BEFORE THE INDUSTRIAL COMMISSION

OF THE STATE OF NORTH DAKOTA

CASE NO. 9159 ORDER NO. 10764

IN THE MATTER OF A HEARING CALLED ON A MOTION OF THE COMMISSION TO CONSIDER THE TEMPORARY SPACING TO DEVELOP AN OIL AND/OR GAS POOL DISCOVERED BY THE STONE ENERGY CORP. #25-2 PLUMER-LUNDQUIST WELL, LOCATED IN THE NW/4 NE/4 OF SECTION 25, T.161N., R.99W., DIVIDE COUNTY, ND, DEFINE THE FIELD LIMITS, AND ENACT SUCH SPECIAL FIELD RULES AS MAY BE NECESSARY.

TEMPORARY ORDER OF THE COMMISSION

THE COMMISSION FINDS:

- (1) This cause came on for hearing at 9:00 a.m. on the 27th day of September, 2006.
- (2) The witnesses for Stone Energy Corp. (Stone) provided telephonic testimony in this matter, pursuant to North Dakota Administrative Code (NDAC) Section 43-02-03-88.2. Telephonic Communication Affidavits were received on October 4, 2006, therefore, such testimony may be considered evidence.
- (3) Geological and engineering evidence presented to the Commission relative to the matter of well spacing indicates that the Burg-Gunton Pool, as classified and defined in this order, should be developed on a pattern of one well per 320 acres for the effective and efficient recovery of oil from said pool, to assure rapid development, to avoid the drilling of unnecessary wells, and to prevent waste in a manner that will protect correlative rights.
- (4) Temporary 320-acre spacing in the Burg-Gunton Pool will result in the efficient and economical development of the field as a whole and will operate so as to prevent waste and provide maximum ultimate recovery, will avoid the drilling of unnecessary wells, and will protect correlative rights.
- (5) The unrestricted flaring of gas produced from the Burg-Gunton Pool could be considered waste, and in order to minimize such, production from the pool should be restricted until the wells producing therefrom are connected to a gas gathering and processing facility.

Case No. 9159 Order No. 10764

(6) Certain special field rules are necessary to prevent waste and protect against the contamination and pollution of surface lands and fresh waters.

IT IS THEREFORE ORDERED:

(1) The following described tracts of land in Divide County, North Dakota, are hereby designated the Burg Field:

TOWNSHIP 161 NORTH, RANGE 99 WEST, 5TH PM THE SE/4 OF SECTION 24 AND THE NE/4 OF SECTION 25.

- (2) The Burg-Gunton Pool is hereby defined as that accumulation of oil and gas found in the interval from below the base of the Stonewall Formation to above the top of the Stoughton Member of the Stony Mountain Formation within the limits of the field as set forth above.
- (3) The temporary spacing for the development of the Burg-Gunton Pool is hereby set at one well per 320 acres.
- (4) All wells hereafter drilled to the Burg-Gunton Pool shall be located not less than 660 feet from a spacing unit boundary. Wells presently permitted to or producing from the pool that do not conform to this spacing pattern shall be considered exceptions.
- (5) The SE/4 of Section 24 and the NE/4 of Section 25, Township 161 North, Range 99 West, Divide County, North Dakota, is hereby designated a 320-acre spacing unit in the Burg-Gunton Pool.
- (6) Hereafter, spacing units in the Burg-Gunton Pool shall consist of two adjacent quarter sections, as designated by the Commission, after due notice and hearing.
- (7) The Burg-Gunton Pool shall not be extended except by further order of the Commission after due notice and hearing.
- (8) No well hereafter shall be drilled in the Burg-Gunton Pool except in conformity with the regulations above without special order of the Commission after due notice and hearing.
- (9) The following rules concerning the casing, tubing and equipping of the wells shall apply to the subsequent drilling and operation of wells in the Burg-Gunton Pool:
 - (a) The surface casing shall consist of new or reconditioned pipe that has been previously tested to 1000 pounds per square inch. The casing shall be set and cemented at a point not less than 50 feet below the base of the Fox Hills Formation. Sufficient cement shall be used to fill the annular space outside the pipe to the surface of the ground, or the bottom of the cellar, and sufficient scratchers and centralizers shall be used to assure a good cement job. Cement shall be allowed to stand a minimum of 12 hours before drilling the plug or initiating tests. The quality of cement shall conform to the standards provided under NDAC Section 43-02-03-21;

Case No. 9159 Order No. 10764

- (b) The producing or oil string shall consist of new or reconditioned pipe that has been previously tested to 2000 pounds per square inch. Casing shall be set and cemented at a point not higher than the top of the producing formation, or at a point approved by the Director. Sufficient cement shall be used and applied in such a manner as to protect and isolate all formations containing oil and/or gas, protect the pipe through salt sections encountered, and isolate the Dakota-Lakota Series. The cement shall be allowed to stand a minimum of 15 hours before drilling the plug or initiating tests. The quality of cement shall conform to the standards provided under NDAC Section 43-02-03-21. After cementing, the casing shall be tested by application of pump pressure of at least 2000 pounds per square inch. If, at the end of 30 minutes this pressure has dropped 150 pounds per square inch or more, the casing shall be repaired. Thereafter, the casing shall again be tested in the same manner. Further work shall not proceed until a satisfactory test has been obtained;
- (c) All well-head fittings and connections shall have a working pressure in excess of that to which they are expected to be subjected; and,
- (d) All wells shall be equipped with tubing; a tubing packer must also be utilized in flowing wells unless a waiver is obtained from the Director after demonstrating the casing will not be subjected to excessive pressure or corrosion; all tubing shall be of sufficient internal diameter to allow the passage of a bottom hole pressure gauge for the purpose of obtaining bottom hole pressure measurements.
- (10) The gas-oil ratio of all wells not connected to a gas gathering system shall be measured annually during the month of May. The reservoir pressure shall be measured within 45 days in all wells hereinafter completed in the Burg-Gunton Pool. Drill stem test pressures are acceptable for determining reservoir pressure. Pressure measurements shall be made at or adjusted to a subsea datum of 9150 feet after the well has been shut in for a minimum of 48 hours. All gas-oil ratio and reservoir pressure determinations shall be made by methods approved by the Director and reported to the Director within 15 days following the end of the month in which they are determined. The Director is authorized to waive these requirements if the necessity therefor can be demonstrated to his satisfaction. All additional gas-oil ratio and reservoir pressure determinations conducted on any well, but not specifically required herein, shall be reported to the Director within 15 days following the end of the month in which they are determined.
- (11) No salt water, drilling mud, crude oil, or waste oil shall be stored in pits in this field, except in an emergency, and approved by the Director.
- (12) For the purposes of division of production to owners of interests in spacing units established by this order, and proven productive prior to the date hereof, this order shall be retroactive to the date of first production.
- (13) All wells in the Burg-Gunton Pool shall be allowed to produce at a maximum efficient rate for a period of 30 days commencing on the first day oil is produced through well-head equipment into tanks from the ultimate producing interval after casing has been run; after that, oil production from such wells shall not exceed an average of 200 barrels per day for a period of

Case No. 9159 Order No. 10764

60 days; after that, oil production from such wells shall not exceed an average of 150 barrels per day for a period of 60 days, thereafter, oil production from such wells shall not exceed an average of 100 barrels of oil per day; if and when such wells are connected to a gas gathering and processing facility the foregoing restrictions shall be removed, and the wells shall be allowed to produce at a maximum efficient rate.

