

BEFORE THE INDUSTRIAL COMMISSION  
OF THE STATE OF NORTH DAKOTA

CASE NO. 25955  
ORDER NO. 28368

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 ORVILLE 29-32-162-98H 2XM (FILE NO. 28229), SECTIONS 29 AND 32, T.162N., R.98W., ARLENE 30-31-162-98H 2XQ (FILE NO. 28230), SECTIONS 30 AND 31, T.162N., R.98W., AND OVERLAND 20-17-162-98H 4MD (FILE NO. 28228), SECTIONS 17 AND 20, T.162N., R.98W., DIVIDE COUNTY, ND, WELLS TO BE COMMINGLED IN A CENTRAL PRODUCTION FACILITY LOCATED IN SECTION 20, T.162N., R.98W., 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 26th day of July, 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 Blooming Prairie, Whiteaker and Ambrose fields, Divide County, North Dakota:

<u>File No.</u>	<u>Well Name &amp; No.</u>	<u>Location</u>
28229	Orville 29-32-162-98H 2XM	SWSW Section 20-T162N-R98W
28230	Arlene 30-31-162-98H 2XQ	SWSW Section 20-T162N-R98W
28228	Overland 20-17-162-98H 4MD	SWSW Section 20-T162N-R98W

- (4) SM Energy requests permission to commingle the production from the wells listed in paragraph (3) in the Orville CTB (CTB No. 228228-01) located in the SW/4 SW/4 of Section 20,

Township 162 North, Range 98 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 Orville 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 Blooming Prairie, Whiteaker and Ambrose Fields. 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 Orville CTB (CTB No. 228228-01) located in the SW/4 SW/4 of Section 20, Township 162 North, Range 98 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 Orville CTB:

<u>File No.</u>	<u>Well Name &amp; No.</u>	<u>Location</u>	<u>Order No.</u>
28229	Orville 29-32-162-98H 2XM	SWSW Section 20-T162N-R98W	28368
28230	Arlene 30-31-162-98H 2XQ	SWSW Section 20-T162N-R98W	28368
28228	Overland 20-17-162-98H 4MD	SWSW Section 20-T162N-R98W	28368

(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 Orville CTB.

(5) SM Energy shall use the following procedures for allocating production to each well commingled in the Orville 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:

Calculated oil volume = (Average well test oil rate) \*  
(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 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.
- (8) Additional wells can only be added to the Orville CTB by order of the Commission after due notice and hearing.
- (9) 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.
- (10) SM Energy shall notify the Director in writing upon commencement of commingling production from the subject wells into the central production facility.
- (11) Authorization to commingle is transferable only with approval of the Director.
- (12) 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.
- (13) This order shall remain in full force and effect until further order of the Commission.

Dated this 10th day of August, 2017.

INDUSTRIAL COMMISSION  
STATE OF NORTH DAKOTA

By the Director, on behalf of the Commission

/s/ Lynn D. Helms, Director

SFN 5729

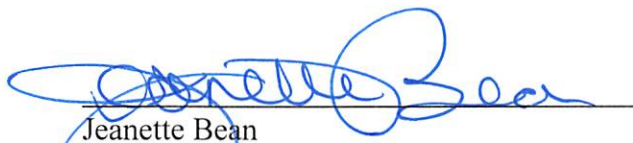
STATE OF NORTH DAKOTA

AFFIDAVIT OF MAILING

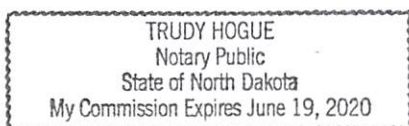
COUNTY OF BURLEIGH


I, Jeanette Bean, being duly sworn upon oath, depose and say: That on the 15th day of August, 2017 enclosed in separate envelopes true and correct copies of the attached Order No. 28368 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. 25955:

CROWLEY FLECK PLLP  
PO BOX 2798  
BISMARCK ND 58502

  
\_\_\_\_\_  
Jeanette Bean  
Oil & Gas Division

On this 15th day of August, 2017 before me personally appeared Jeanette Bean 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

**Kadrmass, Bethany R.**

---

**From:** Lisa Herberholz <lherberholz@crowleyfleck.com>  
**Sent:** Tuesday, July 25, 2017 4:34 PM  
**To:** Hicks, Bruce E.  
**Cc:** Whitney Lott; Kadrmass, Bethany R.; John W. Morrison  
**Subject:** SM Energy Commingling Affidavits & Exhibits - Part 2  
**Attachments:** SM - Balcer Commingling Aff 25955.pdf; SM - Case 25955 Exhibits.pdf; SM - Balcer Commingling Aff 25956.pdf; SM - Case 25956 Exhibits.pdf; SM - Balcer Commingling Aff 25957.pdf; SM - Case 25957 Exhibits.pdf; SM - Balcer Commingling Aff 25958.pdf; SM - Case 25958 Exhibits.pdf; SM - Balcer Commingling Aff 25959.pdf; SM - Case 25959 Exhibits.pdf; SM - Balcer Commingling Aff 25960.pdf; SM - Case 25960 Exhibits.pdf; SM - Balcer Commingling Aff 25961.pdf; SM - Case 25961 Exhibits.pdf

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Part 2

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](mailto: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

July 25, 2017

*Via Electronic Mail*

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

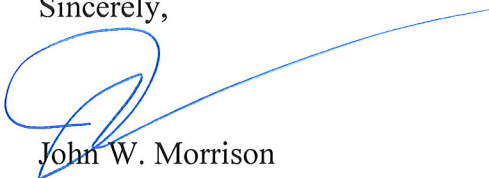
**In re: SM Energy Co.**  
**Case Nos. 25949-25975**

Dear Mr. Hicks:

Please find enclosed the affidavits of Bobby Balcer 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): Whitney Lott  
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 Orville 29-32- )  
162-98H 2XM (File No. 28229), Sections 29 )  
and 32, T.162N., R.98W., Arlene 30-31-162- )  
98H 2XQ (File No. 28230), Sections 30 and )  
31, T.162N., R.98W., and Overland 20-17- )  
162-98H 4MD (File No. 28228), Sections 17 )  
and 20, T.162N., R.98W., Divide County, )  
ND, wells to be commingled in a central )  
production facility located in Section 20, )  
T.162N., R.98W., pursuant to NDAC § 43-02- )  
03-48.1 or granting such other and further )  
relief as is appropriate. )

Case No. 25955

**AFFIDAVIT OF BOBBY BALCER**

STATE OF COLORADO )  
 )SS.  
COUNTY OF DENVER )

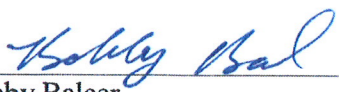
Bobby Balcer being duly sworn, states as follows:

1. I am employed by SM Energy Company as the Production Engineering Manager and my telephone number is (303) 837-2421. 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 industry since June 2005, holding several operational engineering and supervisor roles.

2. I prepared or supervised the preparation of the exhibits in Case No. 25955.

3. To the best of my knowledge, the exhibits in Case No. 25955 are true and correct.

Dated this 25<sup>th</sup> day of July, 2017.

