

BEFORE THE INDUSTRIAL COMMISSION

OF THE STATE OF NORTH DAKOTA

IN THE MATTER OF A HEARING CALLED ON A MOTION
OF THE COMMISSION TO CONSIDER THE APPLICATION
OF CONTINENTAL OIL COMPANY FOR AN ORDER TO PER-
MIT THE DRILLING OF A WELL APPROXIMATELY 1980 FEET
FROM THE SOUTH LINE AND 1980 FEET FROM THE EAST
LINE OF SECTION 22, TOWNSHIP 140 NORTH, RANGE 96
WEST, STARK COUNTY, NORTH DAKOTA AS AN EXCEPTION
TO COMMISSION ORDER NO. 920 ESTABLISHING THE
PROPER SPACING FOR THE DICKINSON-HEATH POOL.

CASE NO. 1003
ORDER NO. 1080

ORDER OF THE COMMISSION

BY THE COMMISSION:

A hearing having been held in Bismarck, North Dakota, on this 26th day of May, 1970, at 9:30 a.m., before the North Dakota Industrial Commission, hereinafter referred to as the "Commission."

NOW, on this 27th day of June, 1970, 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 Continental Oil Company, Operator, and North American Royalties, Inc., Lewis W. Hill, Jr., and J. Hiram Moore are the owners of the oil and gas leasehold estates in the S $\frac{1}{2}$ of Section 22, Township 140 North, Range 96 West, Stark County, North Dakota, which lands are within the outline of the Dickinson-Heath Pool, as established by Order No. 920 issued in Case No. 848, of the North Dakota Industrial Commission.

(3) That pursuant to said Order, all wells drilled in the Dickinson-Heath Pool in Zone II shall be on a 320 acre spacing pattern and any wells so drilled shall be located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ and SW $\frac{1}{4}$ NW $\frac{1}{4}$ of each section.

(4) That a dry hole has been drilled in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said section 22, in conformity with the spacing pattern, which dry hole is located 1320 feet south of the location for which the exception herein is requested. The well encountered one and one-half feet of low porosity, low permeability oil saturated Heath sand. Therefore, the Applicant believes the well penetrated the Heath sand on the extreme south boundary of the reservoir.

(5) That based upon the geological information, a well drilled as an exception to the spacing pattern and at a location 1980 feet west of the east line and 1980 feet north of the south line of Section 22, Township 140 North, Range 96 West, would be potentially productive of oil in commercial quantities.

(6) That the drilling of a test well at the proposed location in lieu of any other location would result in the greatest potential recovery of oil and gas and as a result thereof protect the correlative rights of the parties and prevent unnecessary waste.

IT IS THEREFORE ORDERED:

(1) That this application for an exception location in the approximate C NW/4 SE/4 of Section 22, T140N, R96W, Stark County, North Dakota, be, and the same is hereby granted.

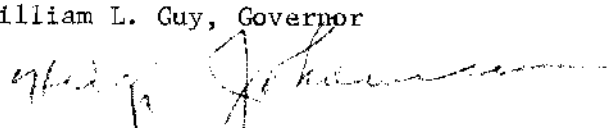
(2) That the interested parties make application to the office of the State Geologist for permit to drill said well.

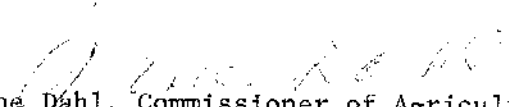
(3) That upon completion of said well, the State Geologist shall determine the acreage to be allocated to said well for the purpose of determining its allowable.

DONE, at Bismarck, North Dakota, this 24th day of June 1970.