- (14) If the flaring of gas produced with crude oil from the Burg-Gunton Pool causes, or threatens to cause, degradation of ambient air quality, production from the pool shall be further restricted.
- (15) This order covers all of the Burg-Gunton Pool, common source of supply of crude oil and/or natural gas as herein defined, and continues in full force and effect until the 30th day of April, 2008. If the Burg-Gunton Pool is still producing, the proper spacing for the pool will be considered by the Commission on or before its regularly scheduled hearing date in March, 2008. If, however, the Burg-Gunton Pool is no longer producing when the proper spacing is to be considered, the Commission, at its own discretion, may refrain from scheduling a proper spacing hearing and may, without further notice, enter an order dismissing the proper spacing matter.

Dated this 6th day of October, 2006.

INDUSTRIAL COMMISSION STATE OF NORTH DAKOTA

By the Director, on behalf of the Commission

/s/ Lynn D. Helms, Director

STATE OF NORTH DAKOTA

AFFIDAVIT OF MAILING

COUNTY OF BURLEIGH

I, Marge Rixen, being duly sworn upon oath, depose and say: That on the 6th day of October, 2006 enclosed in separate envelopes true and correct copies of the attached Order No. 10764 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. 9159:

LAWRENCE BENDER
PEARCE & DURICK
PO BOX 400
BISMARCK ND 58502-0400

DOUG CULLEN STONE ENERGY CORPORATION PO BOX 52807 LAFAYETTE LA 70505

JAMES DRUIFF STONE ENERGY CORPORATION PO BOX 52807 LAFAYETTE LA 70505

JIM DEGENART STONE ENERGY CORPORATION PO BOX 52807 LAFAYETTE LA 70505

Marge Rixen

Oil & Gas Division

On this <u>6th</u> day of <u>October, 2006</u> before me personally appeared Marge Rixen 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

LINDA K. JOHNSON Notary Public State of North Dakota My Commission Expires March 31, 2011



WILLIAM P. PEARCE
PATRICK W. DURICK
B. TIMOTHY DURICK
GARY R. THUNE
JEROME C. KETTLESON
LARRY L. BOSCHEE ••
LAWRENCE BENDER, PC •
JONATHAN P. SANSTEAD
TIFFANY L. JOHNSON

ATTORNEYS AT LAW

314 EAST THAYER AVENUE P.O. BOX 400 BISMARCK, NORTH DAKOTA 58502



October 3, 2006

Mr. Bruce Hicks Assistant Director North Dakota Industrial Commission Oil and Gas Division 600 E. Boulevard Bismarck, ND 58505

RE: NDIC CASE NO. 9159

Dear Mr. Hicks:

Please find enclosed herewith for filing the original TELEPHONIC COMMUNICATION AFFIDAVITS in regard to the above-captioned matter.

Should you have any questions, please ad

LB/leo

Enclosure

cc: Mr. Doug Cullen - (w/o enc.) Via Facsimile



Application of Stone Energy Corp. for an order of the Commission to establish temporary spacing for the #25-2 Plumer-Lundquist well, located in the NW/4NE/4 of Section 25, Township 161 North, Range 99 West, Divide County, North Dakota, define the limits of the field and enact such special field rules as may be necessary.

TELEPHONIC COMMUNICATION AFFIDAVIT

Doug Cullen being first duly sworn deposes and states as follows: That on September 27, 2006, I testified under oath before the North Dakota Industrial Commission in Case Number 9159. My testimony was presented by telephone from (303) 685-8066, at, and on behalf of, Stone Energy Corp., 950 17th Street, Suite 2600, Denver, Colorado 80202.

STATE OF COLORADO
)
SSS:
COUNTY OF DENVER
)

On September 27TH, 2006, Doug Cullen of Stone Energy Corp., known to me to be the person described in and who executed the foregoing instrument, personally appeared before me and acknowledged that he executed the same as a free act and deed.

MARGARET A HUBBARD Notary Public State of Colorado

Margart A. Lubhard

Notary Public

My Commission Expires:

My Commission Expires February 26, 2010

BEFORE THE INDUSTRIAL COMMISSION OF THE STATE OF NORTH DAKOTA

CASE No. 9159

Application of Stone Energy Corp. for an order of the Commission to establish temporary spacing for the #25-2 Plumer-Lundquist well, located in the NW/4NE/4 of Section 25, Township 161 North, Range 99 West, Divide County, North Dakota, define the limits of the field and enact such special field rules as may be necessary.

TELEPHONIC COMMUNICATION AFFIDAVIT

Mark Degenhart being first duly sworn deposes and states as follows: That on September 27, 2006, I testified under oath before the North Dakota Industrial Commission in Case Number 9159. My testimony was presented by telephone from (303) 685-8066, at, and on behalf of, Stone Energy Corp., 950 17th Street, Suite 2600, Denver, Colorado 80202.

		A. Mul D	1. Segentent
STATE OF COLORADO)	Mark Degenhart	m. d
COUNTY OF DENVER)ss:)		
On September 20 ⁷⁴ the person described in and wand acknowledged that he ex	, 2006, No executed the s	Mark Degenhart of Stone Energy Corp d the foregoing instrument, personall same as a free act and deed.	o., known to me to be y appeared before me
	-	Margaret a L	Lubbard
MARGARET A HUBBARD Notary Public State of Colorado		Notary Jublic My Commission Expires:	

My Commission Expires February 26, 2010

BEFORE THE INDUSTRIAL COMMISSION

OF THE STATE OF NORTH DAKET

Application of Stone Energy Corp. for an order of the Commission to establish temporary spacing for the #25-2 Plumer-Lundquist well, located in the NW/4NE/4 of Section 25, Township 161 North, Range 99 West, Divide County, North Dakota, define the limits of the field and enact such special field rules as may be necessary.

TELEPHONIC COMMUNICATION AFFIDAVIT

Jim Druyff being first duly sworn deposes and states as follows: That on September 27, 2006, I testified under oath before the North Dakota Industrial Commission in Case Number 9159. My testimony was presented by telephone from (303) 685-8066, at, and on behalf of, Stone Energy Corp., 950 17th Street, Suite 2600, Denver, Colorado 80202.

Jim Druy

)ss:

STATE OF COLORADO

COUNTY OF DENVER

On Septemble 27, 2006, Jim Druyff of Stone Energy Corp., known to me to be the person described in and who executed the foregoing instrument, personally appeared before me and acknowledged that he executed the same as a free act and deed.

MARGARET A HUBBARD Notary Public State of Colorado Notary Public

My Commission Expires: 2-26-2610

CASE No. 9159

My Commission Example February 26, 2010

STONE ENERGY CORP.