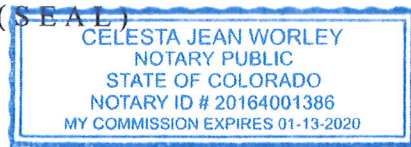
  
\_\_\_\_\_  
Bobby Balcer



STATE OF COLORADO       )  
                                      )SS.  
COUNTY OF DENVER       )

Subscribed to and sworn before me this 25<sup>th</sup> day of July, 2017.

(SEAL)



Celesta Jean Worley  
Notary Public  
State of Colorado  
My Commission Expires: 1-13-2020



## **SM Energy Company**

**Facility:** Orville CTB

**Case No:** 25955

**Hearing Date:** July 26, 2017

**Enclosed:**

- Sundry notices and reports on wells form 4
- Notice of transfer of oil and gas wells
- 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 produces

**SUNDRY NOTICES AND REPORTS ON WELLS - FORM 4**

INDUSTRIAL COMMISSION OF NORTH DAKOTA  
OIL AND GAS DIVISION  
600 EAST BOULEVARD DEPT 405  
BISMARCK, ND 58505-0840  
SFN 5749 (09-2006)

Well File No.  
**28229-01**

PLEASE READ INSTRUCTIONS BEFORE FILLING OUT FORM.  
PLEASE SUBMIT THE ORIGINAL AND ONE COPY.

<input checked="" type="checkbox"/> Notice of Intent <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Approximate Start Date <b>May 1, 2017</b></div> <input type="checkbox"/> Report of Work Done <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Date Work Completed</div> <input type="checkbox"/> Notice of Intent to Begin a Workover Project that may Qualify for a Tax Exemption Pursuant to NDCC Section 57-51.1-03. <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Approximate Start Date</div>	<div style="display: flex; justify-content: space-between;"><div><input type="checkbox"/> Drilling Prognosis <input type="checkbox"/> Redrilling or Repair <input type="checkbox"/> Casing or Liner <input type="checkbox"/> Plug Well <input type="checkbox"/> Supplemental History <input type="checkbox"/> Temporarily Abandon <input checked="" type="checkbox"/> Other</div><div><input type="checkbox"/> Spill Report <input type="checkbox"/> Shooting <input type="checkbox"/> Acidizing <input type="checkbox"/> Fracture Treatment <input type="checkbox"/> Change Production Method <input type="checkbox"/> Reclamation</div></div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"><b>Commingling Request - Recycle Lines</b></div>
--	---

Well Name and Number <b>Orville CTB</b>					
Footages		Qtr-Qtr	Section	Township	Range
<b>285 F S L 300 F W L</b>		<b>SWSW</b>	<b>20</b>	<b>162 N</b>	<b>98 W</b>
Field	Pool	County			
<b>Whiteaker</b>	<b>Bakken</b>	<b>Divide</b>			

24-HOUR PRODUCTION RATE			
Before		After	
Oil	Bbls	Oil	Bbls
Water	Bbls	Water	Bbls
Gas	MCF	Gas	MCF

Name of Contractor(s)			
Address	City	State	Zip Code

**DETAILS OF WORK**

**SM Energy Company requests permission to commingle production (specifically shared recycle pump/lines) from the Orville 29-32-162-98H 2XM (NDIC# 28229) Arlene 30-31-162-98H 2XQ (NDIC# 28230), and Overland 20-17-162-98H 4MD (NDIC# 28228) at the Orville Central Tank Battery (CTB#28229-01). This CTB has been built to accommodate production from 3 total wells. Produced emulsion from each well will be independently flowlined to a dedicated 6' x 20' 125 psi heater treater, four independent 400-bbl production oil tanks, an independent total produced gas meter and two shared water tanks per well. Immediately prior to oil sales by truck, oil will be measured downstream at each production tank. Gas will be sold at independent custody transfer meters before tying into a larger gas gathering line. Water from each well will be metered, then stored in produced water tanks and transferred to offsite disposal via pipeline.**

The following information is attached:

1. Maps showing the location of the wells to be commingled, flowlines, and the central facility
2. Process flow diagram (PFD) of the central facility
3. Description of meters to be used at the central facility
4. Explanation of allocation procedures

Company <b>SM Energy Company</b>		Telephone Number <b>(303) 861-8140</b>	
Address <b>1775 Sherman St. Suite 1200</b>			
City <b>Denver</b>		State <b>CO</b>	Zip Code <b>80203</b>
Signature 		Printed Name <b>Austin Johnsrud</b>	
Title <b>Production Engineer</b>		Date <b>May 1, 2017</b>	
Email Address <b>ajohnsrud@sm-energy.com</b>			

FOR STATE USE ONLY	
<input type="checkbox"/> Received	<input type="checkbox"/> Approved
Date	
By	
Title	



1.

The following plats showing the location of the wells to be commingled, flowlines, and the central facility are documents contained in the APD submitted by the original operator, Baytex Energy LLC. SM Energy did not have new plats made following the transfer of operator in 2014. The plats are intended to be used only as supporting documentation for the included sundry.

The Notice of Transfer of Oil and Gas Wells was received by the NDIC on November 18<sup>th</sup>, 2014. The NDIC Bond Number is 5371 (form attached below for reference).



**NOTICE OF TRANSFER OF OIL AND GAS WELLS**  
INDUSTRIAL COMMISSION OF NORTH DAKOTA  
OIL AND GAS DIVISION  
600 EAST BOULEVARD DEPT 405  
BISMARCK, ND 58505-0840  
SFN 5782 (03-2000)



FOR STATE USE ONLY

NDIC Bond Number

5371

PLEASE READ INSTRUCTIONS BEFORE FILLING OUT FORM. PLEASE SUBMIT THE ORIGINAL AND SIX COPIES.  
THIS NOTICE ALONG WITH A FEE OF \$25.00 PER WELL SHALL BE FILED AT LEAST THIRTY DAYS BEFORE THE CLOSING DATE OF TRANSFER.

**TRANSFERRING OPERATOR**

Name of Operator Representative <b>Mark Mueller</b>			
Operator Transferring Oil and/or Gas Wells <b>Baytex ND LLC</b>			Telephone Number <b>406-245-6248</b>
Address <b>P.O. Box 7168</b>		City <b>Billings</b>	State <b>MT</b>
		Zip Code <b>59101</b>	
I, the above named representative, acknowledge the transfer of the oil and/or gas wells named below for the purpose of ownership and/or operation to the company named below.			
Signature 		Title (Must be an officer or power of attorney must be attached) <b>Sr. VP/ Regional Manger - Rockies</b>	Date

Well File Number	Requested Official Well Name and Number	Location (Qtr-Qtr, S-T-R)	Assignment Date
	<b>See Attached list of wells</b>		

