BEFORE THE INDUSTRIAL COMMISSION

OF THE STATE OF NORTH DAKOTA

CASE NO. 1173 ORDER NO. 1262

IN THE MATTER OF A HEARING CALLED ON A MOTION OF THE COMMISSION TO CONSIDER THE APPLICATION OF CARDINAL PETROLEUM COMPANY FOR PERMISSION TO DRILL A WELL IN THE APPROXIMATE CENTER OF THE S/2 OF THE NW/4 OF SECTION 11, TOWNSHIP 140 NORTH, RANGE 96 WEST, STARK COUNTY, NORTH DAKOTA, AS AN EXCEPTION TO THE SPACING PATTERN IN THE DICKINSON FIELD.

ORDER OF THE COMMISSION

BY THE COMMISSION:

Pursuant to legal notice this cause came on for hearing at 9:30 a.m. on the 11th day of December, 1973, at Bismarck, North Dakota, before the Industrial Commission of the State of North Dakota, hereinafter referred to as the "Commission."

NOW, on this 8th day of January, 1974, the Commission, a quorum being present, having considered the testimony adduced, and the exhibits received, at said hearing and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That Cardinal Petroleum Company is the owner of an oil and gas leasehold estate in the north half of Section 11, Township 140 North, Range 96 West, Stark County, North Dakota, which lands are adjacent to the boundary of the Dickinson-Heath Pool, and comprise a spacing unit for that pool.
- (3) That geological evidence presented indicates that a well drilled at the proper location on the above described spacing unit would not produce oil in paying quantities.
- (4) That Cardinal Petroleum Company believes there is recoverable crude oil in the Heath Reservoir underlying said spacing unit, and such oil can be recovered by a well drilled in the approximate center of the S/2 of the NW/4 of Section 11, Township 140 North, Range 96 West, Stark County, North Dakota.
- $\,$ (5) That a well drilled in the approximate center of the S/2 of the NW/4 of Section 11, Township 140 North, Range 96 West, Stark County, North Dakota, would prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) That Cardinal Petroleum Company be and the same is hereby granted permission to drill a well in the approximate center of the S/2 of the NW/4 of Section 11, Township 140 North, Range 96 West, Stark County, North Dakota.
- (2) That Cardinal Petroleum Company make application to the office of the State Geologist for permit to drill said well.

DONE, in Bismarck, North Dakota, this 8th day of January, 1974.

THE NORTH DAKOTA INDUSTRIAL COMMISSION

/s/ Arthur A. Link Arthur A. Link, Governor

/s/ Allen I. Olson Allen I. Olson, Attorney General

/s/ Arne Dahl Arne Dahl, Commissioner of Agriculture