

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 MCALESTER
FUEL CO. FOR AN ORDER TO PERMIT THE DRILLING OF A WELL
IN THE SW SW AND THE SW NE OF SECTION 13, T140N, R96W,
STARK COUNTY, NORTH DAKOTA, AS AN EXCEPTION TO THE
SPACING REQUIREMENTS IN THE DICKINSON FIELD.

CASE NO. 1943
ORDER NO. 2170

ORDER OF THE COMMISSION

BY THE COMMISSION:

Pursuant to legal notice this cause came on for hearing at 1:30 p.m. on the 25th day of August, 1980, in Bismarck, North Dakota, before an examiner appointed for the purpose by the Industrial Commission of North Dakota, hereinafter referred to as the "Commission."

NOW, on this 23rd day of September, 1980, 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 applicant is the owner of an oil and gas leasehold estate in Section 13, Township 140 North, Range 96 West, Stark County, North Dakota.
- (3) That said tract of land is within the boundaries of the Dickinson field, and forms a spacing unit for the Heath Pool, and the spacing for such pool established by the Commission requires wells to be located in the SW/4 of the NW and SE quarters of each section.
- (4) That applicant is desirous of drilling a Heath test well on said section located in the SW SW and the SW NE of said Section 13.
- (5) That geological evidence presented to the Commission indicates that wells drilled at proper locations would result in a dry hole, and that wells drilled at the proposed locations would produce oil that might otherwise not be produced.
- (6) That due to the geological conditions, the proposed locations are the most advantageous points to drill test wells on said section.
- (7) That in order to prevent waste, and to protect correlative rights this application should be granted.

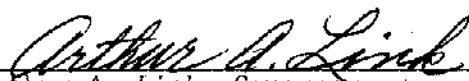
IT IS THEREFORE ORDERED:

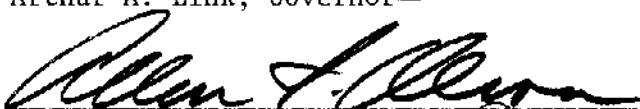
(1) That applicant is hereby permitted to drill a well in the approximate center of the SW SW and the SW NE of Section 13, Township 140 North, Range 96 West, Stark County, North Dakota, as an exception to the spacing requirements for the Dickinson Field.

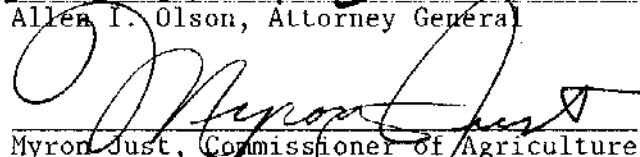
(2) That this order shall remain in full force and effect until further order of the Commission.

DONE, in Bismarck, North Dakota, this 23rd day of September, 1980.

THE NORTH DAKOTA INDUSTRIAL COMMISSION


Arthur A. Link, Governor


Allen I. Olson, Attorney General


Myron Just, Commissioner of Agriculture

HARRIS, BROWN

&

KLEMER, INC.