**RECEIVING OPERATOR**

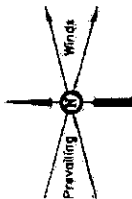
Name of Operator Representative <b>Mark Mueller</b>			
Operator Receiving Oil and/or Gas Wells <b>SM Energy</b>			Telephone Number <b>406-245-6248</b>
Address <b>P.O. Box 7168</b>		City <b>Billings</b>	State <b>MT</b>
		Zip Code <b>59101</b>	
I, the above named representative, have read the foregoing statement and accept such transfer, also the responsibility of ownership and/or operation of said well or wells, under the said company bond, said bond being tendered to or on file with the Industrial Commission of North Dakota.			
Signature 		Title (Must be an officer or power of attorney must be attached) <b>Sr. VP/ Regional Manger - Rockies</b>	Date

**SURETY COMPANY**

Surety <b>Safeco Insurance Company of America</b>		Telephone Number <b>1-617-357-9500</b>		Amount of Bond <b>\$ 100,000</b>	
Address <b>175 Berkeley Street</b>		City <b>Boston</b>	State <b>MA</b>	Zip Code <b>02116</b>	Bond Number <b>S371(Surety 6314472)</b>
The above named SURETY agrees that such bond shall extend to compliance with Chapter 38-08 of North Dakota Century Code and amendments and the rules and regulations of the Industrial Commission of North Dakota prescribed to govern the production of oil and gas on government and private lands within the State of North Dakota, in relation to the above stated transfer, it being further agreed and understood that the bond sum or amount is not to be considered increased because of such extension.					
Signature 		Title (Must be an officer or power of attorney must be attached) <b>Attorney-in-Fact</b>		Date <b>November 13, 2014</b>	
Printed Name <b>Tracy L. Gingras</b>					

FOR STATE USE ONLY

Date Approved 
By 
Title <b>Assistant Director</b>



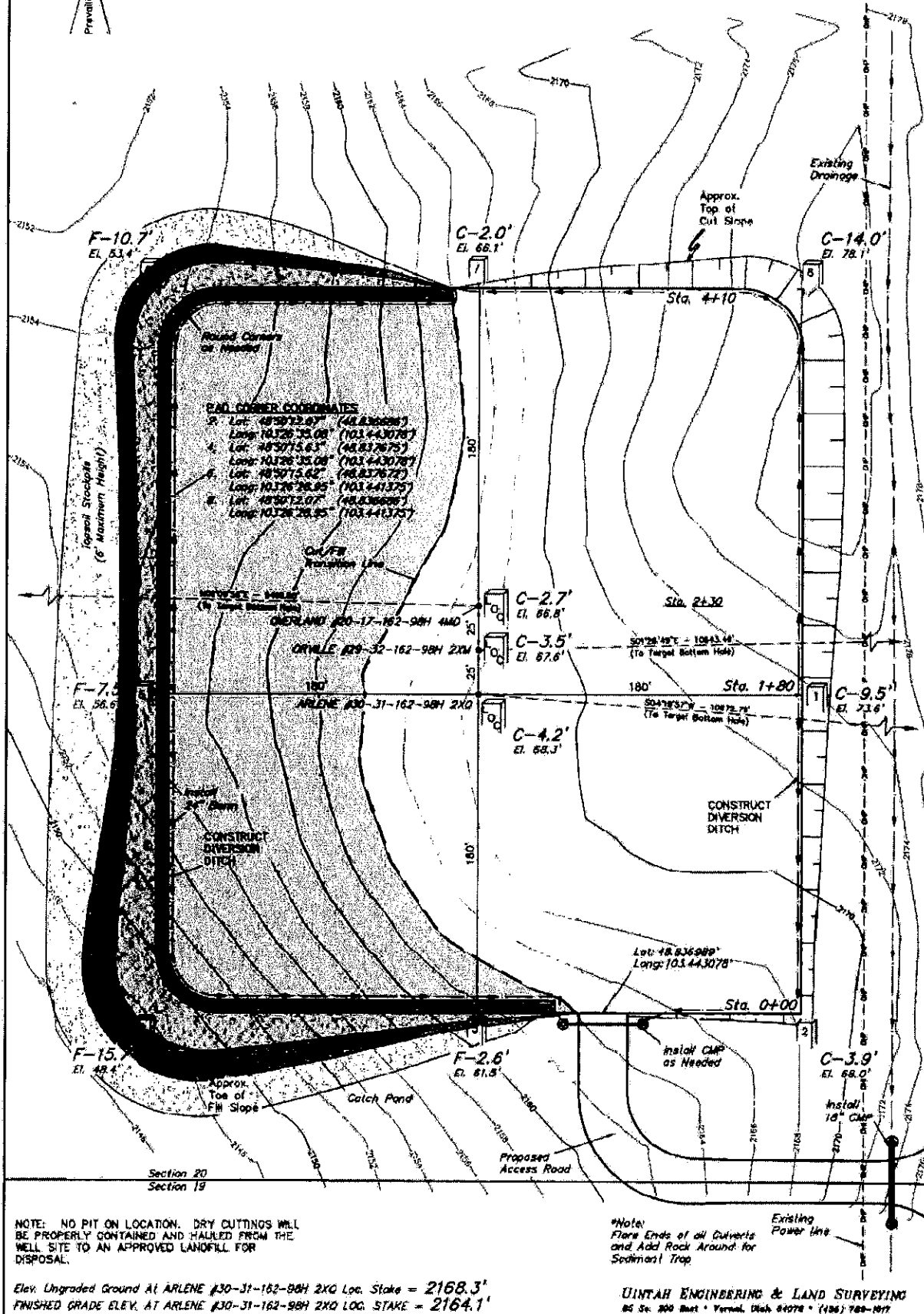
# BAYTEX ENERGY USA LTD

## PAD LAYOUT FOR

ARLENE #30-31-162-98H 2XQ, ORVILLE #29-32-162-98H 2XM  
& OVERLAND #20-17-162-98H 4MD  
SECTION 20, T162N, R98W, 5th P.M.  
SW 1/4 SW 1/4

## FIGURE #1

SCALE: 1" = 50'  
DATE: 12-17-13  
DRAWN BY: Z.L.  
REVISED: 01-28-14  
REV: 03-25-14 C.V.  
REV: 04-17-14 C.C.