THE NORTH DAKOTA INDUSTRIAL COMMISSION

William L. Guy, Governor


Helgi Johanneson, Attorney General


Arne Dahl, Commissioner of Agriculture

STATE OF NORTH DAKOTA

SS

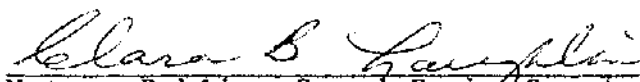
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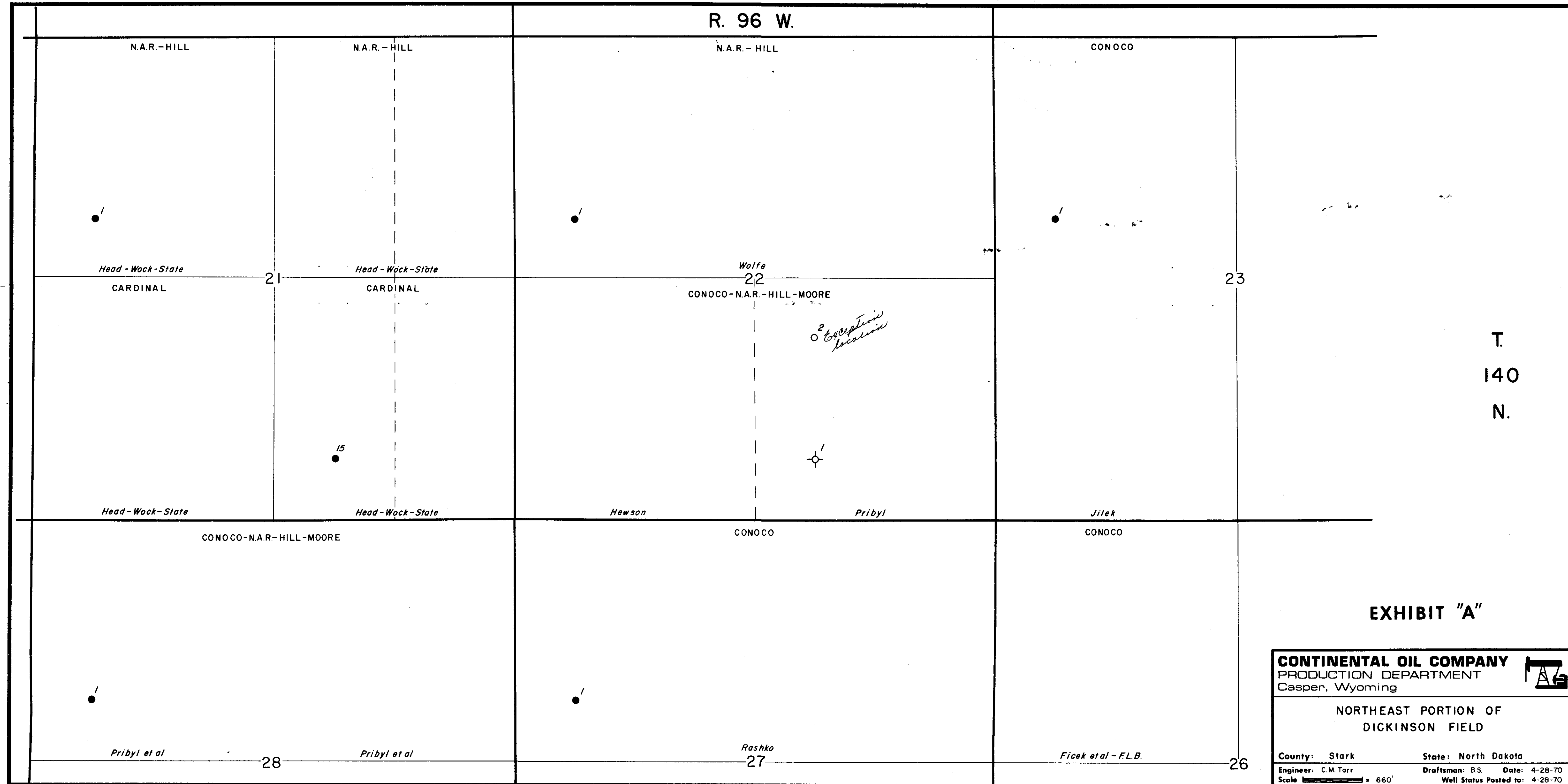
COUNTY OF GRAND FORKS

