson, ND 58601
701.483.2444 office
701.483.2610 fax
www.highlandseng.com



12/07/15
DATE

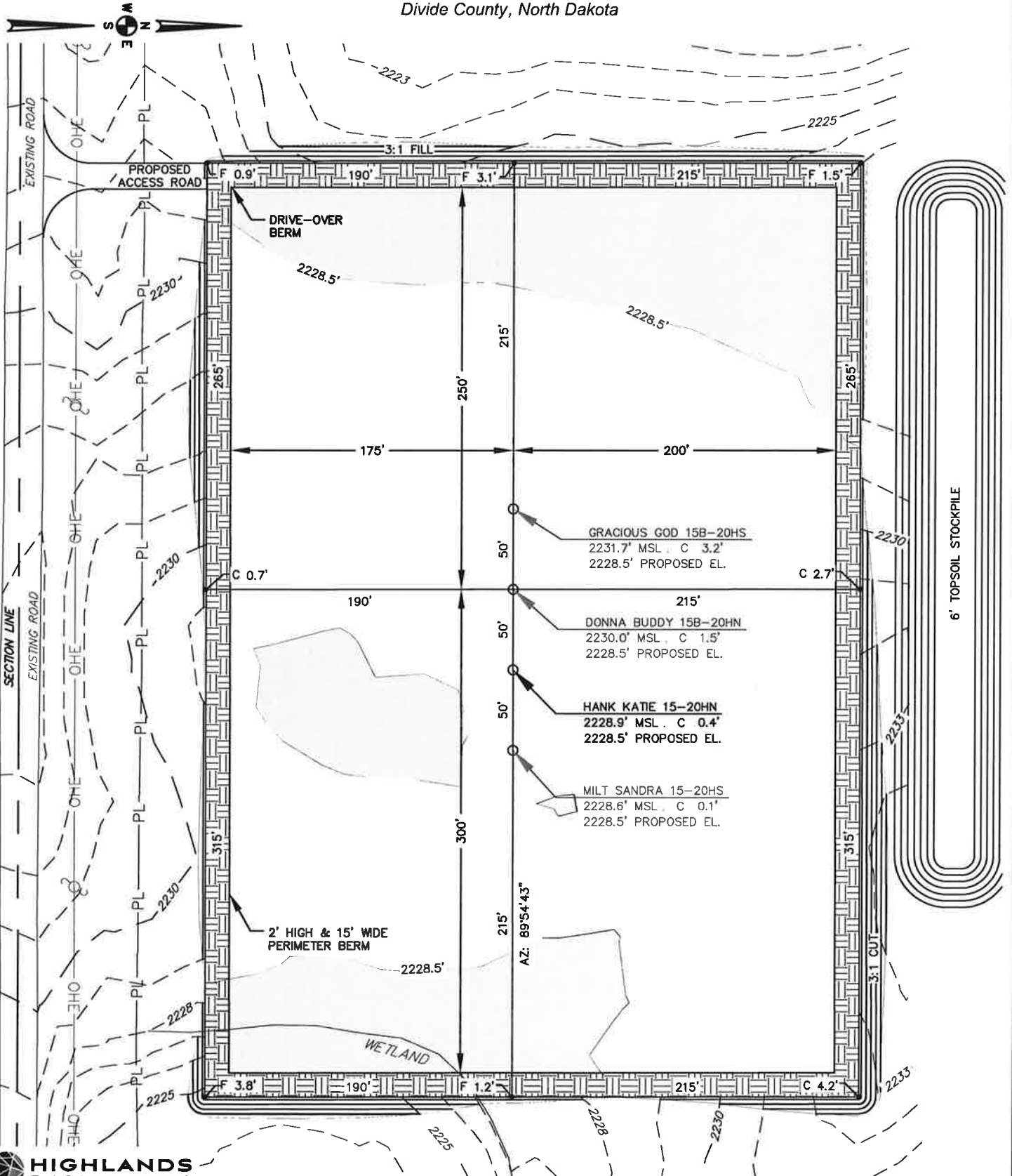


HIGHLANDS
ENGINEERING

PROJECT NO. 157286

**SM ENERGY COMPANY
HANK KATIE 15-20HN
305' FSL & 1855' FEL**

SE1/4 Section 20, T163N, R99W - 5th Principal Meridian
Divide County, North Dakota



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| | | | | | |
|---------------------------|-------------------|------------------|------------------|---------------------|-----------------------|
| SHEET NAME: PAD LAYOUT | DATE: 12/07/15 | DRAWN BY: AJA | SCALE: 1"=80' | PROJ. NO. 157286 | SHEET NO. 02 of 06 |
|---------------------------|-------------------|------------------|------------------|---------------------|-----------------------|

SE1/4 Section 20, T163N, R99W - 5th Principal Meridian
Divide County, North Dakota

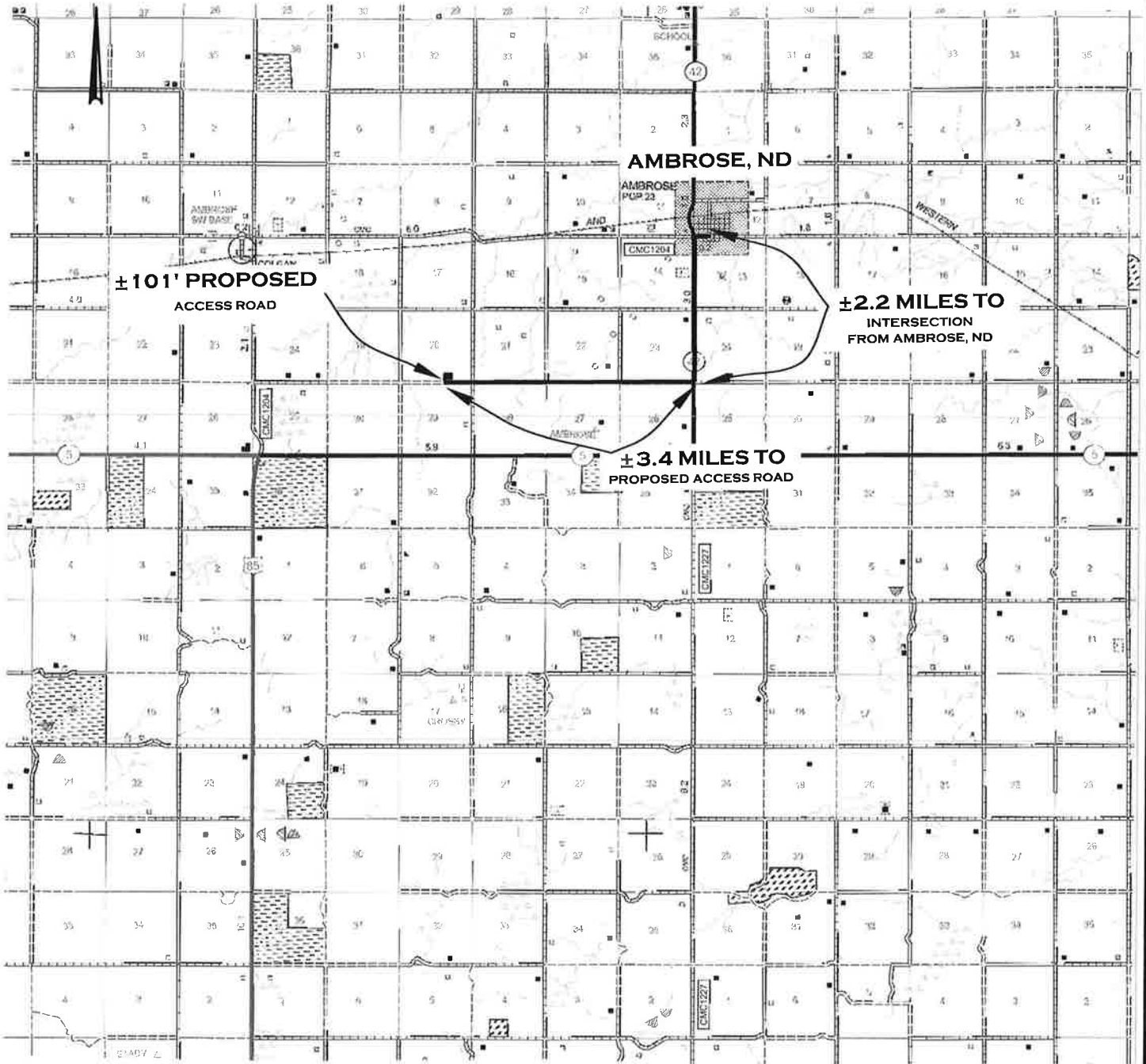
SE1/4 Section 20, T163N, R99W - 5th Principal Meridian
Divide County, North Dakota



SHEET NO.
03 of 06

**SM ENERGY COMPANY
HANK KATIE 15-20HN
305' FSL & 1855' FEL**

SE1/4 Section 20, T163N, R99W - 5th Principal Meridian
Divide County, North Dakota