Box 5, Bismarck, North Dakota 58501

TOWNSHIP 140 North RANGE 96 West COUNTY Stark STATE North Dakota

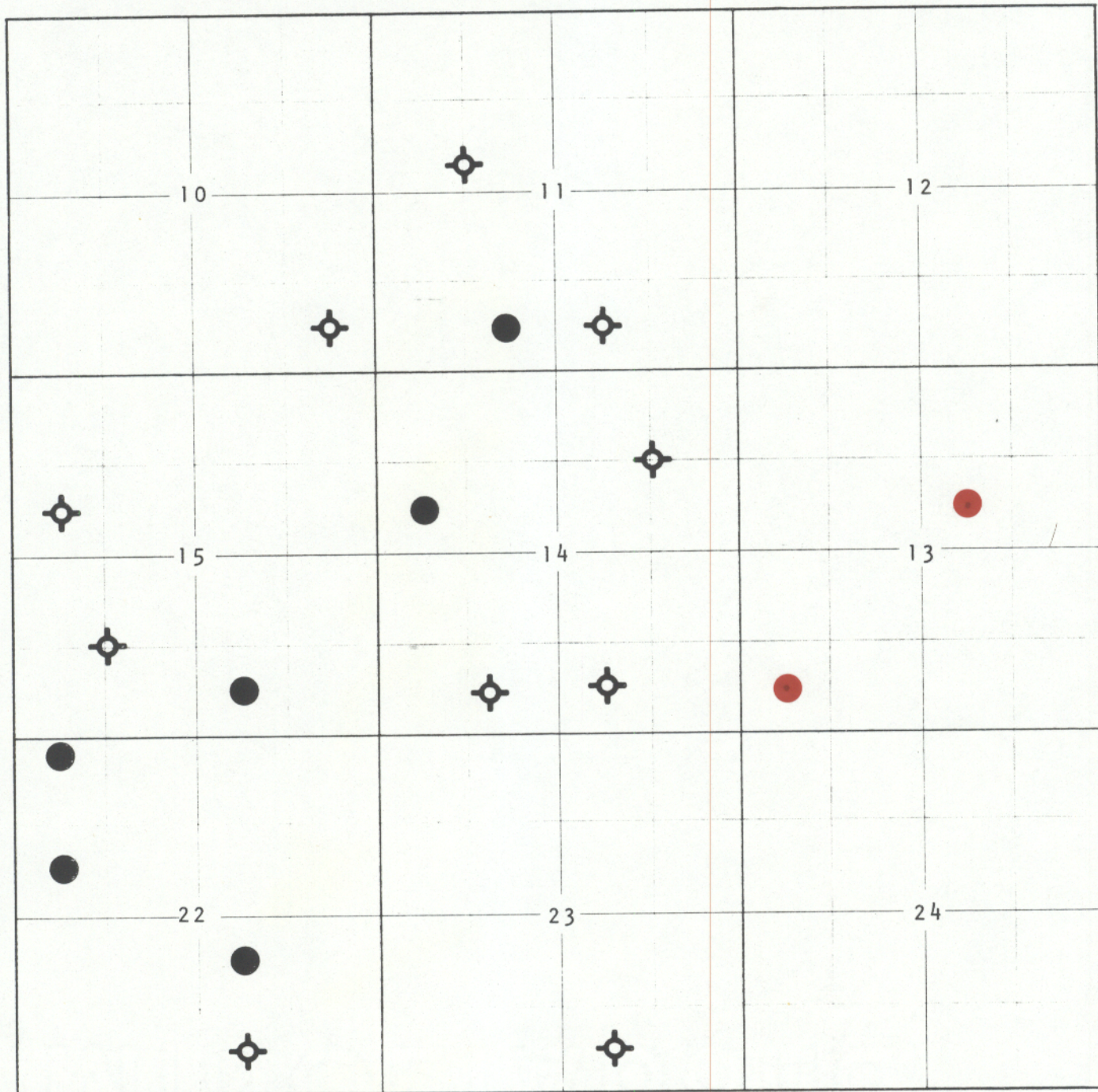


EXHIBIT I

INDUSTRIAL COMMISSION
STATE OF NORTH DAKOTA

Date 8/25/80 Case No. 1943

Introduced by McNester

Exhibit -----

Identified by S. Harris

NORTH DAKOTA INDUSTRIAL COMMISSION

Case No. 1943

August 25, 1980

HARRIS, BROWN
&
KLEMER, INC.