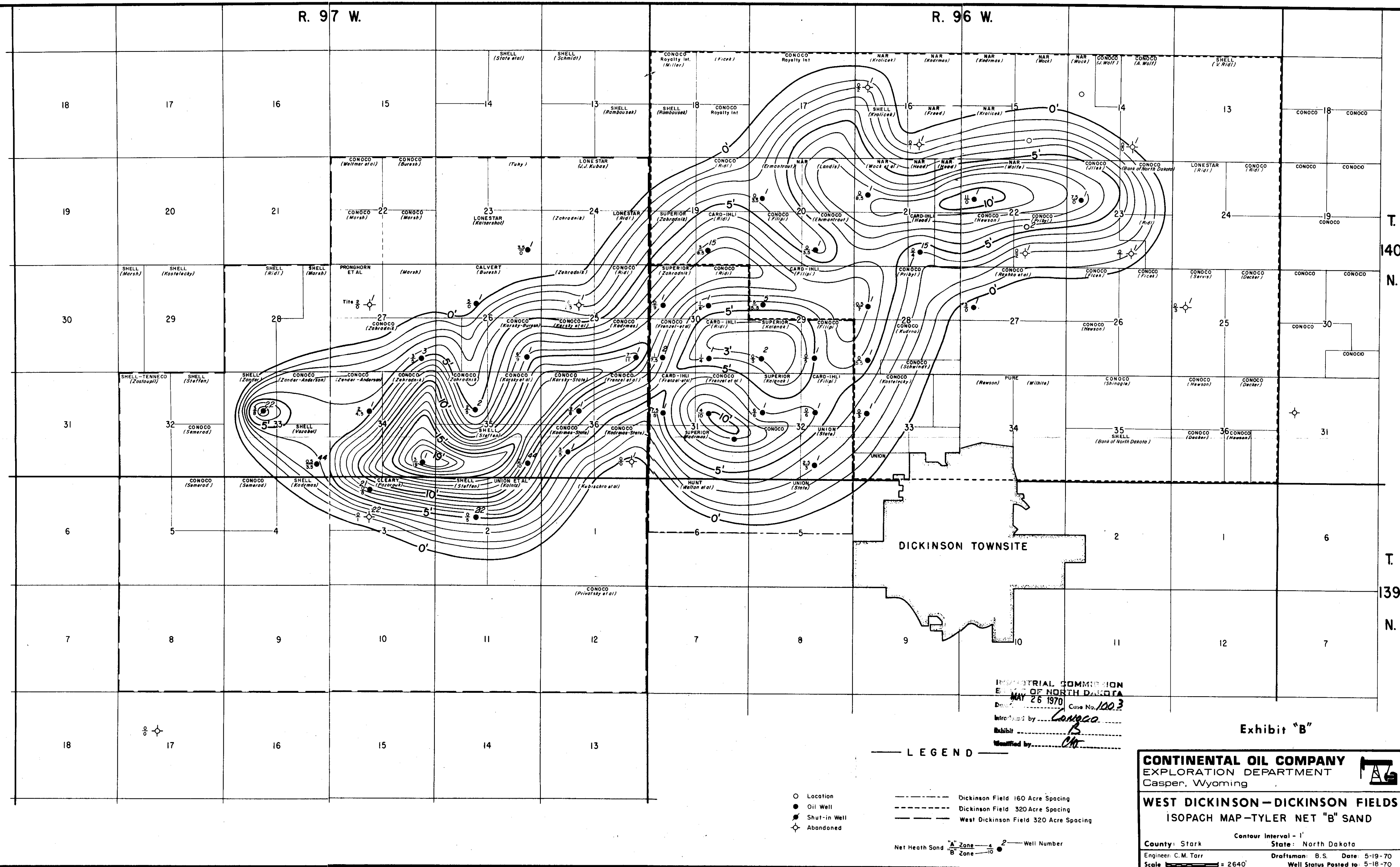
I, Clarence B. Folsom, Jr., being first duly sworn upon oath,
depose and say: That I am over twenty-one years of age; that on the
7 day of July, 1970, I enclosed in separate envelopes true
and correct copies of the attached Order No. 1080 of the North
Dakota State Industrial Commission, and deposited the same in the
United States Post Office at the University Station, University of
North Dakota, Grand Forks, North Dakota, with postage thereon fully
paid, directed to: Ernest R. Fleck, Box 1436, Bismarck, North Dakota 58501
all of whom filed written appearances at the hearing of the Industrial
Commission on Case No. 1003.