LEGEND

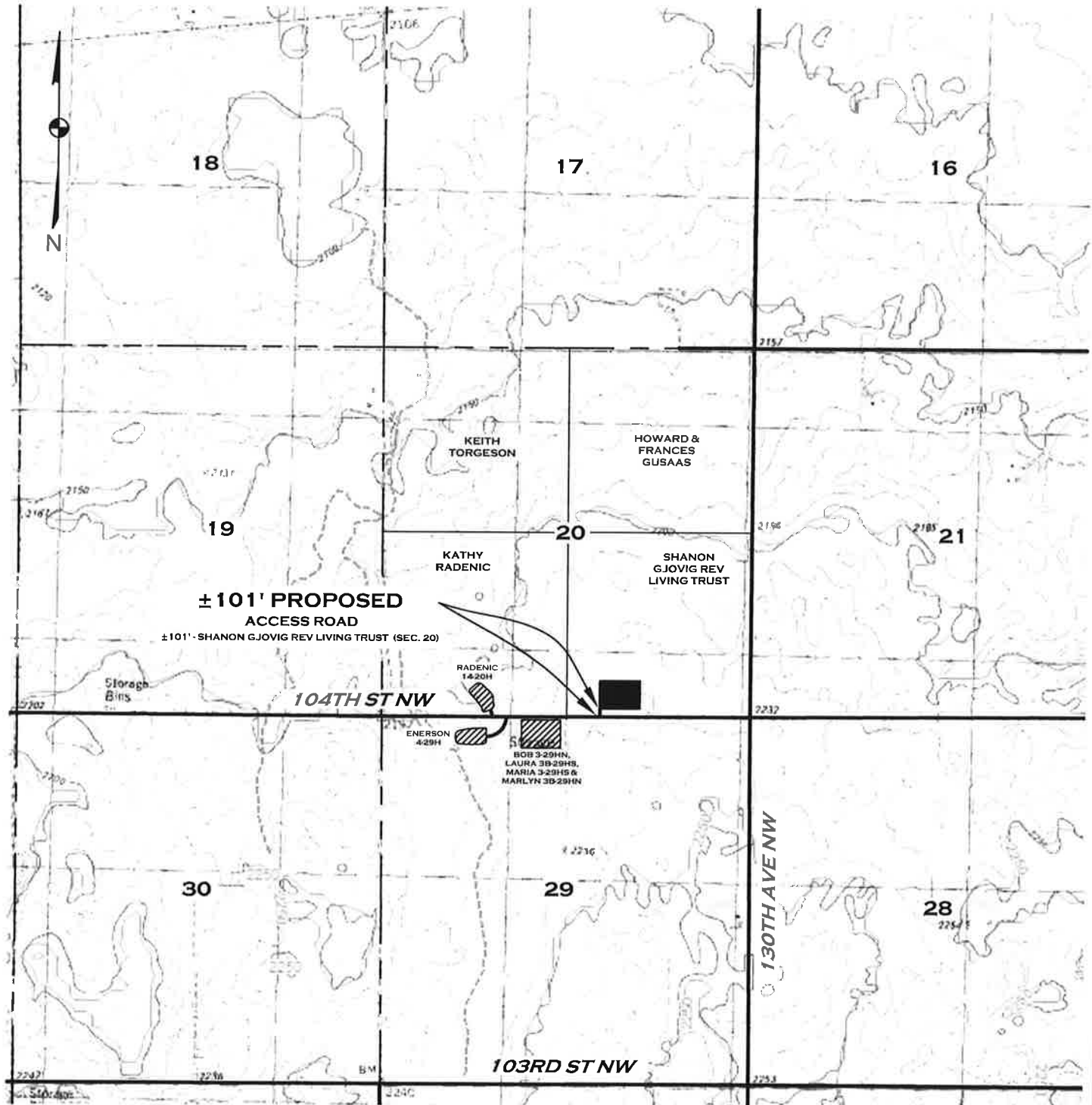
PROPOSED ROAD - - - - -
EXISTING ROAD —————

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| | | | | | |
|------------------------------|-------------------|------------------|---------------------|---------------------|-----------------------|
| SHEET NAME: COUNTY ACCESS | DATE: 12/07/15 | DRAWN BY: AJA | SCALE: 1/2"=MILE | PROJ. NO. 157286 | SHEET NO. 04 of 06 |
|------------------------------|-------------------|------------------|---------------------|---------------------|-----------------------|

**SM ENERGY COMPANY
HANK KATIE 15-20HN
305' FSL & 1855' FEL**

SE1/4 Section 20, T163N, R99W - 5th Principal Meridian
Divide County, North Dakota



LEGEND

PROPOSED ROAD - - - - -
EXISTING ROAD - - - - -

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| | | | | | |
|----------------------------|-------------------|------------------|--------------------|---------------------|-----------------------|
| SHEET NAME: QUAD ACCESS | DATE: 12/07/15 | DRAWN BY: AJA | SCALE: 1"=2000' | PROJ. NO. 157286 | SHEET NO. 05 of 06 |
|----------------------------|-------------------|------------------|--------------------|---------------------|-----------------------|

WELL LOCATION PLAT

SM ENERGY COMPANY

550 NORTH 31ST STREET BILLINGS, MT 59101

SOPHUS 16-20HS

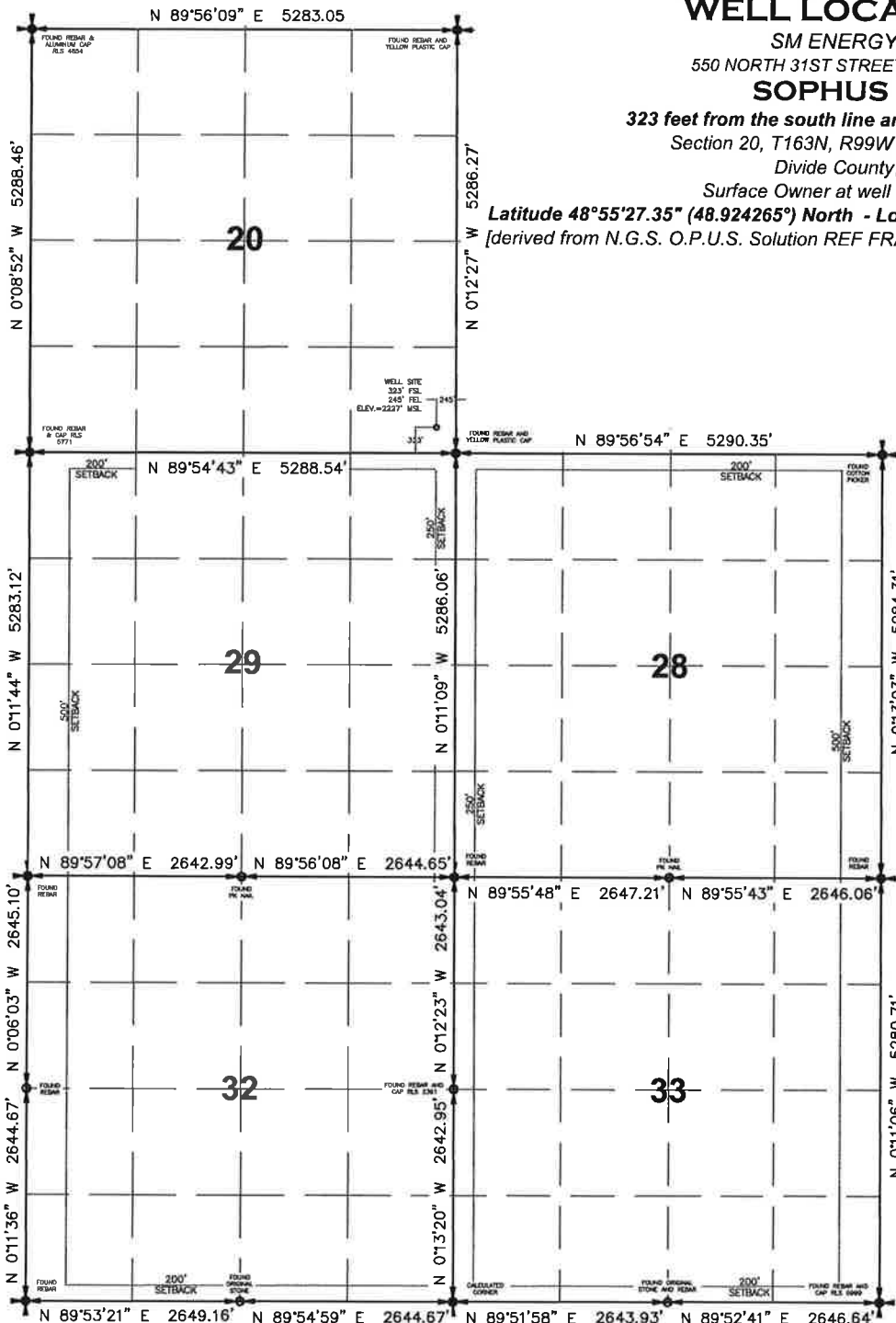
323 feet from the south line and 245 feet from the east line

Section 20, T163N, R99W - 5th Principal Meridian

Divide County, North Dakota

Surface Owner at well site - Shanon Gjovig

Latitude 48°55'27.35" (48.924265°) North - Longitude 103°33'13.98" (103.553884°) West
[derived from N.G.S. O.P.U.S. Solution REF FRAME: NAD_83 (CORS96)(EPOCH:2002.0000)]



NOTE: Drawing is shown based on a local coordinate system. Distances are ground distances, international feet.

NOTE: All land corners are assumed unless otherwise noted. Location shown hereon is a preliminary staked location and is not an as-built.