CASE No. 9159

#25-2 Plumer-Lundquist

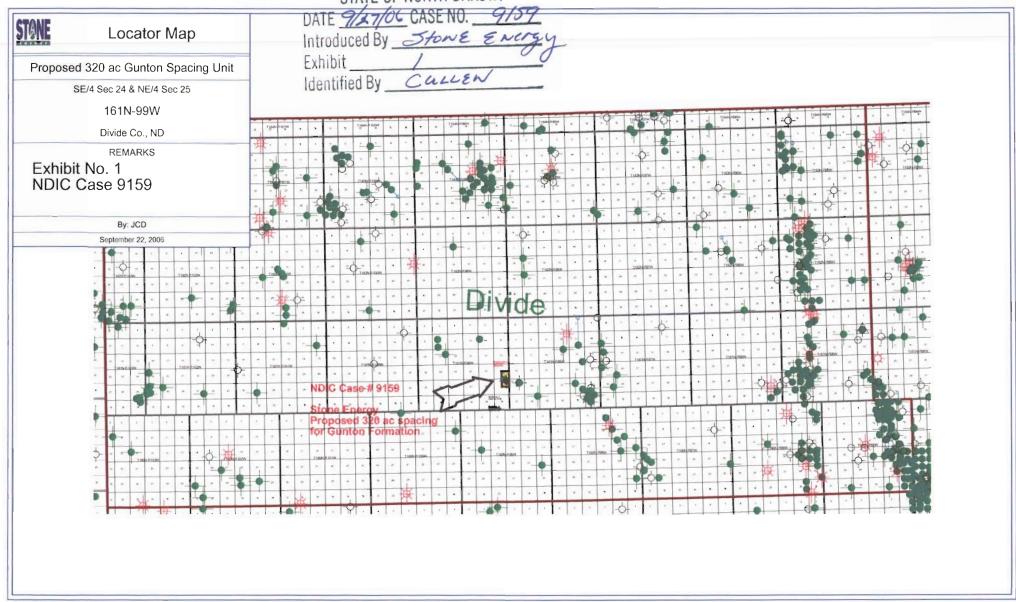
TEMPORARY SPACING

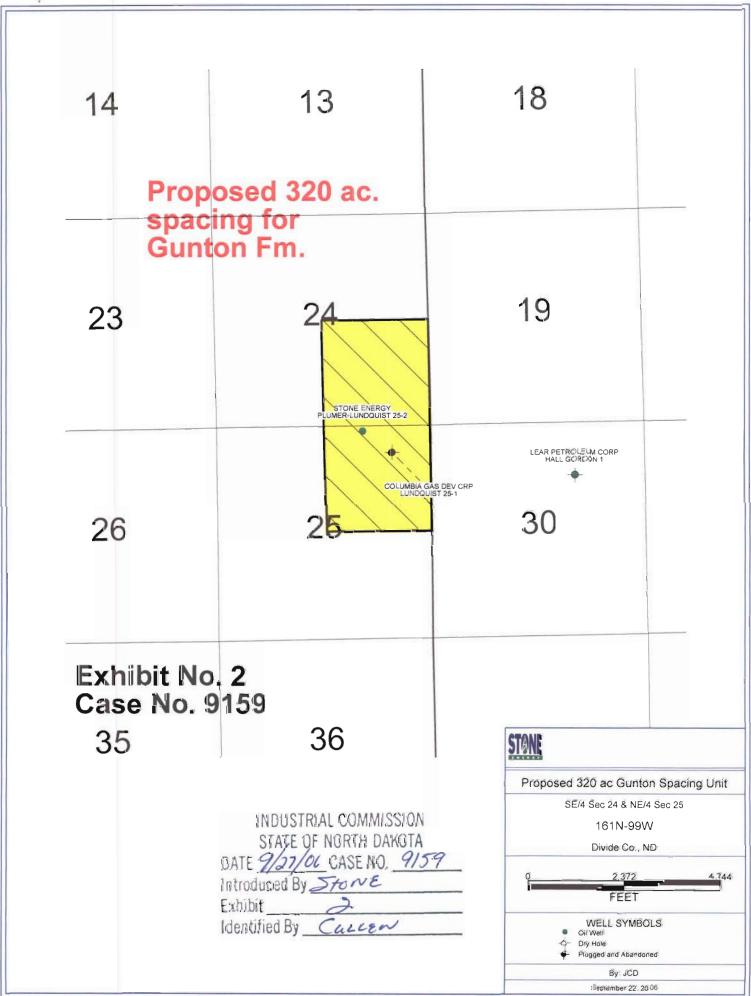
NWNE of SEC. 25-T161N-R99W

DIVIDE COUNTY, ND

SEPTEMBER 27, 2006

INDUSTRIAL COMMISSION STAŢE OF NORTH DAKOTA





DETELLOPPOPOSE 2-51 AL PM

Tract 1

Stone Energy Corporation 50% Nance Petroleum Corporation 50% **HBP**

Mineral Owners Karen L. Meyer Kipton J.V. Lundquist Karna I.R. Lundquist Kada L. Westby

> Plumer-Lundquist 25-2 120 FNL 1680 FEL

> > Plumer-Lundquist 25-1 P&A

Tract 2

Stone Energy Corporation 50% Nance Petroleum Corporation 50% **HBP**

> Mineral Owners Agribank FCB Sylvia Hart James Hart Carol Else Elnore Grow

25

Proposed pooled unit outline. Proposed outline is also the boundary Of the existing Burg Field

STONE ENERGY CORPORATION **Burg Field** T161N-R99W: SE4 Sec. 24, NE4 Sec. 25

Divide County, North Dakota

Exhibit No. 3 Case No. 9159

INDUSTRIAL COMMISSION STATE OF NORTH DAKOTA DATE 9/27/66 CASE NO. 9159
Introduced By 56NE Exhibit Identified By Caller

STONE ENERGY PLUMER-LUNDQUIST 25-2 T161N R99W S25 NE NW NE 2,118

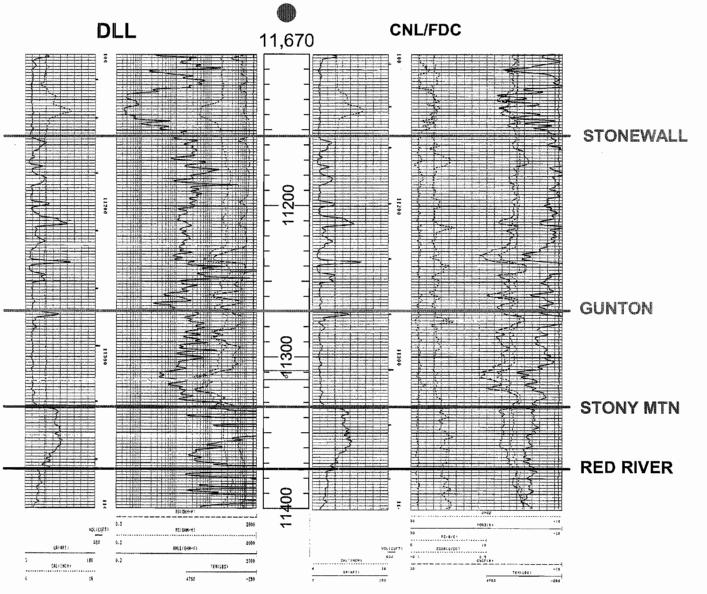
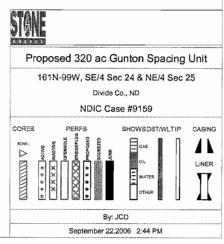


Exhibit No. 4 Case No. 9159

INDUSTRIAL COMMISSION
STATE OF NORTH DAKOTA

DATE 9/21/06 CASE NO. 9/59
Introduced By 5/00 E
Exhibit 4
Identified By Druiff



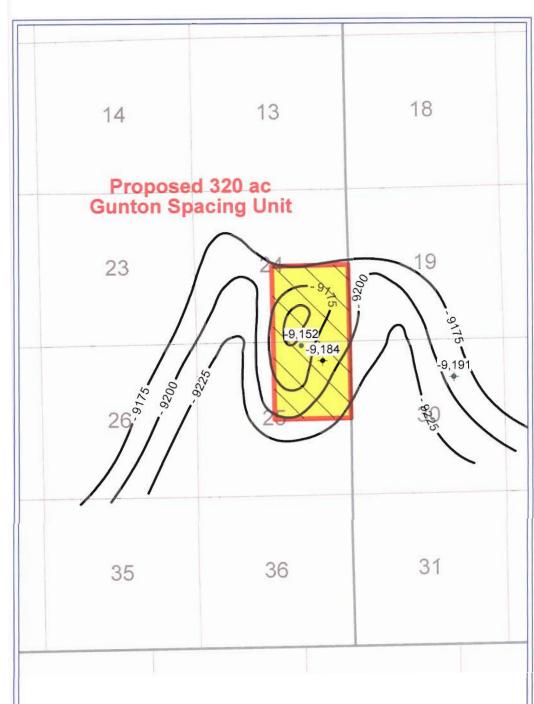


Exhibit No. 5 Case No. 9159

INDUSTRIAL COMMISSION STATE OF NORTH DAKOTA DATE 9/37/06 CASE NO. 9/59

Introduced By 5/00 Exhibit

Identified By Druit

Structure - Top Gunton Proposed 320 ac Gunton Spacing Unit 161N-99W, SE/4 Sec 24 & NE/4 Sec 25 Divide Co., ND NDIC Case #9159 3.298 6.596 FEET REMARKS By: JCD