(Signature of person mailing
Order and preparing Affidavit)

Subscribed and sworn to before
me this 7th day of July, 1970.

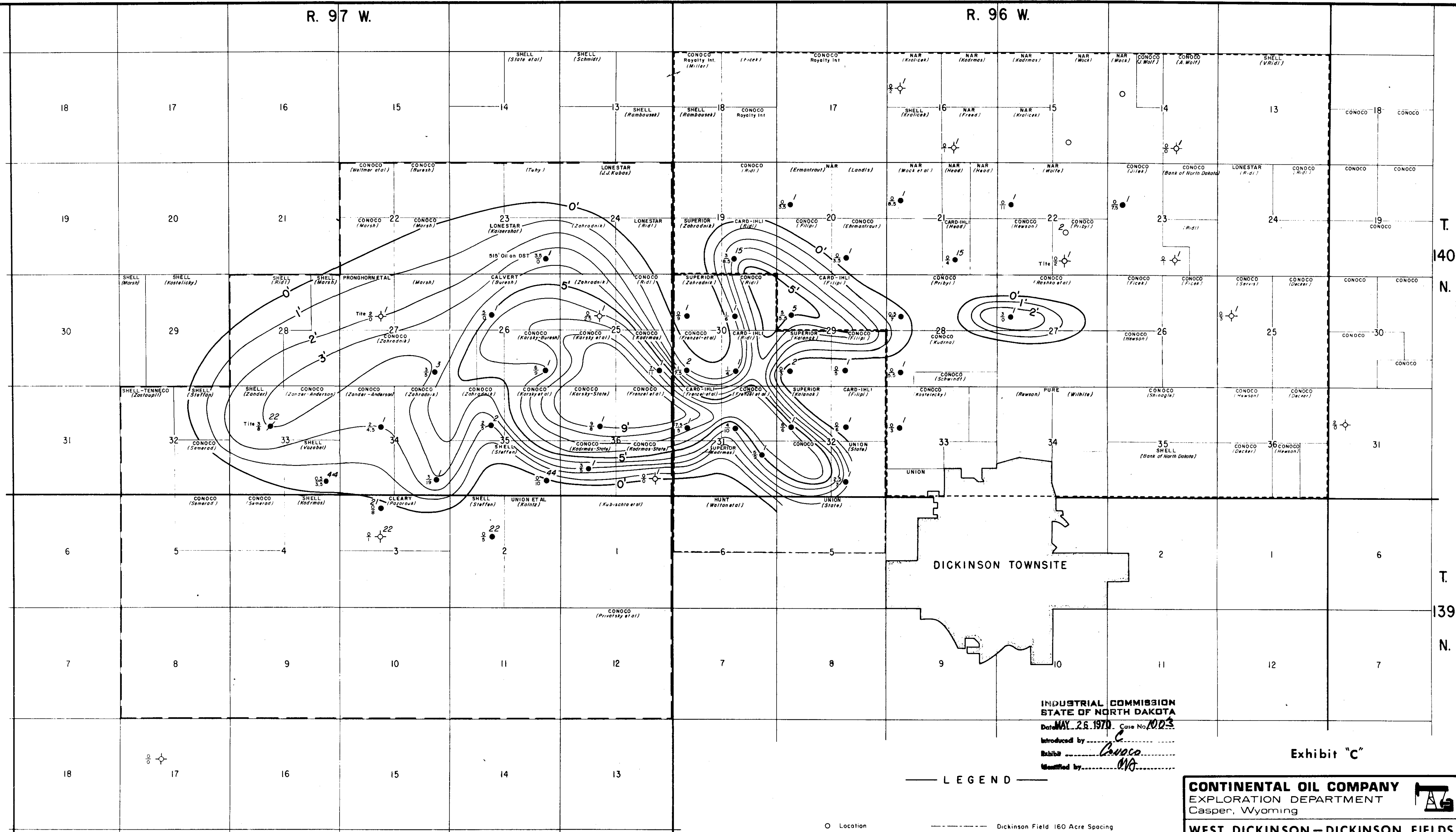

Notary Public, Grand Forks County
My Commission expires July 1, 1971





R. 97 W.

R. 96 W.



INDUSTRIAL COMMISSION
STATE OF NORTH DAKOTA
Date MAY 26 1970 Case No. 1003
Introduced by C. Conoco
Exhibit NO
Identified by NO