JAMES D. GLASSER 12/01/15

Surveyed by N.D.R.L.S. #5771

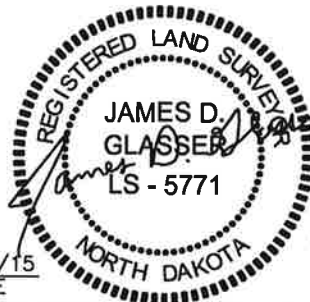
Date

Vertical Control Datum Used
Sea-Level Datum of NAVD 88
Based on elevation derived from OPUS Solution
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of Section 21, T163N, R99W, 5th P.M. located
N83°18'19"E a distance of 241.1' from the
southwest corner of said section being at
2245.20' Elevation MSL.

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I, James D. Glasser, Registered Land Surveyor, N.D. No. 5771,
do hereby certify that the well plat shown hereon was made
by me, or under my direction, and is true and correct to the
the best of my knowledge and belief.

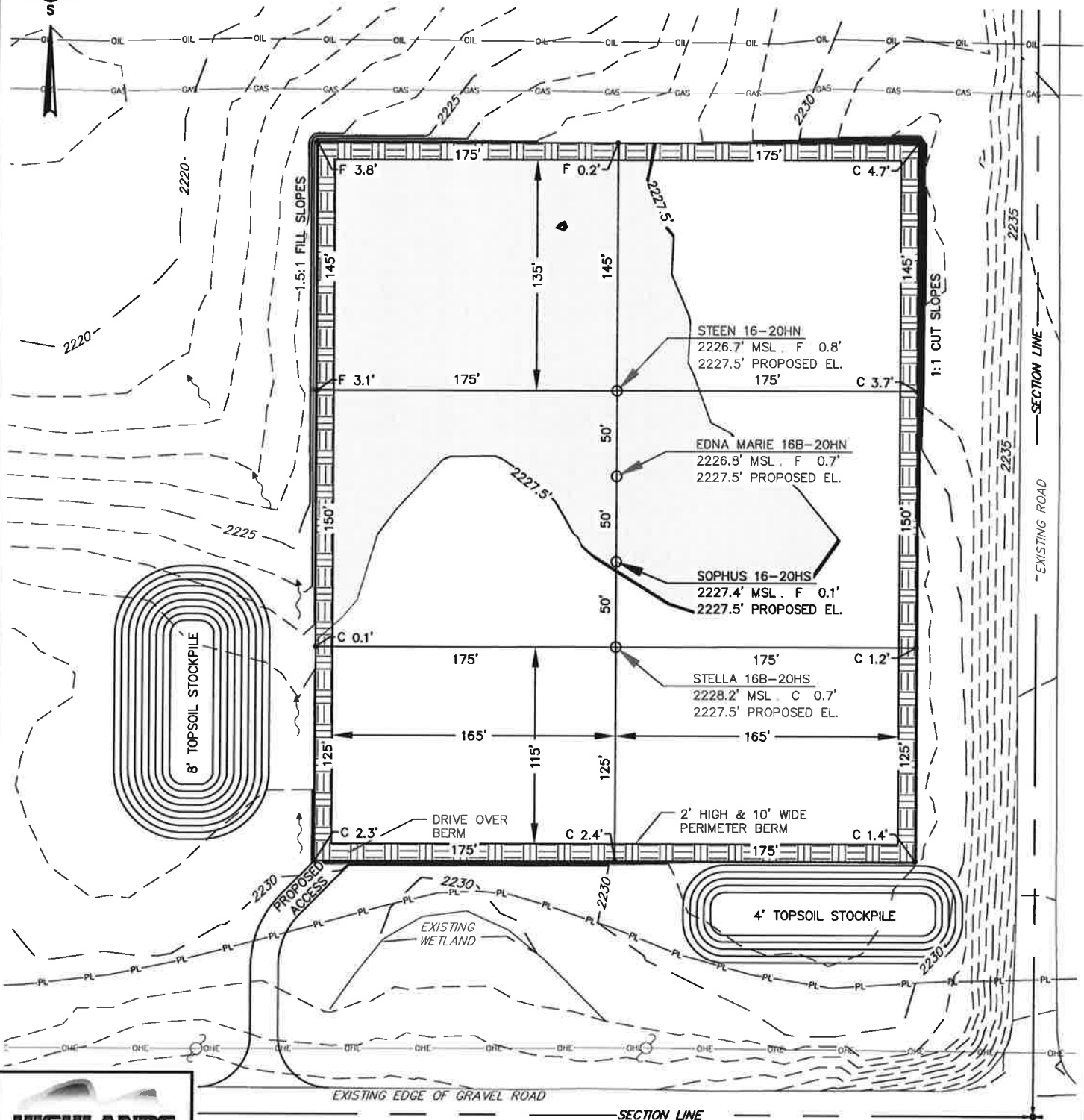


**HIGHLANDS
ENGINEERING**

PROJECT NO. 157284

**SM ENERGY COMPANY
SOPHUS 16-20HS
323' FSL & 245' FEL**

SE1/4 Section 20, T163N, R99W - 5th Principal Meridian
Divide County, North Dakota



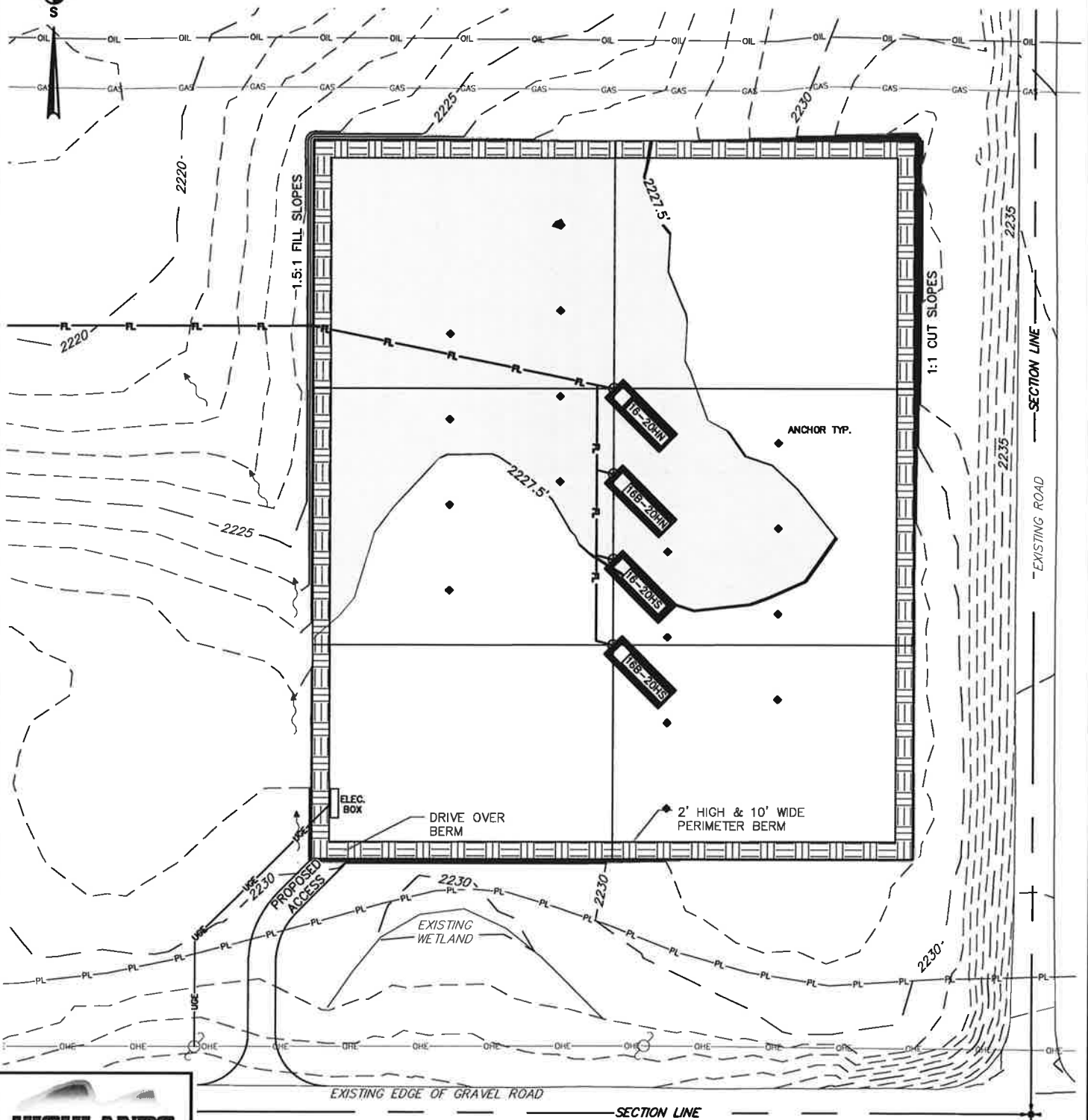
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|---------------------------|-------------------|------------------|------------------|---------------------|---------------------|
| SHEET NAME: PAD LAYOUT | DATE: 12/11/15 | DRAWN BY: MMM | SCALE: 1"=80' | PROJ. NO. 157284 | SHEET NO. 2 of 8 |
|---------------------------|-------------------|------------------|------------------|---------------------|---------------------|