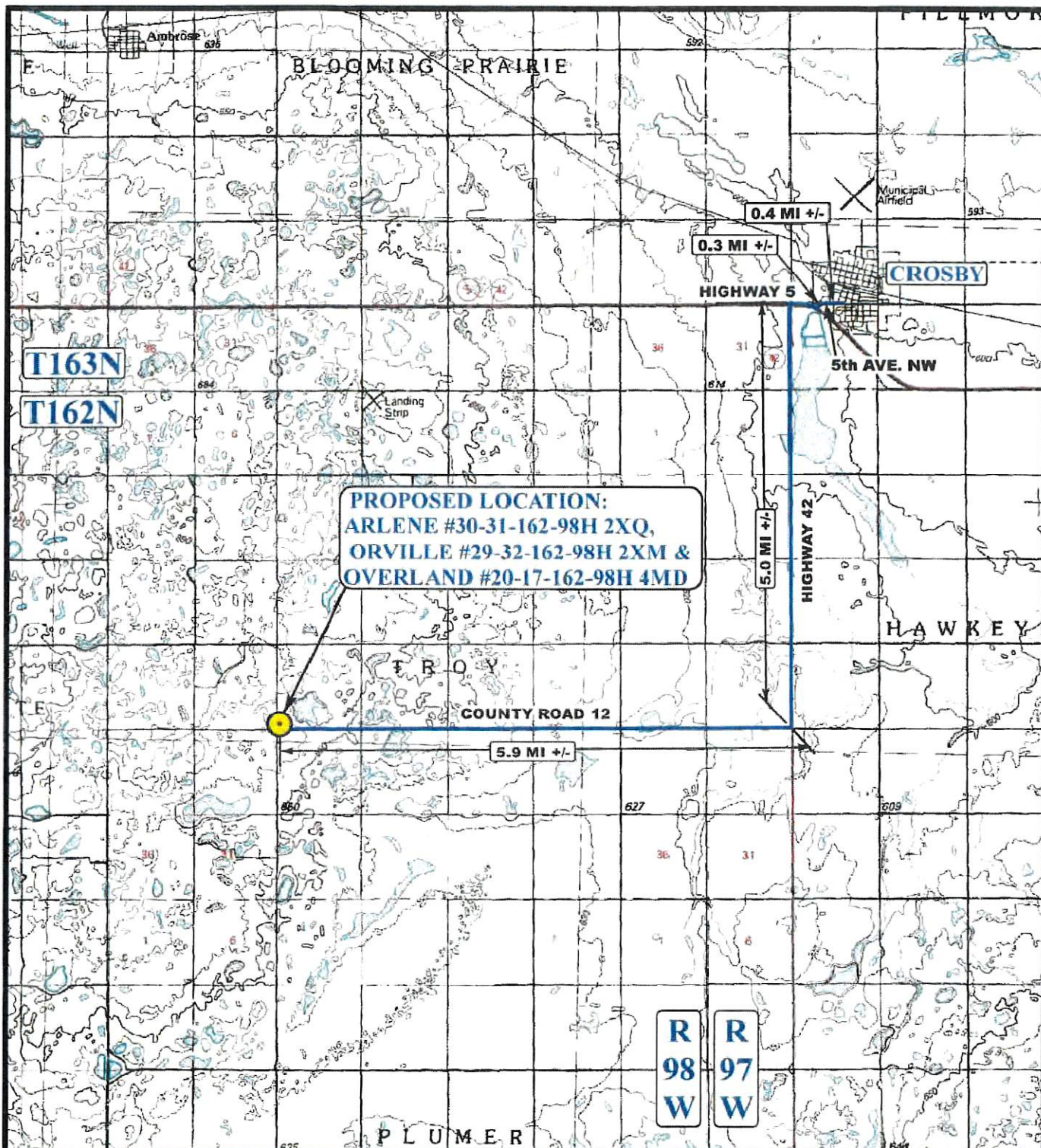
NOTE: NO PIT ON LOCATION. DRY CUTTINGS WILL BE PROPERLY CONTAINED AND HAULED FROM THE WELL SITE TO AN APPROVED LANDFILL FOR DISPOSAL.

Elev. Ungraded Ground At ARLENE #30-31-162-98H 2XQ Loc. Stake = 2168.3'  
FINISHED GRADE ELEV. AT ARLENE #30-31-162-98H 2XQ LOC. STAKE = 2164.1'

\*Note: Flame Ends of all Culverts and Add Rock Around for Sediment Trap.

UINTAH ENGINEERING & LAND SURVEYING  
60 So. 200 West • Vernal, Utah 84078 • (435) 782-1077





# LEGEND:

PROPOSED LOCATION

N

## BAYTEX ENERGY USA LTD

ARLENE #30-31-162-98H 2XQ,  
ORVILLE #29-32-162-98H 2XM &  
OVERLAND #20-17-162-98H 4MD  
SECTION 20, T162N, R98W, 5th P.M.  
SW 1/4 SW 1/4



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**ACCESS ROAD  
MAP**

**12 09 13**  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: T.T. REV: 04-23-14 J.M.C.



Orville Central Tank Battery  
(Full Buildout)  
Divide Co., ND  
SM Energy

TTRT - 1 (thru) -3

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

F2 (thru) F4

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

F15 (thru) F18

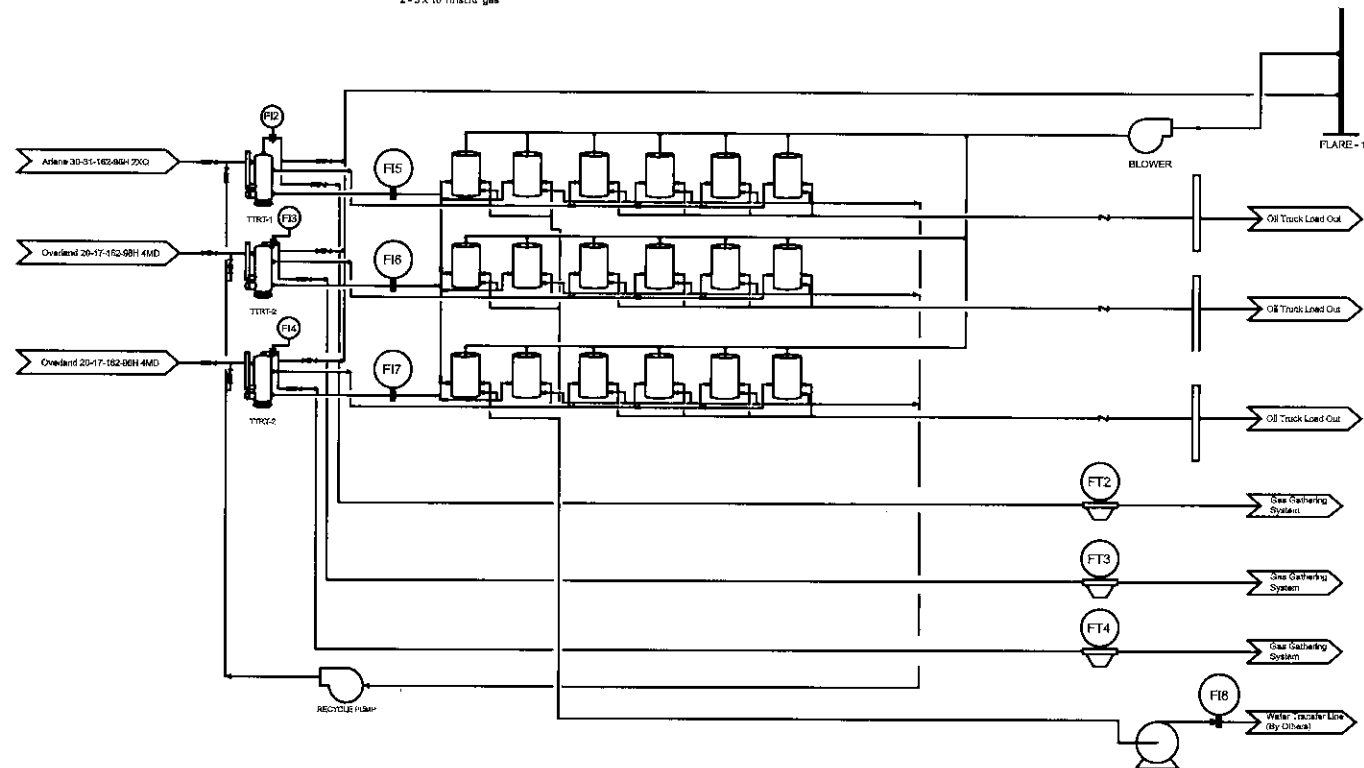
Water Meter  
Skidmore 5000 Mag Meter 2"  
Gas Meter - by others  
ABB TotalFlow-Orifice (or equivalent)  
Custody transfer - specified & operated  
by gas gatherer