LEGEND

- Location
- Oil Well
- Shut-in Well
- Abandoned

- Dickinson Field 160 Acre Spacing
- Dickinson Field 320 Acre Spacing
- West Dickinson Field 320 Acre Spacing

Net Heath Sand "A" Zone 4
"B" Zone 10

Well Number

Exhibit "C"

CONTINENTAL OIL COMPANY
EXPLORATION DEPARTMENT
Casper, Wyoming

WEST DICKINSON - DICKINSON FIELDS
ISOPACH MAP - TYLER NET "A" SAND

County: Stark State: North Dakota
Engineer: C.M. Tarr Date: 5-19-70
Scale: 1" = 2640' Well Status Posted to: 5-18-70

NORTH AMERICAN ROYALTIES, INC.



OIL AND GAS OPERATIONS • ROCKY MOUNTAIN AREA
PROVIDENT LIFE BUILDING • P. O. BOX 1476

May 20, 1970

BISMARCK, N. D. 58501

Re: Application for Spacing Exception
Dickinson-Heath Pool
Stark County, North Dakota

Industrial Commission
State Capital
Bismarck, North Dakota

Gentlemen:

North American Royalties, Inc. and Louis W. Hill, Jr., owners of a portion of the oil and gas leasehold estate in the S $\frac{1}{2}$ of Section 22, Township 140 North, Range 96 West, Stark County, North Dakota, fully support the application of Continental Oil Company for permission to drill a well at a location 1980 feet west of the east line and 1980 feet north of the south line of Section 22, Township 140 North, Range 96 West, Stark County, North Dakota, as an exception to the spacing pattern in the Dickinson-Heath Pool, Stark County, North Dakota

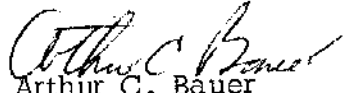
Very truly yours,

NORTH AMERICAN ROYALTIES, INC.

ACB:ms

By: Arthur C. Bauer

LOUIS W. HILL, JR.


By: Arthur C. Bauer

cc: Louis W. Hill, Jr.
Ernest R. Fleck
Charles Tarr (Continental Oil Company)

BEFORE THE INDUSTRIAL COMMISSION
OF THE STATE OF NORTH DAKOTA

IN THE MATTER OF THE APPLICATION OF)
CONTINENTAL OIL COMPANY, A DELAWARE)
CORPORATION, FOR PERMISSION TO DRILL)
A WELL AT A LOCATION 1980 FEET WEST)
OF THE EAST LINE AND 1980 FEET NORTH)
OF THE SOUTH LINE OF SECTION 22,)
TOWNSHIP 140 NORTH, RANGE 96 WEST,)
STARK COUNTY, NORTH DAKOTA, AS AN)
EXCEPTION TO THE SPACING PATTERN)
IN THE DICKINSON-HEATH POOL,)
STARK COUNTY, NORTH DAKOTA)

APPLICATION

COMES NOW The Applicant, Continental Oil Company, a Delaware corporation authorized to do business in the State of North Dakota, which respectfully petitions as follows:

I.

That Continental Oil Company, Operator, and North American Royalties, Inc., Lewis W. Hill, Jr., and J. Hiram Moore are the owners of the oil and gas leasehold estates in the S $\frac{1}{2}$ of Section 22, Township 140 North, Range 96 West, Stark County, North Dakota, which lands are within the outline of the Dickinson-Heath Pool, as established by Order No. 920 issued in Case No. 848, of the North Dakota Industrial Commission.

II.