**SM ENERGY COMPANY
SOPHUS 16-20HS
323' FSL & 245' FEL**

SE1/4 Section 20, T163N, R99W - 5th Principal Meridian
Divide County, North Dakota

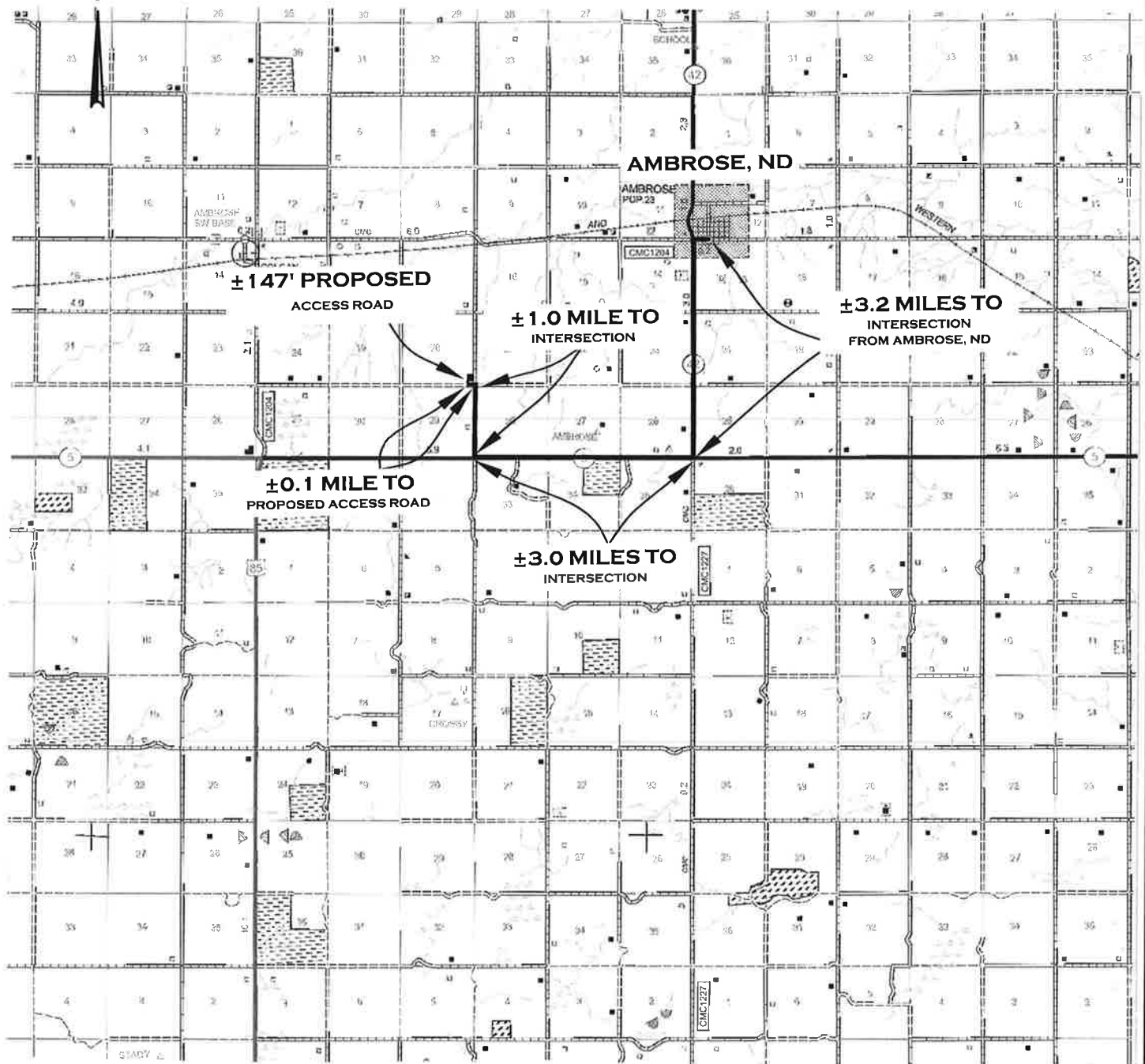


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701.483.2610 fax
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|----------------------------------|-------------------|------------------|------------------|---------------------|---------------------|
| SHEET NAME: PRODUCTION LAYOUT | DATE: 12/11/15 | DRAWN BY: MMM | SCALE: 1"=80' | PROJ. NO. 157284 | SHEET NO. 3 of 8 |
|----------------------------------|-------------------|------------------|------------------|---------------------|---------------------|

SE1/4 Section 20, T163N, R99W - 5th Principal Meridian
Divide County, North Dakota



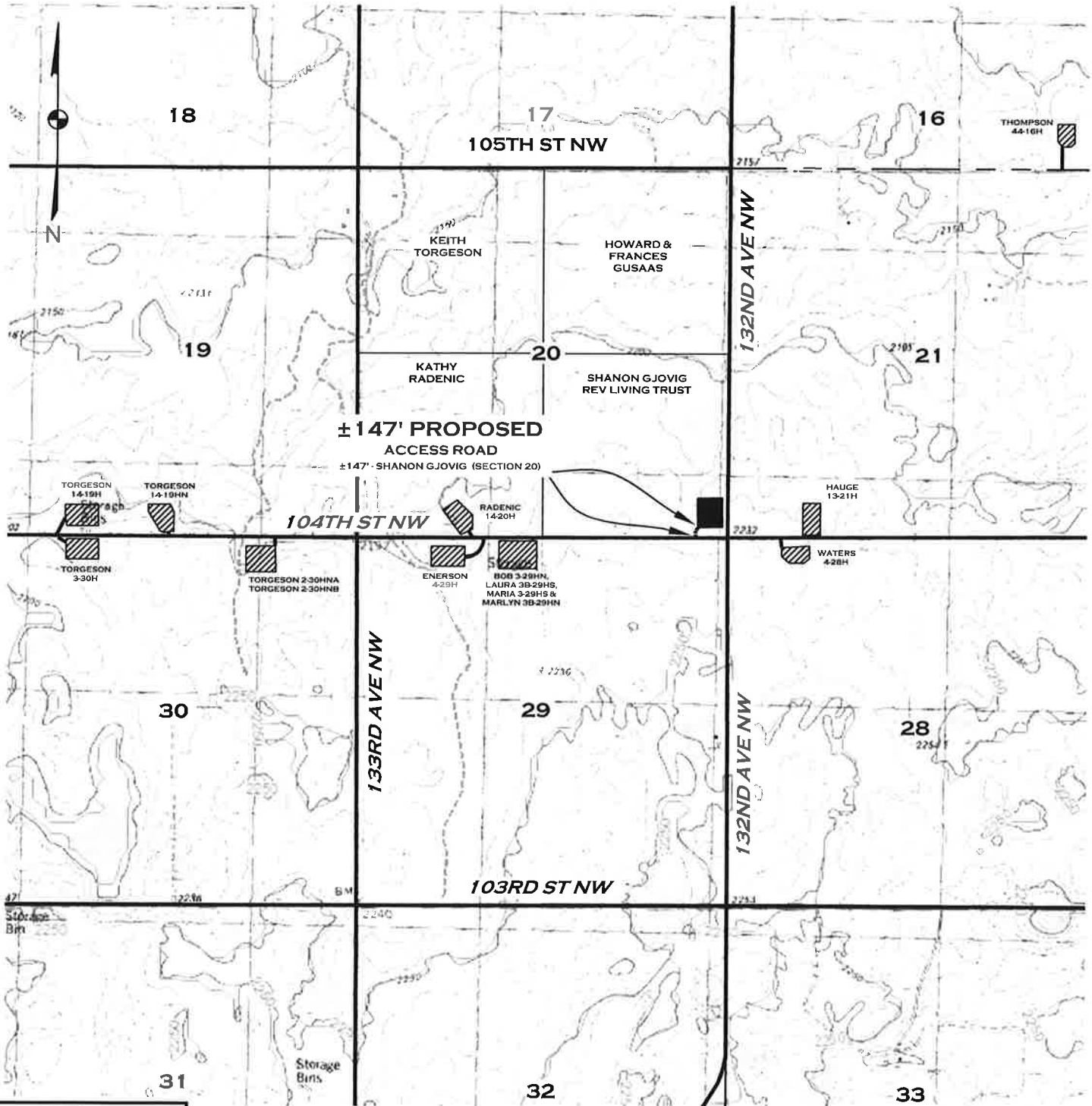
LEGEND

PROPOSED ROAD
EXISTING ROAD

| | | | | | |
|------------------------------|-------------------|------------------|-----------------------|---------------------|---------------------|
| SHEET NAME: COUNTY ACCESS | DATE: 12/11/15 | DRAWN BY: MMM | SCALE: 1/2" = MILE | PROJ. NO. 157284 | SHEET NO. 4 of 8 |
|------------------------------|-------------------|------------------|-----------------------|---------------------|---------------------|

**SM ENERGY COMPANY
SOPHUS 16-20HS
323' FSL & 245' FEL**

SE1/4 Section 20, T163N, R99W - 5th Principal Meridian
Divide County, North Dakota