FT2 (thru) FT4

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

FLARE - 1

Elevated Flare stack  
Manufacturer: Skidmore  
Dual-Tip Burner  
Low/High Press. Combustion



**3. Orville CTB Meters**

	<b><u>Make</u></b>	<b><u>Model</u></b>	<b><u>Size</u></b>
<b>Water Meter</b>	Siemens	6000 Mag Meter	2"
<b>Total Gas Meter</b>	Cameron NuFlo	Scanner 2000 EFM	2"
<b>Sales Gas Meter</b>	ABB Totalflow Orifice	X6200A	3"

**4. Production Allocation Procedure** - SM Energy Company will use the following procedure to allocate production between the Orville 29-32-162-98H 2XM (NDIC# 28229) Arlene 30-31-162-98H 2XQ (NDIC# 28230), and Overland 20-17-162-98H 4MD (NDIC# 28228) at the Orville Central Tank Battery (CTB#28229-01):

- a. Each well has a dedicated 6' x 20' vertical treater rated to 125 psi, dedicated flowline, dedicated oil tanks, and dedicated water tanks.
  - i. The recycle lines and pump at the CTB will be shared between the two wells (with diverse ownership). Only one tank (production from an individual well) can be recycled at any given time, isolating the line and pump to that specific well.
- b. Oil - Daily volumes will be measured by guided wave radar tank gaugers before being hauled from location by truck.
- c. 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. Gas is then passed through independent ABB TotalFlow orifice meters and on to OneOk's gas gathering system. These meters 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. All tank vapors will be sent directly to flare.
- a. Water – Water from each well will be metered individually off of each respective treater's water dump leg and sent to its respective water tanks. From the salt water storage facility, water will be sent through a third party shipping pump, metered, then sent via pipeline to the nearest Goodnight Midstream SWD.



BEFORE THE INDUSTRIAL COMMISSION  
OF THE STATE OF NORTH DAKOTA

**RECEIVED**

JUN 26 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 )  
Orville 29-32-162-98H 2XM (File No. )  
28229), Sections 29 and 32, T.162N., )  
R.98W., Arlene 30-31-162-98H 2XQ (File )  
No. 28230), Sections 30 and 31, T.162N., )  
R.98W., and Overland 20-17-162-98H 4MD )  
(File No. 28228), Sections 17 and 20, )  
T.162N., R.98W., Divide County, ND, wells )  
to be commingled in a central production )  
facility located in Section 20, T.162N., )  
R.98W., 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, 20, 29, 30, 31 and 32, Township 162 North, Range 98 West, Divide County, ND, and is the operator of the Orville 29-32-162-98H 2XM (File No. 28229), Arlene 30-31-162-98H 2XQ (File No. 28230), and Overland 20-17-162-98H 4MD (File No. 28228) wells which are either drilled, permitted, or in the process of being permitted on spacing units as described above.

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. In applicant's opinion, such will provide for efficient and economic operation of all three wells and thereby maximize production and minimize waste, and will result in reasonably accurate allocation of production, thereby protecting the correlative rights of all parties.

4. Applicant requests that it be allowed to present testimony by telephone pursuant to Section 43-02-03-88.2 of the North Dakota Administrative Code.

WHEREFORE, applicant respectfully requests that this matter be set for hearing at the regularly scheduled hearings in July, 2017 and that thereafter the Commission enter its order granting the relief requested.

Dated this 23<sup>rd</sup> day of June, 2017.

SM ENERGY COMPANY

CROWLEY FLECK PLLP  
Attorneys for the Applicant  
100 West Broadway, Suite 250  
P.O. Box 2798  
Bismarck, ND 58502

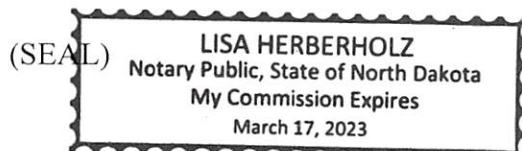
By:   
JOHN W. MORRISON

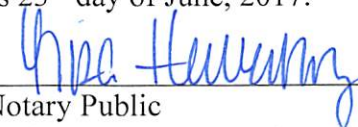
STATE OF NORTH DAKOTA     )  
  ) ss.  
COUNTY OF BURLEIGH     )

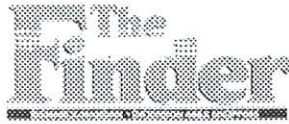
John W. Morrison, being first duly sworn on oath, deposes and says that he is the attorney for the applicant herein named, that he has read the above and foregoing application, knows the contents thereof, and that the same is true to the best of this affiant's knowledge, information and belief.

  
JOHN W. MORRISON

Subscribed and sworn to before me this 23<sup>rd</sup> day of June, 2017.



  
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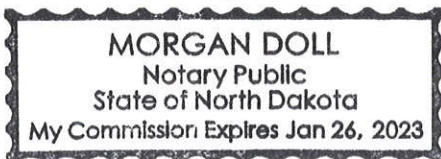
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Before me, a Notary Public for the State of North Dakota  
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NOTICE OF HEARING  
N.D. INDUSTRIAL COMMISSION  
OIL AND GAS DIVISION  
The North Dakota Industrial Commission will hold a public hearing at 9:00 a.m. Wednesday, July 26, 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, July 13, 2017.  
STATE OF NORTH DAKOTA TO:  
Case No. 25929: Proper spacing for the development of the Moord-Tyler Pool, Slope County, ND, redefine the field limits, and enact such special field rules as may be necessary. Marathon Oil  
Case No. 25930: A motion of the Commission to review the temporarily abandoned status of the Berenergy Corp. #12-6 Boyle Well (File No. 5643) located in the NWSW of Section 6, T.163N., R.86W., Pleasant Field, Renville County, ND, pursuant to NDCC § 38-08-04.  
Case No. 25931: Application of Hess Bakken Investments II, LLC, for an order amending the applicable orders for the

Case No. 25932: Application of Petro Harvester Operating Co., LLC, for an order amending the applicable orders for the Portal-Madison Pool to establish two 640-acre spacing units consisting of the W/2 of Sections 2 and 11; and the E/2 of Sections 2 and 11, T.163N., R.92W., Burke County, ND and authorize up to two horizontal wells to be drilled on each such spacing unit with 200 foot setbacks for the toe and heel of each horizontal well, and granting such other and further relief as may be appropriate.  
Case No. 25933: Application of Petro Harvester Operating Co., LLC, for an order amending the applicable orders for the Flaxton-Madison Pool to establish four 400-acre spacing units consisting of the NE/4 of Section 18, the NW/4 and the W/2 NE/4 of Section 17; the SE/4 of Section 18, the SW/4 and the W/2 SE/4 of Section 17; the E/2 NE/4 of Section 17 and the N/2 of Section 16; and the E/2 SE/4 of Section 17 and the S/2 of Section 16, all in T.163N., R.90W., Burke County, ND and authorize up to two horizontal wells to be drilled on each such spacing unit with 200 foot setbacks for the toe and heel of each horizontal well, and granting such other and further relief as may be appropriate.