Box 5, Bismarck, North Dakota 58501

TOWNSHIP 140 North RANGE 96 West COUNTY Stark STATE North Dakota

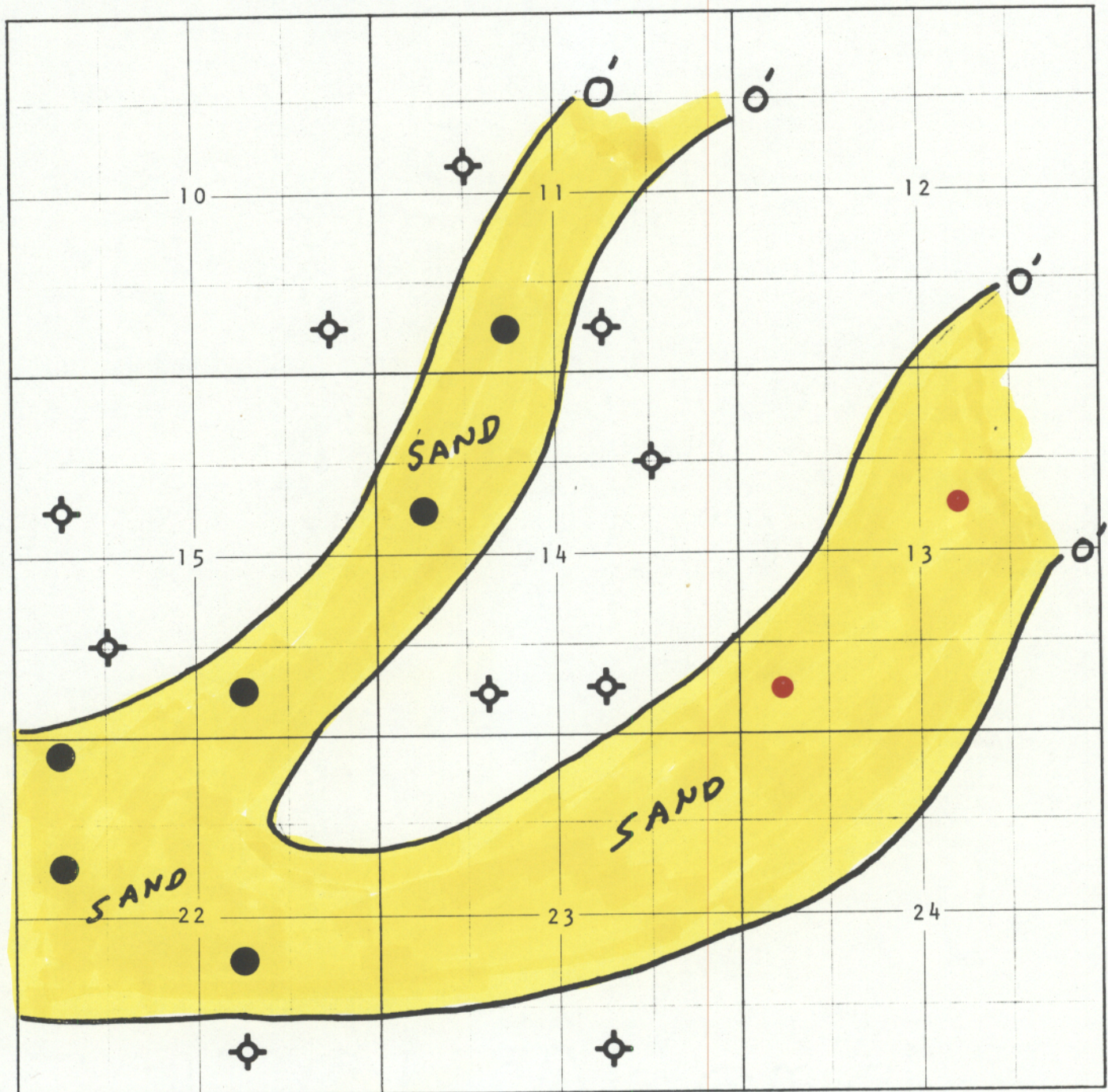


EXHIBIT II

NORTH DAKOTA INDUSTRIAL COMMISSION
Case No. 1943

August 25, 1980

HARRIS, BROWN & KLEMER, INC.
CONSULTING GEOLOGISTS

P.O. BOX 5 • BISMARCK, NORTH DAKOTA 58501

Steven H. Harris, John N. Klemer,
Robert P. Johnson, James L. Brown (deceased)

