

BEFORE THE INDUSTRIAL COMMISSION
OF THE STATE OF NORTH DAKOTA

CASE NO. 6652
ORDER NO. 7751

IN THE MATTER OF A HEARING
CALLED ON A MOTION OF THE
COMMISSION TO CONSIDER THE
APPLICATION OF SAMEDAN OIL
CORPORATION FOR AN ORDER
ALLOWING THE JOHNSON #2-4 WELL TO
BE COMPLETED IN AND PRODUCE FROM
THE SADLER-MADISON POOL AT A
LOCATION APPROXIMATELY 582 FEET
FROM THE SOUTH LINE AND 413 FEET
FROM THE WEST LINE OF SECTION 4,
T.161N., R.95W., DIVIDE COUNTY,
NORTH DAKOTA, OR FOR SUCH OTHER
AND FURTHER RELIEF AS THE
COMMISSION DEEMS APPROPRIATE.

ORDER OF THE COMMISSION

BY THE COMMISSION:

Pursuant to legal notice this cause came on for hearing at 9:00 a.m. on the 22nd day of January, 1997, in Bismarck, North Dakota, before an examiner appointed by the Industrial Commission of North Dakota, hereinafter referred to as the "Commission."

NOW, on this 10th day of February, 1997, 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) Applicant is the owner of an oil and gas leasehold estate in the SW/4 of Section 4, Township 161 North, Range 95 West, Divide County, North Dakota.

(3) Said tract of land is within the boundaries of the Sadler Field, and forms a spacing unit for the Madison Pool, and the spacing for such pool established by Commission Order No. 4915 requires wells to be located 500 feet from a spacing unit boundary nor closer than 1650 feet to a well permitted to or producing from the pool.

(4) The applicant is desirous of performing a recompletion on its Johnson #2-4 well on said spacing unit located approximately 582 feet from the south line and 413 feet from the west line of Section 4, Township 161 North, Range 95 West, Divide County, North Dakota, and 1166 feet from a well producing from the same formation in Section 5.

(5) This proposed recompletion into the Madison Pool will recover oil that might not otherwise be produced. The drilling of a new well at a proper location would cause economic waste and would be an unnecessary well.

(6) Testimony presented indicated that the Johnson #2-4 well is a salvage operation.

(7) There were no objections to this application.

(8) In order to prevent waste, and to protect correlative rights this application should be granted.

IT IS THEREFORE ORDERED:

(1) The applicant, its assigns and successors, is hereby permitted to recomplete a well located approximately 582 feet from the south line and 413 feet from the west line of Section 4, Township 161 North, Range 95 West, Divide County, North Dakota, as an exception to the spacing requirements in the Madison Pool, set forth in Section 43-02-03-18 NDAC.

(2) The well permitted in (1) above shall not produce more than its fair and equitable share of oil and/or gas in the reservoir.

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

Dated this 10th day of February, 1997.

INDUSTRIAL COMMISSION
STATE OF NORTH DAKOTA

/s/ Edward T. Schafer, Governor

/s/ Heidi Heitkamp, Attorney General

/s/ Roger Johnson, Commissioner of Agriculture