LEGEND

PROPOSED ROAD - - - - -
EXISTING ROAD - - - - -



319 24th Street East
Dickinson, ND 58601
701.483.2444 office
701.483.2610 fax
www.highlandseng.com

| | | | | | |
|----------------------------|-------------------|------------------|--------------------|---------------------|---------------------|
| SHEET NAME: QUAD ACCESS | DATE: 12/11/15 | DRAWN BY: MMM | SCALE: 1"=2000' | PROJ. NO. 157284 | SHEET NO. 5 of 8 |
|----------------------------|-------------------|------------------|--------------------|---------------------|---------------------|

Hank Katie 12-20 Central Tank Battery
Divide Co., ND
SM Energy
(Full Build-Out)

TTRT - 1 (thru) - 8

Vertical Treater
Manufacturer: Silvall's, Inc.
Model VT620-FEP-125
6" dia
20' H (s - s)
Working Pressure = 125 psig
Capacity @ 1 hr. retention:
1000 bpd oil
3000 bpd water
2 - 3 x 10 Mscfd gas

FI2 (thru) FI11

Orifice Plate Meter
AGA 14.3 - compliant
meter tube w/
Cameron/NuFlo
Scanner 2000 isolator

FT2 (thru) FT9

Gas Meter - by others
ABB TotalFlow Orificer (or equivalent)
Custody transfer - specified & operated
by gas gatherer

FI12 (thru) FI20

Water Meter
NuFlo Turbine meter 2"
MC-III Display

FT10 (thru) FT17

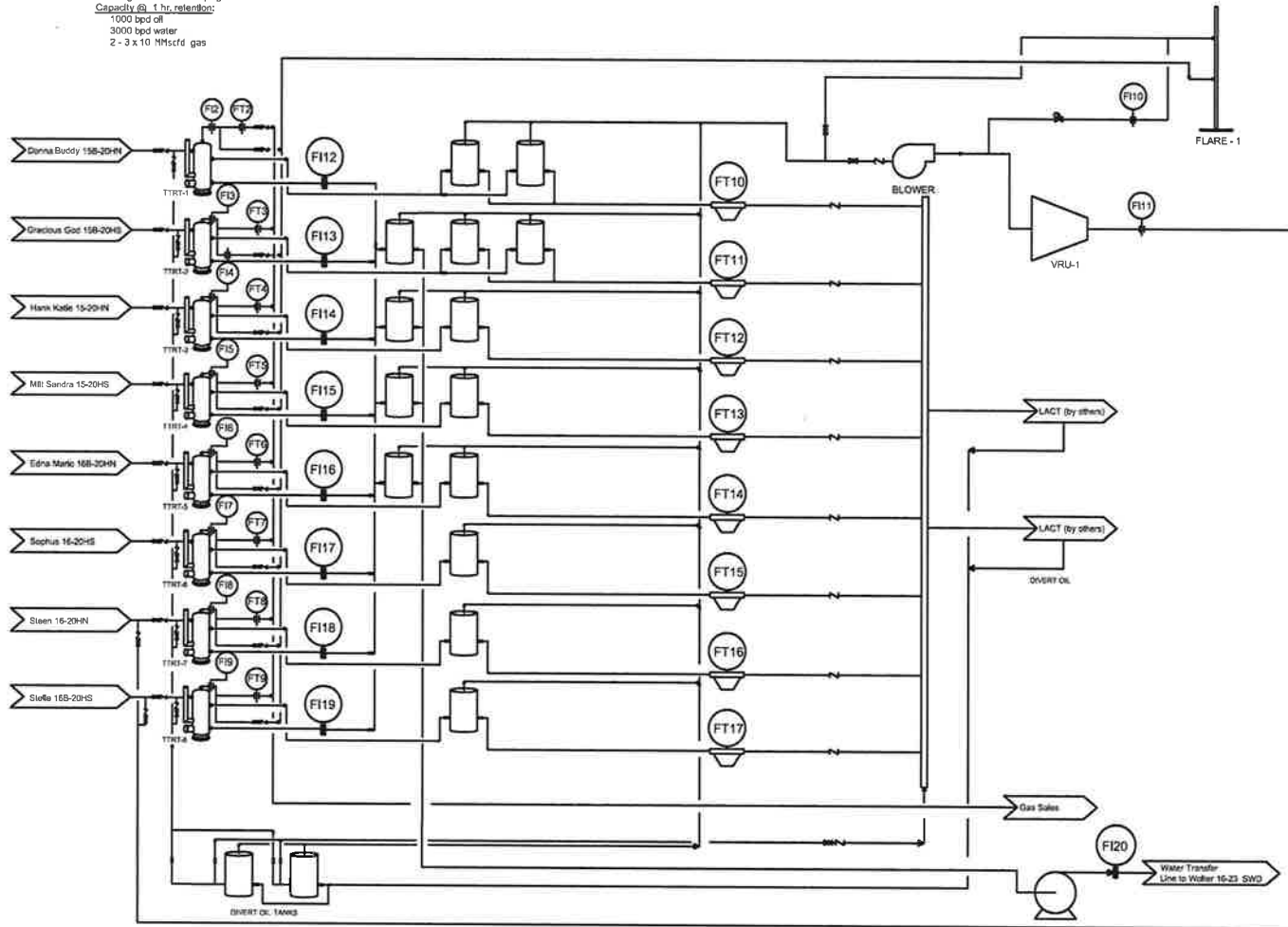
Oil Meter
Emerson MicroMotion
Coriolis Meter
F200 (2")
w/ transmitter

FLARE - 1

Elevated Flare stack
Manufacturer: Steffes
Dust-Tip Burner
Lo/Med Press. Combustion

VRU-1

Emerson VRU



Application for Commingling Production

Hank Katie 15-20 CTB – Meters:

| | <u>Make</u> | <u>Model</u> | <u>Size</u> |
|------------------------|-----------------------|---------------------|---------------------|
| Oil Meter | Emerson | F200 | 2" |
| Water Meter | NuFlo Turbine Meter | MC-III | 2" |
| Total Gas Meter | Cameron NuFlo | Scanner 2000 EFM | 2" |
| Sales Gas Meter | ABB Totalflow Orifice | Or Equivalent | TBD by gas gatherer |
| | | | |

Allocation Procedure

SM Energy Company will use the following procedure to allocate production between the Donna Buddy 15B-20HN, Gracious God 15B-20HS, Hank Katie 15-20HN, Milt Sandra 15-20HS, Edna Marie 16B-20HN, Sophus 16-20HS, Steen 16-20HN, and Stella 16B-20HS (well information attached) at the Hank Katie 15-20 Central Tank Battery (CTB#32462-01):

1. Each well has a dedicated flowline, dedicated oil, water, and gas flow meters, dedicated oil tanks, and shared water tanks. All 8 wells will have a dedicated 6' x 20' vertical treater rated to 125 psi.
2. Oil - Oil will be sold to API standards at LACT units on the CTB facility location. Daily volumes will be measured by guided wave radar tank gaugers and also by dedicated Coriolis allocation meters placed downstream from each well's oil shipping tank but before being sold and commingled at the LACT point. Any differences in the sum of oil measured at the Coriolis meters and the LACT meter reading will be measured each day and back allocated to the appropriate well. Oil custody transfer will be received by Summit Midstream Partners.
3. Gas – Produced gas from each well will separate in the heater treater and will come off of the top of each treater through an orifice plate meter that measures the total gas produced for each well. From here the gas that is going to sales passes through an ABB TotalFlow orifice meter (or equivalent) and on to OneOk's gas gathering system. This meter will be proved per the gather's proving schedule which is once per quarter. If line pressure or other issues prevent gas from being sent to sales, the gas will be sent down a flare line to a Steffes flare. This location will have a vapor recovery unit and thus tank vapor gas will be metered and sent back through one of the dedicated treaters. Whichever treater is elected to receive the VRU gas will allocate produced gas as the total gas produced less the VRU gas volume. Volumes produced and metered from the VRU will be allocated based on the proportion of oil production from the 8 wells.
4. Water – Water from the the Donna Buddy 15B-20HN, Gracious God 15B-20HS, Hank Katie 15-20HN, Milt Sandra 15-20HS, Edna Marie 16B-20HN, Sophus 16-20HS, Steen 16-20HN, and Stella 16B-20HS will be metered individually off of each respective treater's water dump leg before being commingled in a shared water storage facility (4 SW tanks) at the Hank Katie 15-20 CTB. From the shared salt water storage facility water will be shipped through a pipeline via transfer pumps to the Wolter 16-23 SWD.

Hank Katie 15-20 CTB Divert Oil Tanks

The divert oil tanks, labeled on the Process Flow Diagram, are intended to receive diverted oil from the LACT unit. The LACT unit will begin diverting oil when a BS&W (Basic Sediment & Water) standard is not met. The divert tanks are plumbed in parallel to allow for the LACT to divert to one tank while the other tank is isolated. The isolation is important when trying to clean up bad oil because however much oil gets sent back through a treater will end up getting metered twice. To compensate for this, the volume of oil diverted will be measured (by gauge) and noted before being sent back through the treater. The volume of diverted oil can then be subtracted from its respective oil meter upstream of the LACT unit. The re-treatment of oil back through the treater is intended to remove whatever contaminants were carried into the well's dedicated oil tanks.