TELEPHONE: 701-223-3588

July 8, 1980

North Dakota Industrial Commission
State Capitol
Bismarck, North Dakota, 58501

RE: Request for Hearing
McAlester Fuel Company
Spacing Exception Locations
13-T140N-R96W
Stark County, ND
Dickinson Field Area

Gentlemen:

McAlester Fuel Company (Box 10, Magnolia, Arkansas 71753) requests hearing at the August 1980 meeting of the North Dakota Industrial Commission.

Specifically, McAlester Fuel desires to drill 8000' Tyler tests in SW $\frac{1}{4}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ NE $\frac{1}{4}$ 13-140N-96W, in the buffer zone of the Dickinson-Heath pool. Normal location for wells, in accordance with Commission Order No. 920, would be in SW $\frac{1}{4}$ SE $\frac{1}{4}$ and SW $\frac{1}{4}$ NW $\frac{1}{4}$ 13-140N-96W.

At August 1980 hearing, McAlester Fuel desires to present geological evidence to justify the spacing exception drillsites.

Very truly yours,

HARRIS, BROWN & KLEMER, INC.



Steven H. Harris

H/s

cc: McAlester Fuel, Magnolia
Jack Wilborn, NDGS, Grand Forks
W.D. Norton, NDGS, Bismarck
Conoco, Inc., Denver

CERTIFICATE OF PUBLICATION

THE DICKINSON PRESS
Dickinson, North Dakota

STATE OF NORTH DAKOTA, }

County of Stark.

GLORIA FOSTER

, of said state and county, being first duly

sworn, on oath says: That \$ he is the BOOKKEEPER of the
Dickinson Press, Inc., publisher of THE DICKINSON PRESS, a daily
newspaper of general circulation, printed and published at Dickinson,
in said county and state, and has been such during the time hereinafter

mentioned; and that advertisement headed

NOTICE OF PUBLICATION ND INDUSTRIAL COMMISSION

\$9.00*

a printed copy of which is hereunto annexed, was printed and published in
THE DICKINSON PRESS, and in the regular and entire issue of each and

every number 1 consecutive weeks, commencing on the 12

day of AUGUST A. D. 1980, and ending on the 12

day of AUGUST A. D. 1980, both inclusive.

Sworn to and subscribed to before me this 12 day of

AUGUST A. D. 1980.

NOTICE OF PUBLICATION
NORTH DAKOTA
INDUSTRIAL COMMISSION
BISMARCK, NORTH DAKOTA
The State of North Dakota by its
Industrial Commission hereby gives
notice pursuant to law and the rules
and regulations of said Commission
promulgated thereunder of the
following public hearing to be held at
1:30 p.m. on August 25, 1980, in Rooms
G5 and G6, State Capitol Building,
Bismarck, North Dakota. For the
purposes of this hearing an examiner
will be appointed by the Commission
for the purpose of receiving testimony
and exhibits.
STATE OF NORTH DAKOTA TO:
All named parties and persons
having any right, title, interest, or
claim in the following cases and
notices to the public. CASE NO. 1243:
On a motion of the Commission to
consider the application of McAlester
Fuel Co. for an order to permit the
drilling of a well in the SW SW and the
SW NE of Section 13, T140N, R96W,
Stark County, North Dakota, as an
exception to the spacing requirements
in the Dickinson Field.
Signed by
Arthur A. Link,
Governor
Chairman, ND
Industrial Commission
(Published Aug. 12, 1980)

Date

AROLD NELSON

State Printer

ED J. BOCK

Notary Public, STARK COUNTY, N. DAK.
My Commission Expires JUNE 6, 1985