September 22, 2006

DETENA 077/2006: 978-32 DE

Gunton

Pres-init API oil SG oil GOR	5876 41.5 0.82 750	psig to water scf/bbl	calculated estimate from analyzed sample estimated estimated
Sw-init	27	%	calculated from logs
Tres	211	deg F	calculated from logs
Viscosity	3.7	ср	from analyzed sample
Porosity Thickness	7 6	% feet	calculated from logs net pay from logs
k	38.8	md	calculated from Darcy's eqn
Resistivity (water)	0.015	Ohms	estimated
Во	1.5	bbl/bbl	calculated estimate
Pour Point	57	deg F	from analyzed sample
Bubble Point	2500	psi	calculated estimate
Drive Mechanism	Solution Gas	Drive	

Darcy's Radial

q = 2(pi)hk(Pi - Pwf)(visc)ln(R/rw)

INDUSTRIAL COMMISSION STATE OF NORTH DAKOTA

DATE 9/27/06 CASE NO. 9159

Introduced By 5/000

Exhibit _____

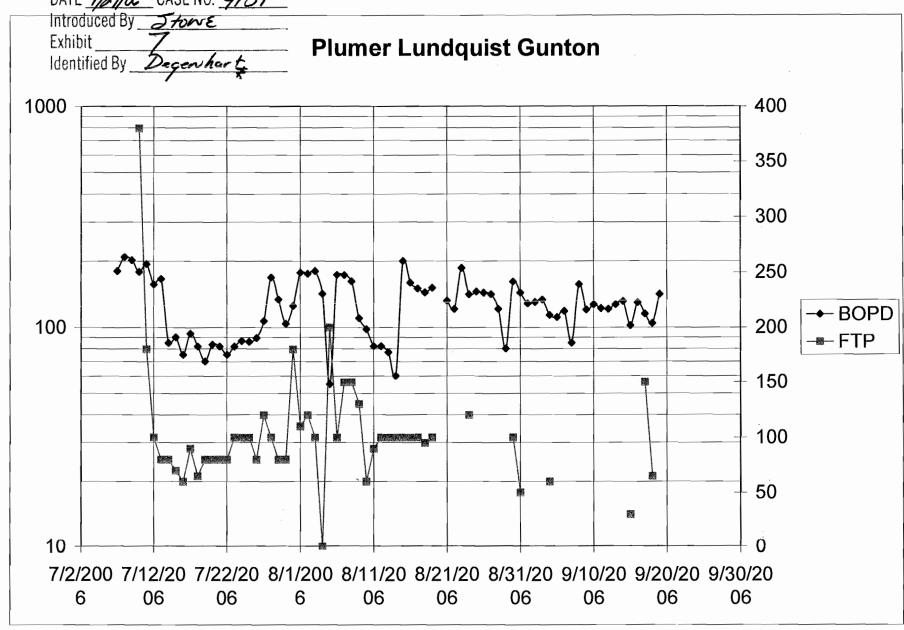
Identified By __

Exhibit No. 6

Case No. 9159

INDUSTRIAL COMMISSION STATE OF NORTH DAKOTA DATE <u>9/37/0C</u> CASE NO. <u>9/59</u>

Exhibit No. 7 Case No. 9159





7/27/06 jsj

Plumer Lundquist 25-2

Currrent Schematic 7-27-06 Sec 25 - T161N - R99W NE NW NE Burg Field KB elev: 2117' GL elev: 2102' Divide Co., ND Surface casing 9 5/8" 36#/ft L-80 at ~1644' Cmt w/ 750 sx to surface Tubing: lengths ADJ KB Slackoff -5.00 TOC @ ~ 2930' 332 jts 11269.00 SN 1.05 7.50 Packer 10.02 Retrieving head 3.50 11,297.07 Exhibit No. 8 Case No. 9159 Production casing detailed: INDUSTRIAL COMMISSION STATE OF NORTH DAKOTA DATE <u>9/27/06</u> CASE NO. <u>9/59</u> 5 1/2" 23# P-110 LT&C 13' 1/2" 20# L-80 LT&C 1064' 5 1/2" 17# L-80 LT&C 67021 5 1/2" 23# L-80 LT&C 74201 EOT @ 9046' Introduced By 5/00 E 1/2" 17# L-80 LT&C 97681 5 1/2" 23# P-110 LT&C 10,268' Exhibit 8
Identified By Degenhart 5 1/2" 20# L-80 LT&C 10,405 collar 10,407 5 1/2" 20# L-80 LT&C 11,629' Casing Shoe 11,658' DV tool @ 10,407 Cmt'd w/ 2540 sxs Interlake: 10,440' - 10,445' (4 spf) 10,453' - 10,458' (4 spf) Sqz'd w/ 100 sx (March 2003) 10,461' - 10,468' (4 spf) Stonewall 11,228-11,237 (6 spf) 6/30/06 SN at 11,267 Baker Retrievamatic packer set at 11,283 Gunton 11,309-11,315 (6 spf) 6/30/06 Acidized w/ 600 gal 15% HCL on 7/6/06 Red River C: RBP set at 11,367' 11,494' - 11,499' (4 spf) 11,503' - 11,509' (4 spf) Perf Breakdown, reports unclear - 1 bbl acid Retainer for suicide sqz @ ~11,512' 11,520' - 11,530' (4 spf) Red River D: CIBP @ ~ 11,555' (March 2003) 11,558' - 11,565' (4 spf) Acidize w/ 1000 gal 15% HCl 5 1/2", 17, 20, & 23#/ft, L-80, P-110 at ~11,658'

> PBTD: 11,512' TD: 11,670'

ECONOMIC SUMMARY TABLE

Assumptions: \$50.00/Bbl, Opex \$3500/W/Mo, 20.375% Royalties, 27-Year Well Life

Parameter	Plumer-Lundquist 25-2 Gunton interval	
EUR Oil (MBO)	132	
EUR Gas (MMCFG)	99	
R.F. as % of OOIP	15.6%	
Net Sales (M\$)	5,289	
Severance Tax (M\$)	608	
Operating Costs (M\$)	1,152	
Net Income (M\$)	3,529	1
Investment (M\$)	209	
Undiscounted Cash Flow (M\$)	3,320	
Return on Investment Ratio	16.9	

INDUSTRIAL COMMISSION
STATE OF NORTH DAKOTA

DATE 9/27/06 CASE NO. 9/59
Introduced By 5/0~2
Exhibit 9
Identified By Degenhart

Exhibit No. 9 Case No. 9159



WILLIAM P. PEARCE
PATRICK W. DURICK
B. TIMOTHY DURICK
GARY R. THUNE
JEROME C. KETTLESON
LARRY L. BOSCHEE **
LAWRENCE BENDER, PC *
JONATHAN P. SANSTEAD
TIFFANY L. JOHNSON

ATTORNEYS AT LAW

314 EAST THAYER AVENUE P.O. BOX 400 BISMARCK, NORTH DAKOTA 58502 TELEPHONE (701) 223-2890 FAX (701) 223-7865 E-MAIL: law.office@peorce-durick.com

September 8, 2006

Mr. Bruce Hicks Assistant Director North Dakota Industrial Commission Oil and Gas Division 600 East Boulevard Bismarck, North Dakota 58505-0310

RE: NDIC CASE NO. 9159
APPLICATION OF STONE
ENERGY CORP.