Capa-Bakken Pool to establish an overlapping 2560-acre spacing unit consisting of Sections 25, 26, 35 and 36, T.155N., R.96W., Williams County, ND, and authorize one horizontal well to be drilled on the unit, and granting such other relief as may be appropriate.

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Case No. 25844: (Continued) Application of Petro Harvester Operating Co., LLC, for an order amending the applicable orders for the Portal-Madison Pool to establish three 640-acre spacing units consisting of the SW/4 of Section 3, the W/2 of Section 10 and the NW/4 of Section 15; the NE/4 of Section 15, the N/2 of Section 14 and the NW/4 of Section 13; and the SE/4 of Section 15, the S/2 of Section 14 and the SW/4 of Section 13, all in T.163N., R.92W., Burke County, ND and authorize up to two horizontal wells to be drilled on each such spacing unit with 200 foot setbacks for the toe and heel of each horizontal well, and granting such other and further relief as may be appropriate.

Case No. 25083: (Continued) Proper spacing for the development of the Sheep Butte-Bakken Pool, McKenzie County, ND, redefine the field limits, and enact such special field rules as may be necessary. Petro-Hunt Dakota, LLC, XTO Energy, Inc. Case No. 24929: (Continued) Proper spacing for the development of the Moline-Bakken Pool, McKenzie County, ND, redefine the field limits, and enact such special field rules as may be necessary. Petro-Hunt Dakota, LLC.

Case No. 25720: (Continued) Application of Petro-Hunt, LLC, for an order authorizing the flaring of gas from the USA 153-96-24C-13-2H (File No. 28461), USA 153-96-24C-13-3H (File No. 28462), USA 153-96-24C-13-4H (File No. 28463), USA 153-96-24C-13-5H (File No. 28464), and USA 153-96-24D-13-6H (File No. 28465) wells completed in the Keene-Bakken Pool, McKenzie County, ND, for a temporary period of time as an exception to the provisions of Commission Order No. 24665 and such other relief as may be appropriate.

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. 25934: Application of Whiting Oil and Gas Corp. 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.156N., R.101W., Tyrone-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25935: Application of Whiting Oil and Gas Corp. for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 14, 15, 22 and 23, T.156N., R.101W., Tyrone-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25936: Application of Whiting Oil and Gas Corp. for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 15, 16, 21 and 22, T.156N., R.101W., Tyrone-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25937: Application of Whiting Oil and Gas Corp. for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 25, 26, 35 and 36, T.156N., R.101W., Tyrone-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25938: Application of Whiting Oil and Gas Corp. for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 1 and 12, T.156N., R.101W., and Sections 6 and 7, T.156N., R.100W., East Fork-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25939: Application of Whiting Oil and Gas Corp. for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 1, 2, 11 and 12, T.156N., R.100W., East Fork-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25940: Application of Whiting Oil and Gas Corp. for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 2, 3, 10 and 11, T.156N., R.100W., East Fork-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25941: Application of Whiting Oil and Gas Corp. for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 3, 4, 9 and 10, T.156N., R.100W., East Fork-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25942: Application of Whiting Oil and Gas Corp. for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 4, 5, 8 and 9, T.156N., R.100W., East Fork-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25943: Application of Whiting Oil and Gas Corp. for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 5, 6, 7 and 8, T.156N., R.100W., East Fork-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25944: Application of Whiting Oil and Gas Corp. for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as Sections 17, 18, 19 and 20, T.156N., R.100W., East Fork-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25945: Application of Whiting Oil and Gas Corp. for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit described as the W/2 of Section 11, T.156N., R.100W., East Fork-Madison Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25946: 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 16, 21, 28 and 33, T.156N., R.98W., Wheelock-Bakken Pool, Williams County, ND, as provided by

NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25947: 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 25, 26, 35 and 36, T.155N., R.96W., Capa-Bakken Pool, Williams County, ND, as provided by NDCC § 38-08-08, and such other relief as is appropriate.

Case No. 25948: Application of Luff Exploration Co. for an order pursuant to NDAC § 43-02-03-88.1 authorizing the conversion to enhanced recovery into the Corey Butte-Red River Unit, of the Paul White #1-35H well (File No. 16093), NESE Section 35, T.129N., R.102W., Corey Butte Field, Bowman County, ND, pursuant to NDAC Chapter 43-02-05 and such other relief as is

Case No. 25856: (Continued) 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 Mathistad 22A MBH (File No. 33144), Mathistad 22B UTH (File No. 33146), Mathistad 3NC-MTFH (File No. 33150), Mathistad 6-B-35 MBH (File No. 33152), Croff 22B UTH (File No. 33145), Croff 22C MBH (File No. 33147), Croff 7-1-2 MBH (File No. 33151), and Croff 6-1-2 UTH (File No. 33153) wells, Sections 26 and 35, T.150N., R.96W., and Sections 2 and 11, T.149N., R.96W., McKenzie County, ND, to be commingled in a central production facility located in Section 2, T.149N., R.96W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25949: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Pulvermacher 3-10-161-99H 1XN (File No. 24192), Sections 3 and 10, T.161N., R.99W., and Pulvermacher 34-27-162-99H 1XN (File No. 23602), Sections 27 and 34, T.162N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 34, T.162N., R.99W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25950: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Sandvol 22-15-162-98H 3PA (File No. 25003), Sections 15 and 22, T.162N., R.98W., and Sandvol 27-34-162-98H 3XQ (File No. 24776), Sections 27 and 34, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 22, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25951: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Judith Olson 22-15-162-98H 1XN (File No. 22020), Sections 15 and 22, T.162N., R.98W., and Judith Olson 27-34-162-98H 1XN (File No. 22019), Sections 27 and 34, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 22, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25952: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the J. Olson 22-15-162-98H 2DM (File No. 24999), Sections 15 and 22, T.162N., R.98W., and J. Olson 27-34-162-98H 2XM (File No. 24690), Sections 27 and 34, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 22, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25953: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Burton Olson 21-16-162-98H 1PB (File No. 23410), Sections 16 and 21, T.162N., R.98W., and Burton Olson 28-33-162-98H 1XP (File No. 23409), Sections 28 and 33, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 21, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25954: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Vendi 16-21HS (File No. 27321), Sections 28 and 33, T.162N., R.98W., and Chanda 16-21HN (File No. 27324), Sections 16 and 21, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 21, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25955: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Orville 29-32-162-98H 2XM (File No. 28229), Sections 29 and 32, T.162N., R.98W., Arlene 30-31-162-98H 2XQ (File No. 28230), Sections 30 and 31, T.162N., R.98W., and Overland 20-17-162-98H 4MD (File No. 28228), Sections 17 and 20, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 20, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25956: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Marilyn Nelson 20-17-162-98H 1XB (File No. 23407), Bernie A-20-17-162-98H 2XC (File No. 27620), and Bernie B-20-17-162-98H 3XB (File No. 27621), Sections 17 and 20, T.162N., R.98W., and Marilyn Nelson 29-32-162-98H 1BP (File No. 23240), Sections 29 and 32, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 29, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25957: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Ebreck 33-28-162-97H 1XN (File No. 24029), Sections 28 and 33, T.162N., R.97W., and Ebreck 4-9-161-97H 1XN (File No. 24353), Sections 4 and 9, T.161N., R.97W., Divide County, ND, wells to be commingled in a central production facility located in Section 33, T.162N., R.97W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25958: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Leo 32-29-162-97H 1XN (File No. 23911), Sections 29 and 32, T.162N., R.97W., and Leo 5-8-161-97H 1XN (File No. 24216), Sections 5 and 8, T.161N., R.97W., Divide County, ND, wells to be commingled in a central production facility located in Section 32, T.162N., R.97W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25959: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Marjorie 31-30-162-97H 1PB (File No. 22782), Sections 30 and 31, T.162N., R.97W., and Marjorie 6-7-161-97H 1XP (File No. 22781), Sections 6 and 7, T.161N., R.97W., Divide County, ND, wells to be commingled in a central production facility located in Section 31, T.162N., R.97W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25960: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Karlberg 14-12HN (File No.