The divert tanks will not be pumped off to re-treatment until such time has allowed the liquid phases to separate and form the interface from which the interfacial height, along with the overall liquid column height, can be determined. A method of doing this would be taking an initial divert oil liquid height by gauge, starting the recycle pump, and re-gauging the tank when oil enters the recycle pump. By subtracting the two liquid heights minus the volume of the suction piping to the recycle pump, the volume of the water and oil can be determined manually.

Because a batch of bad oil commingles with good oil immediately before reaching the LACT unit, an unknown amount of good oil has presumably been contaminated by bad oil and will accompany the bad oil into divert and the re-treatment process. For this reason, the re-treated oil must be allocated to all of the wells producing into the LACT unit based on recent production percentages for each well. In practice, this contamination is rare, as lease operating staff is responsible for maintaining sellable oil.

VRU Allocation Procedure

For each individual well, the following is used to determine VRU gas allocation:

$$VRU \text{ Allocated Gas Sales (per well, per month)} = \left(\frac{\text{Allocated Monthly Oil (well)}}{\text{Allocated Monthly Oil (total CTB)}} \right) CTB \text{ VRU Sales Volume}$$

Example:

Torgeson 2 – 15HN VRU Allocated Gas Sales (January 2016)

$$= \left(\frac{\text{Allocated Monthly Oil (Torgeson 2 – 15HN)}}{\text{Allocated Monthly Oil (Torgeson 1 – 15 CTB)}} \right) \text{Torgeson 1 – 15 CTB VRU Sales Volume}$$

$$\text{Torgeson 2 – 15HN VRU Allocated Gas Sales (January 2016)} = \left(\frac{3,595 \text{ BO}}{14,979 \text{ BO}} \right) 329 \text{ MCF}$$

$$\text{Torgeson 2 – 15HN VRU Allocated Gas Sales (January 2016)} = \mathbf{79 \text{ MCF}}$$

The same process can be applied to VRU flared volumes by simply replacing the "CTB VRU Volume" with VRU Flared Gas.

BEFORE THE INDUSTRIAL COMMISSION
OF THE STATE OF NORTH DAKOTA

RECEIVED**JAN 23 2017****ND Oil & Gas Div.**

Application of SM Energy Company)
pursuant to NDAC §43-02-03-88.1 for an)
order allowing oil and gas produced from the)
Donna Buddy 15B-20HN (File No. 32449),)
Gracious God 15B-20HS (File No. 32450),)
Hank Katie 15-20HN (File No. 32462), Milt)
Sandra 15-20HS (File No. 32463), Edna)
Marie 16B-20HN (File No. 32668), Sophus)
16-20HS (File No. 32669), Steen 16-20HN)
(File No. 32667), and Stella 16B-20HS (File)
No. 32670) wells, Sections 17 and 20,)
T.163N., R.99W., Divide County, ND, to be)
commingled in a central production facility)
located in Section 20, T.163N., R.99W.,)
pursuant to NDAC § 43-02-03-48.1 or)
granting such other and further relief as may)
be appropriate.)

APPLICATION

COMES NOW the applicant, SM Energy Company, and respectfully alleges as follows:

1. It is the owner of an interest in the oil and gas leasehold estate underlying all or portions of Sections 17 and 20, Township 163 North, Range 99 West, Divide County, ND, and is the operator of the Donna Buddy 15B-20HN (File No. 32449), Gracious God 15B-20HS (File No. 32450), Hank Katie 15-20HN (File No. 32462), Milt Sandra 15-20HS (File No. 32463), Edna Marie 16B-20HN (File No. 32668), Sophus 16-20HS (File No. 32669), Steen 16-20HN (File No. 32667), and Stella 16B-20HS (File No. 32670) wells which are either drilled, permitted, or in the process of being permitted on a spacing unit consisting of said lands.

2. Section 43-02-03-48.1 of the North Dakota Administrative Code provides that commingling of production from two or more wells having diverse ownership that is not metered prior to commingling may be approved after notice and hearing.

3. Applicant desires to commingle production from said wells in a common production facility and allocate production to the individual wells on the basis of periodic testing through a test facility. Ownership in one or more of the wells commingled in the facility is diverse.

NOTICE OF HEARING

N.D. INDUSTRIAL COMMISSION

OIL AND GAS DIVISION

The North Dakota Industrial Commission will hold a public hearing at 9:00 a.m. Wednesday, February 22, 2017, at the N.D. Oil & Gas Division, 1000 East Calgary Ave., Bismarck, N. D. At the hearing the Commission will receive testimony and exhibits. Persons with any interest in the cases listed below, take notice.

PERSONS WITH DISABILITIES: If at the hearing you need special facilities or assistance, contact the Oil and Gas Division at 701-328-8038 by Thursday, February 09, 2017.

STATE OF NORTH DAKOTA
TO: Case No. 25582: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Wolter 13-9H (File No. 20958), Ralph 1-17HN (File No. 29387), George 1B-17HN (File No. 29388), Rufus 13B-9HN (File No. 31550), Russ 13-9HS (File No. 31551), Rodney 13B-9HS (File No. 31549), Dusty 14B-9HS (File No. 31244), and Smokey 14B-9HN (File No. 31243) wells, Sections 4, 9, 17 and 20, T.163N., R.100W., Divide County, ND, to be commingled in a central production facility located in Section 9, T.163N., R.100W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate. Case No. 25583: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Hauge 13-21H (File No. 20668), Waters 4-28H (File No. 20525), Waters 3-28HN (File No. 28835), Waters 3-28HS (File No. 28836), Waters 3B-28HN (File No. 28834), Waters 3B-28HS (File No. 28833), Bella 4B-28HS (File No. 32237), and William 4B-28HN (File No. 32236) wells, Sections 16, 21,

28 and 33, T.163N., R.99W., Divide County, ND, to be commingled in a central production facility located in Section 21, T.163N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate. Case No. 25584: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Donna Buddy 15B-20HN (File No. 32449), Gracious God 15B-20HS (File No. 32450), Hank Katie 15-20HN (File No. 32462), Milt Sandra 15-20HS (File No. 32463), Edna Marie 16B-20HN (File No. 32668), Sophus 16-20HS (File No. 32669), Steen 16-20HN (File No. 32667), and Stella 16B-20HS (File No. 32670) wells, Sections 17 and 20, T.163N., R.99W., Divide County, ND, to be commingled in a central production facility located in Section 20, T.163N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate. Case No. 25585: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Antelope 2B-28HS (File No. 32202), Bison 2B-28HN (File No. 32204), Bobcat 2-28HN (File No. 32203), Beaver 1B-28HN (File No. 31366), Eagle 1-28HN (File No. 31407), and Owl 1-28HS (File No. 31367) wells, Sections 28 and 33, T.163N., R.99W., Divide County, ND, to be commingled in a central production facility located in Section 28, T.163N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

/s/Doug Burgum,
Governor
Chairman, NDIC

(2/1)

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MAR 03 2017

ND Oil & Gas Div.

Affidavit of Publication

State of North Dakota, County of Divide, ss:

I, Cecile L. Wehrman, being first duly sworn, on my oath, say that I am the publisher of The Journal, a weekly newspaper of general circulation and official newspaper of Divide County, State of North Dakota, published in the city of Crosby, ND, and that the advertisement headed

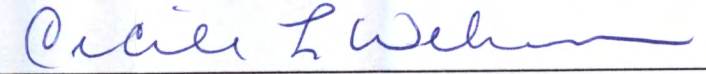
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a printed copy of which is here attached, was published in the Journal on the following date:

Feb., 1, 2017 99 lines @ 0.67 = \$66.33

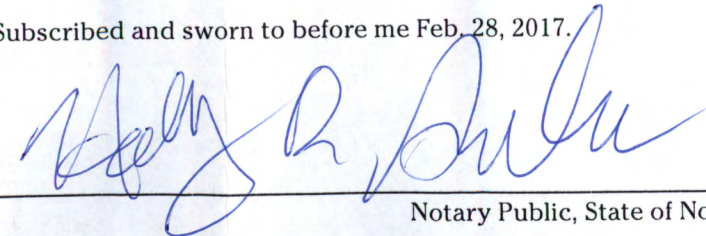
TOTAL CHARGE \$66.33

Signed

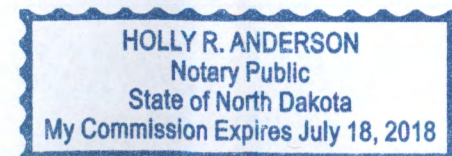


Cecile L. Wehrman, Publisher

Subscribed and sworn to before me Feb. 28, 2017.



Notary Public, State of North Dakota





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Bismarck Tribune

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ND Oil & Gas Div.