Dear Mr. Hicks:

Please find enclosed herewith for filing an AFFIDAVIT OF SERVICE BY MAIL in regard to the above-captioned case.

Should you have any questions, please advise.

LB/leo

Enclosure

cc: Ms. Karlene Fine - (w/enc.)

Mr. Lynn Helms - (w/enc.) Mr. Alan Wild - (w/enc.)

• ALSO LICENSED IN MONTANA

• ALSO LICENSED IN SOUTH DAKOTA AND MINNESOTA

LAWRENCE BENDER

BEFORE THE INDUSTRIAL COMMISSION

OF THE STATE OF NORTH DAKOTA

CASE No. 9159

Application of Stone Energy Corp. for an order of the Commission to establish temporary spacing for the #25-2 Plumber-Lundquist well, located in the NW/4NE/4 of Section 25, Township 161 North, Range 99 West, Divide County, North Dakota, define the limits of the field and enact such special field rules as may be necessary.

AFFIDAVIT OF SERVICE BY MAIL

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

Lyn Odden, being first duly sworn, deposes and says that on the 6th day of September, 2006, she served the attached:

Application of Stone Energy Corp.

by placing a true and correct copy thereof in an envelope addressed as follows:

See attached Exhibit "A"

and having the same deposited in the United States mail, postage prepaid, at Bismarck, North Dakota.

Subscribed and sworn to before me this 6th day of September, 2006.

MARY ETTER Notary Public State of North Dakota My Commission Expires Sept. 1, 2012

My Commission expires:

AgricBank FCB Attn: Mineral Payment 375 Jackson Street St. Paul, MN 55101

Sylvia Hart 130 El Portal Drive Merced, CA 95340-0929 James hart 12505 Andy Street Cerritos, CA 90703

Carol Else 9702 Veterans Drive SW Lakewood, WA 98498-1151 Karen L. Meyer 18406 Revere Avenue South Prior Lake, MN 55372 Kipton J V Lundquist 5933 Tamarac Ave Edina, MN 55436

Karna I R Lundquist 6908 Ridgeview Drive Edina, MN 55438 Kada L Westby 3208 Skyview Drive Burnsville, MN 55337 Elnore Grow 17394 Jurassic Road Morrison, CO 80465

Elaine Christine Holden 312 South Alley Street Jefferson, TX 75657 Discovery Geoservices Corp PO Box 2699 Forney, TX 75126

Northern Energy Corporation PO Box 2283 Bismarck, ND 58502

Landmark Oil Gas LLC PO Box 1881 Dickinson, ND 58602-1881 Stone Energy Corporation PO Box 52807 Lafayette, LA 70505-2807 Nance Petroleum Corporation Revenu8e Distribution PO Box 30242 Billings, MT 59107-0242

EXHIBIT A



WILLIAM P. PEARCE
PATRICK W. DURICK
B. TIMOTHY DURICK
GARY R. THUNE
DAVID E. REICH
JEROME C. KETTLESON
LARRY L. BOSCHEE ••
LAWRENCE BENDER, PC •
JONATHAN P. SANSTEAD
TIFFANY L. JOHNSON

ATTORNEYS AT LAW

314 EAST THAYER AVENUE P.O. BOX 400 BISMARCK, NORTH DAKOTA 58502 TELEPHONE (701) 223-2890 FAX (701) 223-7865 E-MAIL: law.office@pearce-durick.com

September 6, 2006



HAND DELIVERED

Mr. Bruce Hicks Assistant Director North Dakota Industrial Commission Oil and Gas Division 600 East Boulevard Bismarck, North Dakota 58505-0310

RE: APPLICATION OF STONE

ENERGY CORP.

Section 25, Township 161 North, Range 99 West, Divide County, North

Dakota

Dear Mr. Hicks:

Please find enclosed herewith for filing an APPLICATION OF STONE ENERGY CORP, as described above.

As you will note, pursuant to N.D. Admin. Code § 43-02-03-88.2, Stone Energy Corp. requests that its witnesses be allowed to participate at the hearing by telephonic means.

Thank you for your attention to this ma

LB/leo

Enclosure

cc: Ms. Karlene Fine - (w/enc.)

Mr. Lynn Helms - (w/enc.)

Mr. Charles Carvell - (w/enc.)

Mr. Alan Wild - (w/enc.)

BEFORE THE INDUSTRIAL COMMISSION

OF THE STATE OF NORTH DAKOTA

CASE No. 9159

Application of Stone Energy Corp. for an order of the Commission to establish temporary spacing for the #25-2 Plumber-Lundquist well, located in the NW/4NE/4 of Section 25, Township 161 North, Range 99 West, Divide County, North Dakota, define the limits of the field and enact such special field rules as may be necessary.



APPLICATION OF STONE ENERGY CORP.

Stone Energy Corp. ("Stone") for its application, respectfully shows the North Dakota Industrial Commission ("Commission") as follows:

1.

That Stone is the operator of the #25-2 Plumer-Lundquist well, located in the Northwest Quarter of the Northeast Quarter (NW/4NE/4) of Section 25, Township 161 North, Range 99 West, Divide County, North Dakota ("Section 25").

2.

That the #25-2 Plumer-Lundquist well is completed and capable of production from the Gunton formation.

3.

That the Gunton formation currently is unspaced.

4.

That Stone is of the opinion that the appropriate spacing for the Gunton Pool discovered by the #25-2 Plumer-Lundquist well is one well to 320 acres, with the SE/4 of Section 24 and the NE/4 of Section 25 constituting the spacing unit for the well.

5.

That Stone has no plans for further development of the area surrounding the #25-2 Plumer-

Lundquist well.

6.

That Stone proposes that the following described lands be included within the field boundaries

established by the Commission for the #25-2 Plumer-Lundquist well;

Township 161 North, Range 99 West

Section 24: SE/4

Section 25: NE/4

7.

That in order to prevent waste, to avoid the drilling of unnecessary wells and to protect

correlative rights, the Commission should establish temporary spacing for the Gunton formation as a

result of the recompletion of the #25-2 Plumer-Lundquist well located in the Northwest Quarter of the

Northeast Quarter (NW/4NE/4) of Section 25, Township 161 North, Range 99 West, Divide County,

North Dakota, as set forth above.

WHEREFORE, Stone requests the following:

(a) That this matter be set for hearing at the regular September 27, 2006 meeting and

thereafter the Commission issue its order granting the relief requested and such other and further relief

as the Commission may deem appropriate; and

(b) That pursuant to N.D. Admin. Code § 43-02-03-88.2, Stone's witnesses in this matter

be allowed to participate by telephonic means.

DATED this 6th day of September, 2006.

PEARCE & DUBICK

By

LAWRENCE BENDER

Attorneys for Applicant

Stone Energy Corp.

314 East Thayer Avenue
Post Office Box 400
Bismarck, North Dakota 58502

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

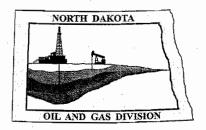
LAWRENCE BENDER, being first duly sworn on oath, deposes and says that he is the attorney for the applicant named herein, that he has read the foregoing application, knows the contents thereof, and that the same is true to the best of this affiant's knowledge and belief.

LAWRENCE BEND R

Subscribed and sworn to before me this 6th day of September, 2006.