That pursuant to said Order, all wells drilled in the Dickinson-Heath Pool in Zone II shall be on a 320 acre spacing pattern and any wells so drilled shall be located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ and SW $\frac{1}{4}$ NW $\frac{1}{4}$ of each section.

III.

That a dry hole has been drilled in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 22, in conformity with the spacing pattern, which dry hole is located 1320 feet south of the location for which the exception herein is requested. The well encountered one and one-half feet of low porosity,

low permeability oil saturated Heath sand. Therefore, the Applicant believes the well penetrated the Heath sand on the extreme south boundary of the reservoir.

IV.

That attached hereto and made a part hereof is a plat accurately showing to scale the property for which this exception location is sought, and showing all completed and drilling wells on the property and showing to scale adjoining surrounding properties and wells.

V.

That based upon the Applicant's best knowledge and geological information, a well drilled as an exception to the spacing pattern and at a location 1980 feet west of the east line and 1980 feet north of the south line of Section 22, Township 140 North, Range 96 West, would be potentially productive of oil in commercial quantities.

VI.

That the drilling of a test well at the proposed location in lieu of any other location would result in the greatest potential recovery of oil and gas and as a result thereof protect the correlative rights of the parties and prevent unnecessary waste.

VII.

That a copy of this Application has been mailed by certified mail, postage prepaid, to the following parties who are the lessees of adjoining properties:

Lewis W. Hill, Jr.	W 1453 First National Bank Building St. Paul, Minnesota 55100
North American Royalties, Inc.	P. O. Box 1476 Bismarck, North Dakota 58501
J. Miram Moore	314 Gulf Building Midland, Texas 74701
Cardinal Petroleum Company	Box 1077 Billings, Montana 59101

WHEREFORE, this Applicant respectfully requests that the matter aforesaid be set for hearing at the regular May meeting of the North Dakota Industrial Commission and that the Commission grant this Application for permission to drill a test well at a location 1980 feet west of the east line and 1980 feet north of the south line of Section 22, Township 140 North, Range 96 West, Stark County, North Dakota, as an exception to the spacing pattern in the Dickinson-Heath Pool as set forth above, and for such other order and relief as the Industrial Commission of the State of North Dakota may deem just and equitable in accordance with the rules and regulations of the State of North Dakota.

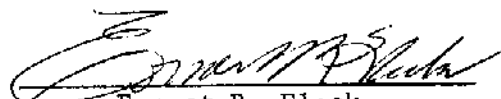
Dated this 30th day of April, 1970.

CONTINENTAL OIL COMPANY

By 
Ernest R. Fleck
Fleck, Smith, Mather, Strutz
& Mayer

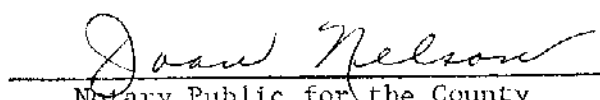
STATE OF NORTH DAKOTA)
) ss.
COUNTY OF BURLEIGH)

ERNEST R. FLECK, 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 is within the knowledge of the affiant, that the same is true to the best of his knowledge, information and belief, and that the accompanying plan is accurately drawn to scale and correctly reflects pertinent and required data.