OIL & GAS DIVISION

**600 E BLVD AVE #405
BISMARCK ND 58505**

Customer: 60010203

Phone: (701) 328-8020

Date: 01/31/2017

| Date | Order # | Type | Order Amt |
|----------|----------|------|-----------|
| 01/31/17 | 20881097 | INV | 437.41 |

| | |
|-------------|-------|
| Amount Paid | CK #: |
| | |

CREDIT CARD PAYMENT (circle one)



Card #: _____

Exp Date: _____

Signature: _____

Credit card users: Fax to 319-291-4014

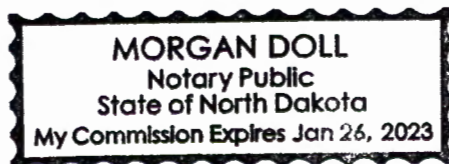
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Lee Enterprises no longer accepts credit card payments sent via e-mail. Emails containing credit card numbers will be blocked. Please use the coupon above to send a credit card payment to remittance address located in the upper right corner. You may also send the coupon to a secure fax at 319-291-4014.

| Date | Date | Times Run | Description | Lines | Class Code | Order Amt | Net Amt Due |
|----------|----------|-----------|-----------------------|--------|------------|-----------|-------------|
| | | | Public Hearing Feb 22 | 527.00 | Legals | 437.41 | 437.41 |
| 01/31/17 | 01/31/17 | 1 | Bismarck Tribune | | | | |

Affidavit of Publication

State of North Dakota) SS County of Burleigh
Before me, a Notary Public for the State of North Dakota
personally appeared JK who being duly sworn, deposes
and says that he (she) is the Clerk of Bismarck Tribune Co.,
and that the publication(s) were made through the
Bismarck Tribune on the following dates:
1/31 Signed [Signature]
sworn and subscribed to before me this 2nd
day of February 20 17
Morgan
Notary Public in and for the State of North Dakota



Please return invoice or put order number on check. Thank You.

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**NOTICE OF HEARING
N.D. INDUSTRIAL COMMISSION
OIL AND GAS DIVISION**

The North Dakota Industrial Commission will hold a public hearing at 9:00 a.m. Wednesday, February 22, 2017, at the N.D. Oil & Gas Division, 1000 East Calgary Ave., Bismarck, N. D. At the hearing the Commission will receive testimony and exhibits. Persons with any interest in the cases listed below, take notice.

PERSONS WITH DISABILITIES: If at the hearing you need special facilities or assistance, contact the Oil and Gas Division at 701-328-8038 by Thursday, February 09, 2017.

STATE OF NORTH DAKOTA TO:

Case No. 25567: On a motion of the Commission to consider the termination, reduction, or any other appropriate action, of the Zenith-Tyler "A" Unit, Stark County, ND, operated by New Millennium Resources, Inc. Case No. 25568: On a motion of the Commission to review the status of the leases in Sections 30 and 31, within the 2560-acre spacing unit described as Sections 29, 30, 31, and 32, T.154N., R.96W., Grinnell-Bakken Pool, McKenzie and Williams Counties, ND, and the progress towards developing said Sections 30 and 31 as a standup 1280-acre spacing unit and such other relief as is appropriate. Case No. 25569: Application of QEP Energy Co. for an order amending the applicable orders for the Spotted Horn-Bakken Pool to extend the timeframe in which development must occur in the E/2 of a 2560-acre spacing unit described as Sections 24, 25 and 36, T.150N., R.95W. and Section 1, T.149N., R.95W., McKenzie County, ND, until December 31, 2017, and granting such other relief as may be appropriate.

Case No. 25570: Application of Burlington Resources Oil & Gas Co. LP for an amending the applicable orders for the Twin Valley-Bakken Pool to (i) terminate an existing stand-up 2560-acre spacing unit consisting of Sections 5, 8, 17 and 20, T.152N., R.97W., McKenzie County, ND; (ii) authorize up to seven horizontal wells to be drilled on two 1280-acre spacing units consisting of Sections 5 and 8; and Sections 17 and 20, T.152N., R.97W.; and (iii) granting such other and further relief as may be appropriate.

Case No. 25571: Application of Burlington Resources Oil & Gas Co. LP for an amending the applicable orders for the Westberg-Bakken Pool to establish an overlapping 2560-acre spacing unit consisting of Sections 13, 14, 23 and 24, T.152N., R.97W., McKenzie County, ND, and authorize a horizontal well to be drilled on the unit, and granting such other and further relief as may be appropriate.

Case No. 25572: Application of Burlington Resources Oil & Gas Co. LP for an amending the applicable orders for the Eldah-Bakken Pool to establish an overlapping 5120-acre spacing unit consisting of Sections 28, 29, 32 and 33, T.152N., R.97W., and Sections 4, 5, 8 and 9, T.151N., R.97W., McKenzie County, ND, and authorize two horizontal wells to be drilled on the unit, and granting such other and further relief as may be appropriate.

Case No. 25573: Application of Marathon Oil Co. for an order amending the applicable orders for the Antelope-Sanish Pool to (i) establish a 2560 acre spacing unit described as Sections 2, 3, 10 and 11, T.151N., R.94W., McKenzie County, ND, and allow one horizontal well to be drilled on such spacing unit; (ii) reduce the setback on either side of the common boundary between two 1280-acre spacing units described as Sections 3 and 10, T.151N., R.94W. to 440 feet; (iii) reduce the setback on either side of the common boundary between two 1280-acre spacing units described as Sections 3 and 10; and Sections 4 and 9, T.151N., R.94W. to 440 feet; or (iv) for such other relief as may be appropriate.

Case No. 25574: Application of Marathon Oil Co. for an order amending the applicable orders for the Reunion Bay-Bakken Pool to (i) establish a 2560 acre spacing unit described as Sections 16, 17, 20 and 21, T.151N., R.93W., Mountrail County, ND, and allow one horizontal well to be drilled on such spacing unit; (ii) authorize up to four wells to be drilled on a 1280-acre spacing unit described as Sections 18 and 19, T.151N., R.93W.; and (iii) granting such other relief as may be appropriate.

Case No. 25575: Application of Marathon Oil Co. for an order amending the applicable orders for the Bailey-Bakken Pool, Dunn County, ND, to (i) reduce the setback on either side of the common boundary between two 1280-acre spacing units described as Sections 2 and 11; and Sections 3 and 10, T.146N., R.94W., to 440 feet; (ii) reduce the setback on either side of the common boundary between two 1280-acre spacing units described as Section 25 and 36; and Sections 26 and 35, T.146N., R.94W., to 440 feet; or (iii) granting such other relief as may be appropriate.

Case No. 25576: Application of Marathon Oil Co. for an order amending the applicable orders for the Bailey-Bakken Pool to (i) establish two 2560 acre spacing units described as Sections 2, 3, 10 and 11; and Sections 25, 26, 35 and 36, T.146N., R.94W., and allow one horizontal well to be drilled on each spacing unit; (ii) establish three 2560 acre spacing units described as Sections 5, 6, 7 and 8, T.146N., R.94W.; Sections 1 and 12, T.146N., R.94W. and Sections 6 and 7, T.146N., R.93W.; and Sections 5, 6, 7 and 8, T.146N., R.93W., Dunn County, ND, and allow two horizontal wells

to be drilled on each spacing unit; and (iii) granting such other relief as may be Case No. 25415: (Continued) Proper spacing for the development of the Randolph-Bakken Pool, McKenzie County, ND, redefine the field limits, and enact such special field rules as may be necessary. Oasis Petroleum North America LLC Case No. 25014: (Continued) Proper spacing for the development of the Big Stone-Bakken Pool, Williams County, ND, redefine the field limits, and enact such special field rules as may be necessary. Hess Bakken Investments II, LLC; Whiting Oil and Gas Corp.

Case No. 24831: (Continued) Proper spacing for the development of the Cherry Creek-Bakken Pool, McKenzie County, ND, redefine the field limits, and enact such special field rules as may be necessary. Hess Bakken Investments II LLC Case No. 21588: (Continued) Proper spacing for the development of the North Taylor-Winnipeg Gas Pool, Stark County, ND, redefine the field limits, and enact such special field rules as may be necessary. BTA Oil Producers, LLC Case No. 25577: On a motion of the Commission to review the authorization and permit under Order No. 23190 for Nuvera Environmental Solutions to operate a treating plant located in the S/2 SW/4 of Section 19, T.150N., R.99W., McKenzie County, ND, known as the Ideal Environmental Treatment Center #1 (Facility No. 700093-01), and such other relief as is

Case No. 25522: (Continued) Application of Missouri River Resources for an order amending the applicable orders for the Bailey-Bakken Pool: (1) to establish a 3840-acre spacing units comprised of all of Sections 27, 28, 29, 32, 33 and 34, T.147N., R.93W., Dunn County, ND, for the development of the Bailey-Bakken Pool; (2) authorizing the drilling, completion and operation of up to twenty-five horizontal wells in such spacing unit; and (3) the granting of such other relief as may be appropriate.

Case No. 25474: (Continued) Application of Burlington Resources Oil & Gas Co. LP for an order amending the applicable orders for the Bailey-Bakken Pool to (i) establish two lay-down 1280-acre spacing units consisting of Sections 28 and 29; and Sections 32 and 33, T.147N., R.93W., Dunn County, ND, and authorize up to seven horizontal wells to be drilled on each of these spacing units; (ii) to establish one overlapping 2560-acre spacing unit consisting of said Sections 28, 29, 32 and 33, and authorize one horizontal well to be drilled on each such unit; and (iii) granting such other and further relief as may be appropriate.