Commission Expires una 26, 2011

Lynette Entzi-Odden, Notary Public Burleigh County, North Dakota My Commission Expires:



Oil and Gas Division

Lynn D. Helms - Director

Bruce E. Hicks - Assistant Director

Department of Mineral Resources

Lynn D. Helms - Director

North Dakota Industrial Commission

www.oilgas.nd.gov

September 5, 2006

TO:

Stone Energy Corporation

PO Box 52807

Lafayette LA 70505

FROM:

North Dakota Industrial Commission

Governor John Hoeven, Chairman

SUBJECT:

Temporary Spacing Hearing

The temporary spacing for the development of an oil and/or gas pool discovered by the Plumer-Lundquist #25-2 well, located in the NW/4 NE/4 of Section 25, T.161N., R.99W., Divide County, North Dakota will be considered at the North Dakota Industrial Commission hearing on September 27, 2006.

Three copies of all exhibits to be used at the hearing are to be prefiled with Mr. Bruce E. Hicks, Assistant Director, North Dakota Industrial Commission Oil & Gas Division, 600 East Boulevard Ave.—Dept. 405, Bismarck, ND 58505-0840 five (5) days prior to the date of the hearing.

The Industrial Commission, pursuant to North Dakota Administrative Code 43-02-03-18 part 4 desires full and consistent information from all participants in spacing hearings, especially the operators. Thus, effective immediately the Commission requires the following information be prefiled:

- 1) Name, address, and phone number of the operator of the discovery well.
- Size and shape of the spacing units, well locations, and field rules being requested. If the requested spacing units are rectangular, indicate the desired orientation. Include any requests for exceptions needed.
- 3) A map showing all wells within one (1) mile of the area being considered for spacing and the pools from which they produce.
- 4) The pool's geologic formation (including stratigraphic definition) and the geographic area of the proposed field.
- 5) The following data must be included:
 - a) Initial reservoir pressure and any subsequent reservoir pressures
 - b) Pertinent production data
 - c) Oil gravity
 - d) Gas-oil ratio
 - e) Gas analysis
 - f) Porosity of net pay
 - g) Thickness of net pay
 - h) Water saturation of net pay
 - i) Reservoir temperature

- 6) The following data must be included if available:
 - a) Permeability
 - b) Resistivity or salinity of formation water
 - c) Oil Formation Volume Factor
 - d) Oil Pour Point
 - e) Reservoir Drive Mechanism
 - f) Bubble Point Pressure
- 7) Pertinent economics.
- 8) Maximum area of efficient and effective drainage by wells and supporting data.
- 9) Estimated original oil in place and expected recovery.
- 10) Disposition of all fluids.
- 11) A lease ownership map showing working interest ownership, non-working interest ownership, and lease expiration dates.
- 12) A structure map, isopach map, and cross section if pertinent.
- 13) A complete suite of logs if not previously filed.

A person or persons knowledgeable of the information submitted and capable of answering questions on the data must be present to testify at the hearing. An exception to this requirement can be made if the following requirements are met:

- 1) The discovery well is not commercial and no further development is anticipated.
- The information requested above is prefiled ten (10) days prior to the scheduled hearing.
- 3) Prefiled exhibits are accompanied by signed affidavits from the person or persons who prepared the exhibits attesting to the following:
 - a) Their professional qualifications as an expert witness.
 - b) That they prepared, supervised preparation, or reviewed the documents.
 - c) That the documents are true and correct.
 - d) Identification of each exhibit, and explanation of the pertinence of the exhibit to the temporary spacing matter at hand.
- 4) No one appears to oppose the temporary spacing request. If the operator declines to appear and an interested party does appear to oppose the temporary spacing request or submits a written objection, it may result in the matter being continued and an appearance by the operator required. In addition, you should be aware that in the event an Industrial Commission order is appealed the court decision will be based entirely on the hearing record. The lack of hearing testimony could result in an incomplete record.

In order to develop timely communication, all operators are asked to advise the Commission of the name and address of the person(s) responsible for regulatory matters for their company. Such person(s) will be notified of pending spacing matters.

Lynn D. Helms

Gelmi

Director

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, September 27, 2006, at the N.D. Oil & Gas Division, 1016 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 Industrial Commission at 701-328-3722 by Thursday, September 14, 2006.

STATE OF NORTH DAKOTA TO:

Case No. 9156: Proper spacing for the development of the Stoneview-Birdbear Pool, Divide and Burke Counties, ND, redefine the field limits, and enact such special field rules as may be necessary. BTA Oil Producers

Case No. 9159: Temporary spacing to develop an oil and/or gas pool discovered by the Stone Energy Corp. #25-2 Plumer-Lundquist well, located in the NW/4 NE/4 of Section 25, T.161N., R.99W., Divide County, ND, define the field limits, and enact such special field rules as may be necessary.

Signed by, John Hoeven, Governor Chairman.

ND Industrial Commission

(9-6)





Affidavit of Publication

State of North Dakota, County of Divide, ss:

I, Steven J. Andrist, being first duly sworn, on my oath, say that I am the publisher of The Journal, a weekly newspaper of general circulation and official newspaper of Divide County, State of North Dakota, published in the city of Crosby, ND, and that the advertisement headed

NOTICE OF HEARING N.D. INDUSTRIAL COMMISSION OIL AND GAS DIVISION

a printed copy of which is here attached, was published in The Journal on the following dates:

TOTAL CHARGE......\$20.80

Signed

Steven J. Andrist, Publisher

Subscribed and sworn to before me September 6, 2006

Vonni L. Anderson

Notary Public, State of North Dakota My Commission Expires August 2, 2011

VONNI L. ANDERSON Notary Public State of North Dakota My Commission Expires Aug. 2, 2011

Tribune

NOTICE OF HEARING N.D. INDUSTRIAL COMMISSION OIL AND GAS DIVISION

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PERSONS WITH DISABILITIES: If at the hearing you need special facilities or assistance contact the Industrial Commission at 701-328-3722 by Thursday, September 14, 2006.

STATE OF NORTH DAKOTA TO:

Case No. 9127. Application of the Energy & Environmental Research Center for an order creating a 160- acre drilling unit consisting of the SE/4 of Section 36,T.159N., R.90W., Burke-County, ND, authorizing the drilling of up to five wells anywhere within the unit, not less than

500 feet to the boundaries thereof, as an exception to NDAC § 43-02-03-18, and such other solvect to the boundaries and exception to MSA2 4-3-2-2-30, and such other relief as is appropriate. Case No. 9128: Application of Continental Resources, Inc. for an order extending the field boundaries and amending the field rules for the St. Demetrius-Bakken Pool so as to create and establish four 1280-acre spacing units comprised of Sections 18 and 19,T.143N., R.98W., and Sections 13 and 24, Sections 14 and 23 and Sections 15 and 22 in T.143N., R.99W., Billings County, ND, authorizing the drilling of one horizontal well on each spacing unit and such other relief as is appropriate. Case No. 9129: Application. of Continental Resources, Inc. for an order amending the field rules for the Ash-Red River Pool so as to create a 640-acre spacing unit comprised of Section 34, T.129N., R.102W., Bowman County, ND, authorizing the drilling of one horizontal well within said spacing unit not less than 500 feet to the boundary of said spacing unit and providing such other relief as is appropriate. Case No. 9130: Application of Continental Resources, Inc. for an order creating a 1280-acre drilling unit comprised of Section 4, T.141N., R.98W., and Section 3, T.142N. R.98W., Billings County, ND, authorizing the drilling of a horizontal well within said drilling. unit at a location not less than 500 feet from the boundary of the drilling unit as an excepunit at a location had less and so less from the boundary of the drining and expension of of the drining and expensi Grilling units comprised of Sections 13 and 24, Sections 14 and 23, Sections 15 and 22, Sections 25 and 36, Section 26 and 35 and Sections 27 and 34, in T.146N.; R.98W. McKenzie County, ND, authorizing the drilling of a horizontal well within each drilling unit at a location not less than 500 feet from the boundary of each drilling unit as an exception to the provisions of NDAC § 43-02-03-18 and such other relief as is appropriate. Case No. 9132: Application of Missouri Basin Well Service, Inc. for an order creating a 320-acre drilling unit comprised of the SE/4 of Section 35 and the SW/4 of Section 36,T.150N.,R.101W.,McKenzie County, ND, authorizing the drilling of a well therein at a location 1300 feet from the south line and 300 feet from the west line of Section 36 as an exception to the provisions of NDAC § 43-02-03-18, and such other relief as is appropriate. Case No. 9133: Application of Missouri Basin Resources, Inc. for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit for the Kordonowy-Fryburg #34-31 well and the State Kordonowy B #34-31 well described as the S/2 of Section 31, T.142N., R.98W., Bullsnake-Stonewall Pool Billings County, ND, and such other relief as is appropriate. Case No. 9107: (Continued)