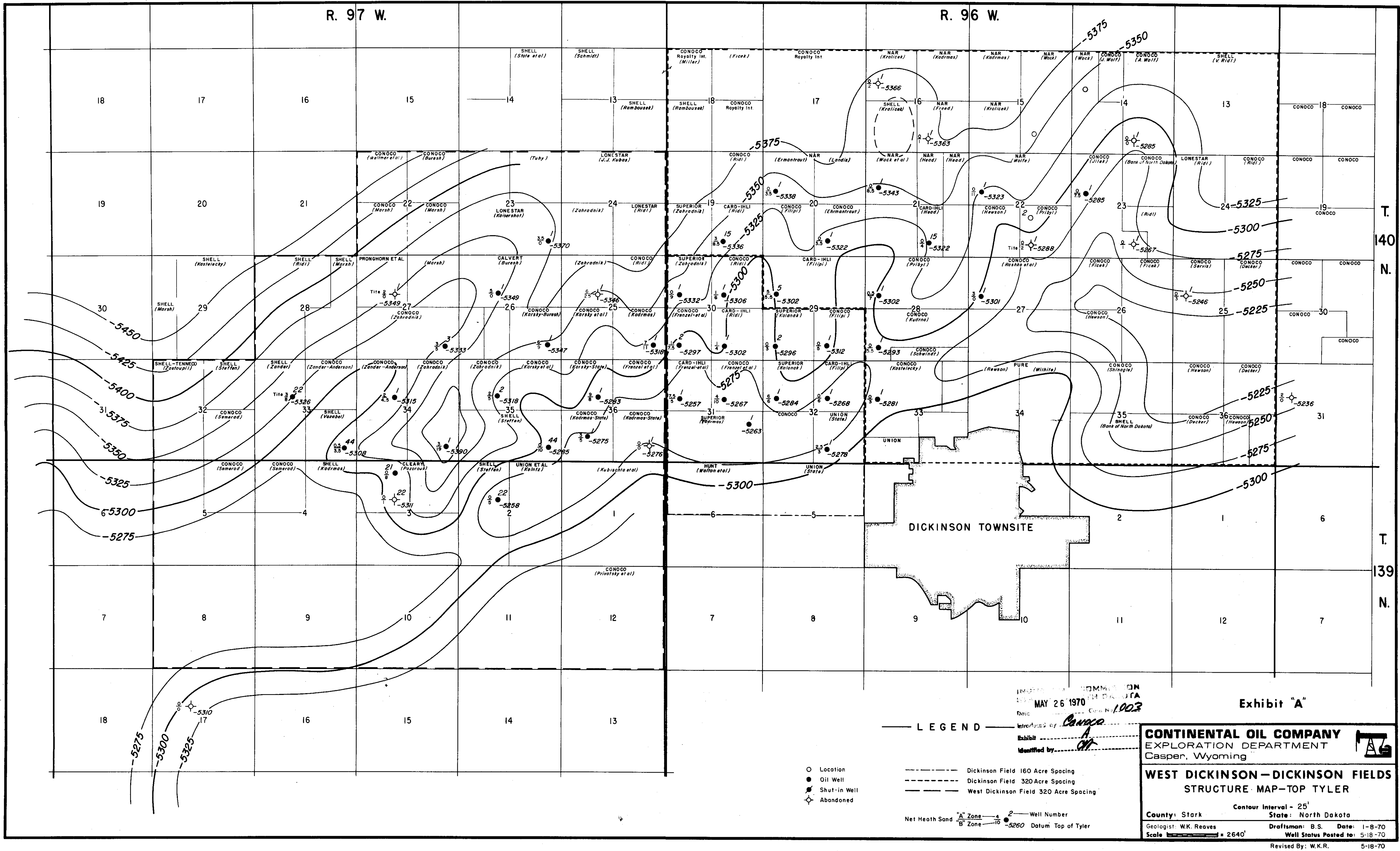

Ernest R. Fleck

Subscribed and sworn to before me this 30th day of
April, 1970.

My commission expires 11-25-75


Notary Public for the County
of Burleigh, North Dakota

JOAN NELSON
Notary Public, BURLEIGH CO., N. Dak.
My Commission Expires Nov. 25, 1975.



LEGEND

- Location
- Oil Well
- ⊙ Shut-in Well
- ⊙ Abandoned

- Dickinson Field 160 Acre Spacing
- Dickinson Field 320 Acre Spacing
- West Dickinson Field 320 Acre Spacing

Net Heath Sand "A" Zone 4 "B" Zone 10 Well Number 2 -5260 Datum Top of Tyler

MADE BY
MAY 26 1970
Date
Casper, Wyoming
Identified by

Exhibit "A"

CONTINENTAL OIL COMPANY
EXPLORATION DEPARTMENT
Casper, Wyoming

WEST DICKINSON - DICKINSON FIELDS
STRUCTURE MAP - TOP TYLER

County: Stark State: North Dakota
Geologist: W.K. Reeves Draftsman: B.S. Date: 1-8-70
Scale: 1" = 2640' Well Status Posted to: 5-18-70
Revised By: W.K.R. 5-18-70