Case No. 25495: (Continued) Application of Burlington Resources Oil & Gas Co. LP for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 28, 29, 32 and 33, T.147N., R.93W., Bailey-Bakken Pool, Dunn County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25496: (Continued) Application of Burlington Resources Oil & Gas Co. LP for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 28 and 29, T.147N., R.93W., Bailey-Bakken Pool, Dunn County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25497: (Continued) Application of Burlington Resources Oil & Gas Co. LP for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 32 and 33, T.147N., R.93W., Bailey-Bakken Pool, Dunn County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25578: Application of Burlington Resources Oil & Gas Co. LP for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 13, 14, 23 and 24, T.152N., R.97W., Westberg-Bakken Pool, McKenzie County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25579: Application of Burlington Resources Oil & Gas Co. LP for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 17 and 20, T.152N., R.97W., Twin Valley-Bakken Pool, McKenzie County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25580: Application of Burlington Resources Oil & Gas Co. LP for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 28, 29, 32 and 33, T.152N., R.97W., and Sections 4, 5, 8 and 9, T.151N., R.97W., Eldah-Bakken Pool, McKenzie County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25581: Application of Burlington Resources Oil & Gas Co. LP pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Curtis 21-16 TFH-3NH (File No. 30871), Curtis 21-16 MBH-2NH (File No. 30869), Saddle Butte 21-16 MBH-3SH (File No. 30872), and Saddle Butte 21-16 TFH-2SH (File No. 30870) wells, Sections 4, 9, 16 and 21, T.149N., R.96W., McKenzie County, ND, to be commingled in a central production facility located in Section 16, T.149N., R.96W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25582: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Wolter 13-9H (File No. 20958), Ralph 1-17HN (File No. 29387), George 1B-17HN (File No. 29388), Rufus 13B-9HN (File No. 31550), Russ 13-9HS (File No. 31551), Rodney 13B-9HS (File No. 31549),

Dusty 14B-9HS (File No. 31244), and Smoley 14B-9HN (File No. 31243) wells, Sections 4, 9, 17 and 20, T.163N., R.100W., Divide County, ND, to be commingled in a central production facility located in Section 9, T.163N., R.100W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25583: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Hauge 13-21H (File No. 20668), Waters 4-28H (File No. 20525), Waters 3-28HN (File No. 28835), Waters 3-28HS (File No. 28836), Waters 3B-28HN (File No. 28834), Waters 3B-28HS (File No. 28833), Bella 4B-28HS (File No. 32237), and William 4B-28HN (File No. 32236) wells, Sections 16, 21, 28 and 33, T.163N., R.99W., Divide County, ND, to be commingled in a central production facility located in Section 21, T.163N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be Case No. 25584: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Donna Buddy 15B-20HN (File No. 32449), Gracious God 15B-20HS (File No. 32450), Hank Katie 15-20HN (File No. 32462), Milt Sandra 15-20HS (File No. 32463), Edna Marie 16B-20HN (File No. 32668), Sophia 16-20HS (File No. 32669), Steen 16-20HN (File No. 32667), and Stella 16B-20HS (File No. 32670) wells, Sections 17 and 20, T.163N., R.99W., Divide County, ND, to be commingled in a central production facility located in Section 20, T.163N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25585: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Antelope 2B-28HS (File No. 32202), Bison 2B-28HN (File No. 32204), Bobcat 2-28HN (File No. 32203), Beaver 1B-28HN (File No. 31366), Eagle 1-28HN (File No. 31407), and Owl 1-28HS (File No. 31367) wells, Sections 28 and 33, T.163N., R.99W., Divide County, ND, to be commingled in a central production facility located in Section 28, T.163N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25586: Application of Cornerstone Natural Resources LLC, for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Section 16, T.162N., R.91W., Lignite-Bakken Pool, Burke County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25587: Application of Cornerstone Natural Resources LLC, for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Section 26, T.162N., R.90W., Pickett-Bakken Pool, Burke County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25588: Application of Cornerstone Natural Resources LLC, for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 27 and 34, T.162N., R.90W., Pickett-Bakken Pool, Burke County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25589: Application of Cornerstone Natural Resources LLC, for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 17 and 20, T.161N., R.90W., Coteau-Bakken Pool, Burke County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25590: Application of Cornerstone Natural Resources LLC, for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 15 and 22, T.161N., R.90W., Lostwood-Bakken Pool, Burke County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25591: Application of Cornerstone Natural Resources LLC, for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 27 and 34, T.161N., R.90W., South Coteau-Bakken Pool, Burke County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25592: Application of Cornerstone Natural Resources LLC, for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 29 and 32, T.161N., R.90W., South Coteau-Bakken Pool, Burke County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25593: Application of Cornerstone Natural Resources LLC, for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Section 33, T.161N., R.90W., South Coteau-Bakken Pool, Burke County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25594: Application of Hess Bakken Investments II, LLC, for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 32 and 33, T.156N., R.95W. and Sections 4 and 5, T.155N., R.95W., Beaver Lodge-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25595: Application of Hess Bakken Investments II, LLC, for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections

12 and 13, T.155N., R.96W. and Sections 7 and 18, T.155N., R.95W., Beaver Lodge-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25596: Application of Hess Bakken Investments II, LLC, for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 29, 30, 31 and 32, T.155N., R.95W., Capa-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25597: Application of Hess Bakken Investments II, LLC pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the EN-Dolan-157-94-2833H-1 (File No. 18776), EN-Dolan-157-94-2833H-2 (File No. 18778), EN-Dolan-157-94-2833H-3 (File No. 18780), EN-Fisher-157-94-2116H-1 (File No. 18775), EN-Fisher-157-94-2116H-2 (File No. 18777), EN-Fisher 157-94-2116H-3 (File No. 18779), EN-Patrick Joseph 157-94-2314H-1 (File No. 22264), EN-Will Trust B-157-94-2635H-1 (File No. 17842), EN-Will Trust B-157-94-2635H-2 (File No. 19006), EN-Will Trust B-157-94-2635H-3 (File No. 19007), EN-Will Trust C-157-94-2215H-1 (File No. 17838), EN-Will Trust A-157-94-2734H-1 (File No. 17845), EN-Will Trust A-157-94-2734H-2 (File No. 18733), and EN-Will Trust A-157-94-2734H-3 (File No. 18734) wells, Sections 14, 15, 16, 21, 22, 23, 26, 27, 28, 33, 34 and 35, T.157N., R.94W., Mountrail County, ND, as provided by NDCC § 38-08-08, and such other relief as may be Case No. 25598: Application of Hess Bakken Investments II, LLC pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the RS-Bell-157-90-2227H-1 (File No. 19456), RS-Johnson-157-90-1510H-1 (File No. 19457), RS-Johnson A-157-90-2128H-1 (File No. 18526), RS-R Harstad-157-90-2029H-1 (File No. 18046), RS-Rudolph-157-90-1708H-1 (File No. 18524), and RS-State H-157-90-1609H-1 (File No. 18096) wells, Sections 8, 9, 10, 15, 16, 17, 20, 21, 22, 27, 28 and 29, T.157N., R.90W., Mountrail County, ND, to be commingled in a central production facility located in Section 20, T.157N., R.90W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25599: Application of Hess Bakken Investments II, LLC pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the RS-Agribank-156-91-3427H-1 (File No. 17167), RS-F Nelson-156-91-2413H-1 (File No. 17105), RS-Red Crown-156-91-2536H-1 (File No. 17010), and RS-Red Crown 156-91-2536H-2 (File No. 24193) wells, Sections 13, 24, 25, 27, 34 and 36, T.156N., R.91W., Mountrail County, ND, to be commingled in a central production facility located in Section 34, T.156N., R.91W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25600: Application of Hess Bakken Investments II, LLC pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the EN-Moe-154-94-0508H-1 (File No. 17077), EN-Pederson-154-94-0409H-1 (File No. 17099), EN-Pederson 154-94-0409H-2 (File No. 23448), EN-Pederson 154-94-0409H-3 (File No. 23447), EN-Pederson 154-94-0409H-4 (File No. 23446), and EN-Pederson 154-94-0409H-5 (File No. 23445) wells, Sections 4, 5, 8 and 9, T.154N., R.94W., Mountrail County, ND, to be commingled in a central production facility located in Section 5, T.154N., R.94W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25601: Application of Whiting Oil and Gas Corp. for an order pursuant to NDAC § 43-02-03-88.1 authorizing a permit modification for saltwater disposal into the Swift Formation in the P Thomas 7-4 SWD (File No. 90263), SWNE Section 4, T.153N., R.98W., Truxal Field, Williams County, ND, pursuant to NDAC Chapter 43-02-05 and such other relief as is appropriate.

Case No. 25602: Application of Petro-Hunt, LLC, for an order amending the applicable orders for the Little Knife-Bakken Pool to authorize up to five horizontal wells to be drilled on a 1280-acre spacing unit consisting of Sections 30 and 31, T.146N., R.97W., Dunn County, ND, or such other and further relief as may be appropriate.

Case No. 25603: Application of Marathon Oil Co. for an order amending the applicable orders for the Bailey-Bakken Pool, Dunn County, ND, to (i) authorize up to eight wells to be drilled on a 1280-acre spacing unit described as Sections 25 and 36, T.146N., R.94W.; (ii) authorize up to ten wells to be drilled on a 1280-acre spacing unit described as Sections 26 and 35, T.146N., R.94W.; (iii) authorize up to eleven wells to be drilled on a 1280-acre spacing unit described as Sections 2 and 11, T.146N., R.94W.; and (iv) granting such other relief as may be appropriate.

Signed by,
Doug Burgum, Governor
Chairman, NDIC
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