29738), Sections 1 and 12, T.161N., R.99W., and Karlberg 14-12HS (File No. 29739), Sections 13 and 24, T.161N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 12, T.161N., R.99W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25961: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Thompson 2-11-161-99H 1BP (File No. 21849), Sections 2 and 11, T.161N., R.99W., and Thompson 35-26-162-99H 1XB (File No. 21850), Sections 26 and 35, T.162N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 2, T.161N., R.99W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25962: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Burtman 14-23HN (File No. 31305), Sections 14 and 23, T.161N., R.99W., and Burtman 14-23HS (File No. 31306), Sections 26 and 35, T.161N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 23, T.161N., R.99W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25963: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Mo Farms 15-21HN (File No. 31680), Sections 16 and 21, T.161N., R.99W., and Mo Farms 15-21HS (File No. 31679), Sections 28 and 33, T.161N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 21, T.161N., R.99W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25964: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Dohmstreich 15-20HS (File No. 29623), Sections 29 and 32, T.161N., R.99W., and Dohmstreich 15B-20HN (File No. 29624), Sections 17 and 20, T.161N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 20, T.161N., R.99W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25965: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Molander 22-15-161-99H 1XC (File No. 26776), Sections 15 and 22, T.161N., R.99W., and Molander 27-34-161-99H 1CN (File No. 26775), Sections 27 and 34, T.161N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 27, T.161N., R.99W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25966: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Marcella 1-12-161-98H 2DM (File No. 25016), Sections 1 and 12, T.161N., R.98W., and Marcella 36-25-162-98H 2XD (File No. 24691), Sections 25 and 36, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 1, T.161N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25967: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Lokken 1-12-161-98H 1BP (File No. 21910), Sections 1 and 12, T.161N., R.98W., and Lokken 36-25-162-98H 1XB (File No. 21911), Sections 25 and 36, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 1, T.161N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25968: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Nelson 18-19-161-98H 1BP (File No. 26087), Sections 18 and 19, T.161N., R.98W., and Nelson 7-6-161-98H 1XB (File No. 26088), Sections 6 and 7, T.161N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 18, T.161N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25969: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Nystuen 14-35HN (File No. 32335), Sections 26 and 35, T.161N., R.98W., and Nystuen 14B-35HS (File No. 32336), Sections 5 and 8, T.160N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 35, T.161N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25970: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Bentson 24-13-161-98H 1XB (File No. 22124), Sections 13 and 24, T.161N., R.98W., and Bentson 25-36-161-98H 1AP (File No. 21948), Sections 25 and 36, T.161N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 25, T.161N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25971: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Bissonnette 14B-31HN (File No. 31728), Sections 30 and 31, T.161N., R.97W., and Bissonnette 14B-31HS (File No. 31729), Sections 3 and 10, T.160N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 31, T.161N., R.97W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25972: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Russell 2B-4HS (File No. 32557), Sections 4 and 9, T.160N., R.99W., and Martin 2-4HN (File No. 32558), Sections 25 and 36, T.161N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 4, T.160N., R.99W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25973: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Hagen 3-28HN (File No. 30703), Sections 16 and 21, T.160N., R.99W., and Hagen 3-28HS (File No. 30702), Sections 28 and 33, T.160N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 28, T.160N., R.99W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25974: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Bronkar 2-6HN (File No. 32433), Sections 27 and 34, T.161N., R.98W., and Bronkar 2B-6HS (File No. 32432), Sections 6 and 7, T.160N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 6, T.160N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Continue on Page 6A

Continue from Page 4A

Case No. 25975: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Redfield 14-23-157-99H (File No. 19787) and the Redfield 14-23 2H (File No. 23142), Sections 14 and 23, T.157N., R.99W., the Redfield 24-13-157-99H 1NC (File No. 21781), Sections 13 and 24, T.157N., R.99W., and the Redfield 25-36-157-99H (File No. 19133), Sections 25 and 36, T.157N., R.99W., Williams County, ND, wells to be commingled in a central production facility located in Section 23, T.157N., R.99W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Signed by,  
Doug Burgum, Governor  
Chairman, NDIC  
7/3 - 20899765

**RECEIVED**

JUL 14 2017

ND Oil & Gas Div.

## Affidavit of Publication

Colleen Park, being duly sworn, states as follows:

1. I am the designated agent, under the provisions and for the purposes of, Section 31-04-06, NDCC, for the newspapers listed on the attached exhibits.

2. The newspapers listed on the exhibits published the advertisement of:  
**Oil and Gas Division – beginning with Case No. 25949, The Journal, Crosby; 1 time(s)** as required by law or ordinance.

3. All of the listed newspapers are legal newspapers in the State of North Dakota and, under the provisions of Section 46-05-01, NDCC, are qualified to publish any public notice or any matter required by law or ordinance to be printed or published in a newspaper in North Dakota.

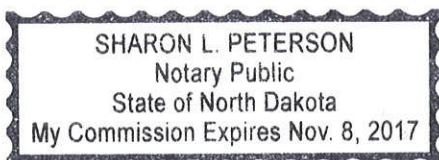
Signed: Colleen Park

State of North Dakota

County of Burleigh

Subscribed and sworn to before me this 13 day of July, 20 17.

Sharon L. Peterson





**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, July 26, 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, July 13, 2017.

**STATE OF NORTH DAKOTA TO:** Case No. 25949: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Pulvermacher 3-10-161-99H 1XN (File No. 24192), Sections 3 and 10, T.161N., R.99W., and Pulvermacher 34-27-162-99H 1NC (File No. 23602), Sections 27 and 34, T.162N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 34, T.162N., R.99W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25950: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Sandvol 22-15-162-98H 3PA (File No. 25003), Sections 15 and 22, T.162N., R.98W., and Sandvol 27-34-162-98H 3XQ (File No. 24776), Sections 27 and 34, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 22, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25951: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Judith Olson 22-15-162-98H 1NC (File No. 22020), Sections 15 and 22, T.162N., R.98W., and Judith Olson 27-34-162-98H 1XN (File No. 22019), Sections 27 and 34, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 22, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25952: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the J. Olson 22-15-162-98H 2DM (File No. 24999), Sections 15 and 22,

T.162N., R.98W., and J. Olson 27-34-162-98H 2XM (File No. 24690), Sections 27 and 34, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 22, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25953: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Burton Olson 21-16-162-98H 1PB (File No. 23410), Sections 16 and 21, T.162N., R.98W., and Burton Olson 28-33-162-98H 1XP (File No. 23409), Sections 28 and 33, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 21, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25954: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Wendi 16-21HS (File No. 27321), Sections 28 and 33, T.162N., R.98W., and Chanda 16-21HN (File No. 27324), Sections 16 and 21, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 21, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25955: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Orville 29-32-162-98H 2XM (File No. 28229), Sections 29 and 32, T.162N., R.98W., Arlene 30-31-162-98H 2XQ (File No. 28230), Sections 30 and 31, T.162N., R.98W., and Overland 20-17-162-98H 4MD (File No. 28228), Sections 17 and 20, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 20, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25956: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Marilyn Nelson 20-17-162-98H 1XB (File No. 23407), Bernie A-20-17-162-98H 2XC (File No. 27620), and Bernie B-20-17-162-98H 3XB (File No. 27621), Sections 17 and 20, T.162N., R.98W., and Marilyn Nelson 29-32-162-98H 1BP (File No. 23240), Sections 29 and 32, T.162N., R.98W., Divide County, ND, wells to be commingled in a

central production facility located in Section 29, T.162N., R.98W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25957: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Ebreck 33-28-162-97H 1NC (File No. 24029), Sections 28 and 33, T.162N., R.97W., and Ebreck 4-9-161-97H 1XN (File No. 24353), Sections 4 and 9, T.161N., R.97W., Divide County, ND, wells to be commingled in a central production facility located in Section 33, T.162N., R.97W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25958: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Leo 32-29-162-97H 1NC (File No. 23911), Sections 29 and 32, T.162N., R.97W., and Leo 5-8-161-97H 1XN (File No. 24216), Sections 5 and 8, T.161N., R.97W., Divide County, ND, wells to be commingled in a central production facility located in Section 32, T.162N., R.97W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.

Case No. 25959: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Marjorie 31-30-162-97H 1PB (File No. 22782), Sections 30 and 31, T.162N., R.97W., and Marjorie 6-7-161-97H 1XP (File No. 22781), Sections 6 and 7, T.161N., R.97W., Divide County, ND, wells to be commingled in a central production facility located in Section 31, T.162N., R.97W., pursuant to NDAC § 43-02-03-88.1 or granting such other and further relief as may be appropriate.



Case No. 25960: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Karlberg 14-12HN (File No. 29738), Sections 1 and 12, T.161N., R.99W., and Karlberg 14-12HS (File No. 29739), Sections 13 and 24, T.161N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 12, T.161N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25961: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Thompson 2-11-161-99H 1BP (File No. 21849), Sections 2 and 11, T.161N.,

R.99W., and Thompson 35-26-162-99H 1XB (File No. 21850), Sections 26 and 35, T.162N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 2, T.161N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25962: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Burtman 14-23HN (File No. 31305), Sections 14 and 23, T.161N., R.99W., and Burtman 14-23HS (File No. 31306), Sections 26 and 35, T.161N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 23, T.161N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25963: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Mo Farms 15-21HN (File No. 31680), Sections 16 and 21, T.161N., R.99W., and Mo Farms 15-21HS (File No. 31679), Sections 28 and 33, T.161N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 21, T.161N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25964: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Dohmstrieck 15-20HS (File No. 29623), Sections 29 and 32, T.161N., R.99W., and Dohmstrieck 15B-20HN (File No. 29624), Sections 17 and 20, T.161N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 20, T.161N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25965: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Molander 22-15-161-99H 1XC (File No. 26776), Sections 15 and 22, T.161N., R.99W., and Molander 27-34-161-99H 1CN (File No. 26775), Sections 27 and 34, T.161N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 27, T.161N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25966: Application of SM

Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Marcella 1-12-161-98H 2DM (File No. 25016), Sections 1 and 12, T.161N., R.98W., and Marcella 36-25-162-98H 2XD (File No. 24691), Sections 25 and 36, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 1, T.161N., R.98W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25967: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Lokken 1-12-161-98H 1BP (File No. 21910), Sections 1 and 12, T.161N., R.98W., and Lokken 36-25-162-98H 1XB (File No. 21911), Sections 25 and 36, T.162N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 1, T.161N., R.98W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25968: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Nelson 18-19-161-98H 1BP (File No. 26087), Sections 18 and 19, T.161N., R.98W., and Nelson 7-6-161-98H 1XB (File No. 26088), Sections 6 and 7, T.161N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 18, T.161N., R.98W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25969: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Nystuen 14-35HN (File No. 32335), Sections 26 and 35, T.161N., R.98W., and Nystuen 14B-35HS (File No. 32336), Sections 5 and 8, T.160N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 35, T.161N., R.98W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25970: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Bentson 24-13-161-98H 1XB (File No. 22124), Sections 13 and 24, T.161N., R.98W., and Bentson 25-36-161-98H 1AP (File No. 21948), Sections 25 and 36, T.161N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section

25, T.161N., R.98W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25971: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Bissonnette 14B-31HN (File No. 31728), Sections 30 and 31, T.161N., R.97W., and Bissonnette 14B-31HS (File No. 31729), Sections 3 and 10, T.160N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 31, T.161N., R.97W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.



Case No. 25972: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Russell 2B-4HS (File No. 32557), Sections 4 and 9, T.160N., R.99W., and Martin 2-4HN (File No. 32558), Sections 25 and 36, T.161N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 4, T.160N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25973: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Hagen 3-28HN (File No. 30703), Sections 16 and 21, T.160N., R.99W., and Hagen 3-28HS (File No. 30702), Sections 28 and 33, T.160N., R.99W., Divide County, ND, wells to be commingled in a central production facility located in Section 28, T.160N., R.99W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Case No. 25974: Application of SM Energy Co. pursuant to NDAC § 43-02-03-88.1 for an order allowing oil and gas produced from the Bronkar 2-6HN (File No. 32433), Sections 27 and 34, T.161N., R.98W., and Bronkar 2B-6HS (File No. 32432), Sections 6 and 7, T.160N., R.98W., Divide County, ND, wells to be commingled in a central production facility located in Section 6, T.160N., R.98W., pursuant to NDAC § 43-02-03-48.1 or granting such other and further relief as may be appropriate.

Signed by,  
Doug Burgum, Governor  
Chairman, NDIC

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