Proper spacing for the development of the Bullsnake-Stonewall Pool, Billings County, ND. redefine the field limits, and enact such special field rules as may be necessary. Missouri Basing Well Service, Inc. Case No. 9134: Application of Ansbro Petroleum Co., LLC for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit for the Ficek #412-021HWell described as all of Sections 21 and 22, T.141N., R.96W., Dunn County, ND and such 100 and such other relief as is appropriate. Case No. 9135: Application of Eagle Operating, Inc. for an order amending the field rules for the Northwest McGregor-Madison Pool so as to create a 320 acre spacing unit comprised of the E/2 of Section 13, T.159N., R.96W., Williams County, ND. authorizing the drilling of one horizontal well within said spacing unit not less than 500 feet 37 authorizing the drilling of one horizontal well within said spacing unit not less than 500 feets. It to the boundary of the spacing unit and providing such other relief as is appropriate. Case No. 9136. Application of Summit Resources Inc. for an order amending the field rules for the Roosevelt-Madison Pool so as to create a 640-acre spacing unit comprised of Section 4717. T.142N., R.102W., Billings County, ND, authorizing the drilling of one horizontal well within Said spacing unit not less than 500 feet to the boundary of said spacing unit and providing such other relief as is appropriate. Case No. 9137: Application of Summit Resources Inc. for an order amending the field rules for the Beaver Creek-Red River Pool so as to create a Colonial Control of Summit Resources Inc. for an order amending the field rules for the Beaver Creek-Red River Pool so as to create a Colonial Control of Summit Resources Inc. for an order amending the field rules for the Beaver Creek-Red River Pool so as to create a Colonial Control of Summit Resources Inc. for an order amending the field rules for the Beaver Creek-Red River Pool so as to create a Colonial Control of Summit Resources Inc. for an Order Amendment Resources Inc. for an Order Resources Inc. for an 320-acre spacing unit comprised of the E/2 of Section 26, T.143N., R.103W., Golden Valley B. County, ND, authorizing the drilling of one horizontal well within said spacing unit not less than 500 feet to the boundary of said spacing unit and providing such other relief as is appropriate. Case No. 9138:Application of Summit Resources Inc. for an order amending the field rules for the Elkhorn Ranch-Bakken Pool so as to create a 640-acre spacing unit comprised said. of Section 24, T.143N., R.102W., Billings County, ND, authorizing the drilling of one horizon-tal well within said spacing unit not less than 500 feet to the boundary of said spacing unit and providing such other relief as is appropriate. Case No. 9139: Proper spacing for the development of the St. Demetrius-Barken Pool, Billings County, NL, recenine the new manual season and enact such special field rules as may be necessary. Headington Oil, LP Case No. 9140: Temporary spacing to develop an oil and/or gas pool discovered by the Headington Oil, LP #44X-30 Garylow well, located in the SE/4 SE/4 of Section 30, T.142N, R.98W, Billings OP County, ND, define the field limits, and enact such special field rules as may be necessary. Section 30, 1142N, R.98W, Billings OP County, ND, define the field blunds of the field blunds of the field blunds of the field blunds of the field season of the same ladges as the create the field blunds of Case No. 9141:Application of Headington Oil, LP for an order extending the field bound aries and amending the field rules for the Beaver Lodge-Bakken Pool so as to create two 1280-acre spacing units comprised of Sections 4 and 9;T.155N., R.96W., and Sections 28 and 33, T.156N., R.96W., Williams County, ND, authorizing the drilling of one horizontal well within each spacing unit not less than 500 feet to the boundary of said spacing unit and providing such other relief as is appropriate. Case No. 9142:Application of Headington Oil, LP for an order extending the field boundaries and amending the field rules for the Capa Dakken Pool so as to create a 1280-acre spacing unit comprised of Sections 2 and 11.54N., R.96W., Williams County, ND, authorizing the drilling of one horizontal well within, M said spacing unit not less than 500 feet to the boundary of said spacing unit and providing said spacing unit not less than 500 feet to the boundary of said spacing unit and providing such other relief as is appropriate. Case No. 9143:Application of Headington Oil, LP for an order pursuant to NDAC § 43-02-03-88.1 pooling all interests in a spacing unit for the MonDak-Bakken Pool described as all of Sections 4 and 9, T.147N., R.104W., McKenzie. County, ND; authorizing the recovery from each nonparticipating owner a risk penalty as provided by NDCC § 38-08-08 and such other relief as is appropriate. Case No. 9144: In the matter of the application of Headington Oil, LP for an order pursuant to NDAC § 43-02-00 03-88.1 pooling all interests in a spacing unit for the MonDak-Bakken Pool described as all of Sections 27 and 34, T.148N., R.104W., McKenzie County, ND; authorizing the recovery from each nonparticipating owner a risk penalty as provided by NDCC § 38-08-08 and such content relief as is appropriate. Case No. 9145: Proper spacing for the development of the MonDak-Bakken Pool, McKenzie County, ND, redefine the field limits, and enact such special field rules as may be necessary. Burlington Resources Oil & Gas Co., LP; Headington Oil LP; Nance Petroleum Corp. Nance Petroleum Corp.

Case No. 8967: (Continued) Application of Prima Exploration, Inc. for an order creating a 1280-acre drilling unit comprised of Sections 23 and 26, T.156N., R.91W., Mountrail County, ND, authorizing the drilling of a horizontal well therein at a location not less than 500 feet from the boundary as an exception to the provisions of NDAC Section 43-02-03-18, and such other relief as is appropriate. Case No. 8909: (Continued) Proper spacing for the development of the Valley Road-Madison Pool, Renville County, ND, redefine the field limits, and enact such special field rules as may be necessary. Golden Eye Resources, LLC. Case No. 9146: Application of Nance Petroleum Corp. for an order including the S/2 of Section 19, T.153N. R.94W., McKenzie County, ND, in Zone III of the Antelope Sanish Pool for which spacing has been established on the basis of one horizonate well per Sanish Pool, for which spacing has been established on the basis of one horizontal well per 320 acres, or for such other relief as is appropriate. Case No. 9147: Application of Nance Petroleum Corp. for an order including the E/2 of Section 6 and the 5/2 of Section 9,T.143N.; R.101W., and the W/2 of Section 32,T.144N., R.101W., all in Billings County, ND, in Zone II of the Elkhorn Ranch-Madison Pool, for which spacing has been established on the basis of one horizontal well per 320 acres, or for such other relief as is appropriate. Case No. 9148:

Application of Nance Petroleum Corp. for an order establishing a 640-acre spacing unit for the Cartwright-Madison Pool consisting of Section 1, T.150N., R.104W., McKenzle County, ND, and allowing a horizontal well to be drilled at any location not closer than 500 feet to the boundaries of said spacing unit, or for such other relief as is appropriate. Case No. 9149: Application of Nance Petroleum Corp. for an order amending the field rules for the Fort Buford-Madison Pool so as to extend the boundaries of the field to include the W/2 of Section 4,T.152N., R.104W., Williams County, ND, and to establish a spacing unit consisting Section 4, T.152N., R.104W., Williams County, ND, and to establish a spacing unit consisting of all of said Section 4, consisting of 759.68 acres, more or less, and allowing a horizontat well to be drilled to the Madison Formation at any location not closer than 500 feet to the boundary of said spacing unit, or for such other relief as is appropriate. Case No. 9150: Application of Nance Petroleum Corp. for an order including the W/2 of Section 4, T.152Nz, R.101W., and the S/2 of Section 36, T.153Nz, R.102W., McKenzie County, ND, in Zone.IIII of the Indian Hill-Madison Pool, for which spacing has been established on the basis of one horizontal well per 320 acres, or for such other relief as is appropriate, Case No. 9151: Application of Hess Corporation, for an order extending the outlines of the Beaver Lodge-Field to include all of Sections 5 and 8, T.155Nz, R.95W., Sections 14, 15, 28 and 33, T.156Nz, R.95W., Sections 3, 4, 9 and 16, T.155Nz, R.96W., Williams County, ND, and include said lands within Zone III of the Beaver Lodge-Bakken Pool, for which spacing has been established on the basis of one horizontal well per 1280 acres, or for such other relief as is appropriate. within Zone III of the beaver Louge-backen root, for which spacing has been established on the basis of one horizontal well per 1280 acres, or for such other relief as is appropriate.—

Case No. 9152: Application of Hess Corporation, for an order establishing three drilling units, consisting of Sections 5 and 8, Sections 18 and 19, and Sections 30 and 31, all in T.157N., R.94W., Mountrail County, ND, and allowing a horizontal well to be drilled in the Bakken Formation at any location not closer than 500 feet to the boundary of each of saiddrilling units, or for such other relief as is appropriate. Case No. 9153: Application of Hess Corporation for an order establishing a drilling unit consisting of all of Sections. Fand 12, T.158N., R.95W., Williams County, ND, and allow a horizontal well to be drilled in the Bakken. Formation at any location thereon not closer than 500 feet to the boundary of the drilling unit, or for such other relief as is appropriate. Case No. 9089: (Continued) Proper spacing for the development of the Banks-Red River Gas Pool, McKenzie County, ND, redefine the significant field limits, and enact such special field rules as may be necessary. Hess Corporation Case field limits, and enact such special field rules as may be necessary. Hess Corporation Case No. 9154: Application of Murex Petroleum Corp. for an order establishing a 1280-acre drilling unit consisting of the \$'20 of Section 22, all of Section 27, and the N/2 of Section 34 T.158N., R.95W., Williams County, ND, and allowing a horizontal Bakken well with one of more laterals to be drilled at any location not closer than 500 feet to the boundary of the drilling unit, or for such other relief as is Case No. 9155: A motion of the Commission to consider requiring a unit bond for the Rival-Madison Unit, Burke County, ND, prior to the transfer of said unit to a new operator, pursuant to NDAC § 43-02-03-15. Case No. 90860 (Continued) Temporary spacing to develop an oil and/or gas pool discovered by the Tirlic Resources, Inc. #16-15 Gamma-State well, located in the SW/4 SE/4 of Section 16, T.154N. R.100W., Williams County, ND, define the field limits, and enact such special field rules as may be necessary. Case No. 9156; Proper spacing for the development of the Stoneview of the stonevie cial field rules as may be necessary. BTA Oil Producers Case No. 9157: Temporary spacing to develop an oil and/or gas pool discovered by the Whiting Oil & Gas Corp. #14-6H-Satterthwaite well, located in the SW/4 SW/4 of Section 6, T.153N., R.92W., Mountrail County, ND, define the field limits, and enact such special field rules as may be necessary:

Case No. 9158; Temporary spacing to develop an oil and/or gas pool discovered by the PDC

Corp. #31-1H Carmona well, located in the NE/4 NW/4 of Section 1, T.146N., R.99W.,

McKenzie County, ND, define the field limits, and enact such special field rules as may be necessary. essary: Case No. 9099: (Continued) Application of Petroleum Development Corp., for an essary Case No. 3099; Continued Application of Petroleum Development Corp., for an order creating a 1280-acre drilling unit for the Bakken Formation consisting of Sections 3/ and 10, T.151N., R.93W., Mountrail County, ND, and allowing a horizontal well to be drilled thereon at any location not closer than 500 feet to the boundary of the drilling unit, or for such other relief as is appropriate. Case No. 9100: (Continued) Application of Petroleum Development Corp., for an order creating a 1280- acre drilling unit for the Bakken Formation consisting of Sections 5 and 8,T.151N., R.93W., Mountrail County, ND, and allowing a horizontal well to be drilled thereon at any location not closer than 500 feet to the ing a horizontal well to be drilled thereon at any location not closer than 500 feet to the boundary of the drilling unit, or for such other relief as is appropriate. Case No. 9101 (Continued) Application of Petroleum Development Corp., for an order creating a acre drilling unit for the Bakken Formation consisting of Sections 14 and 23,T.151N., R.93V, and Mountrail County, ND, and allowing a horizontal well to be drilled thereon at any location Mountrail County, ND, and allowing a horizontal well to be drilled thereon at any location, not closer than 500 feet to the boundary of the drilling unit, or for such other relief as its appropriate. Case No. 9102: (Continued) Application of Petroleum Development Corp., for an order creating a 1280- acre drilling unit for the Bakker Formation consisting of Sections; 16 and 21, T.151N., R.93W., Mountrail County, ND, and allowing a horizontal well to be drilled thereon at any location not closer than 500 feet to the boundary of the drilling unit for or for such other relief as is appropriate. Case No. 9103: (Continued) Application of Petroleum Development Corp., for an order creating a 1280- acre drilling unit for the Bakken Formation consisting of Sections 18 and 19, T.151N., R.93W., Mountrail County, ND, and allowing a horizontal well to be drilled thereon at any location not closer than 500 feet. (Continued) Application of Petroleum Development Corp., for an order creating a 1280-acre drilling unit for the Bakken Formation consisting of Sections 25 and 36, T.151N., R.93W., Mountrait County, ND and allowing a horizontal well to be drilled thereon at any location Mountrait County, ND; and allowing a horizontal well to be drilled thereon at any location not closer than 500 feet to the boundary of the drilling unit, or for such other relief as is 120 appropriate. Case No. 9105; (Continued) Application of Petroleum Development Corp., for all an order creating a 1280- acre drilling unit for the Bakken Formation consisting of Sections 27 and 34, T.151N., R.93W., Mountrail County, ND, and allowing a horizontal well to be drilled thereon at any location not closer than 500 feet to the boundary of the drilling unit or for such other relief as is appropriate: Case No. 9106; (Continued) Application of restrictions of the continued of the countrail County, ND. and 32, T.151N., R.93W., Mountrail County, ND. and allowing a horizontal well to be drilled thereon at any location not closer than 500 feet to the boundary of the drilling unit, or for such other relief as is appropriate. Case No. 9159; Temporary spacing to develop an oil and/or gas pool discovered by the Stone Energy Corp. #25-2 Plumer-Lundquist well, located in the NW/4 NE/4 of Section 25, T.161N., R.99W., Divide County, ND, define the field limits, and enact such special field rules as may be need to the second content of the second country. ND, define the field limits, and enact such special field rules as may be need to the second content of the second country. Divide County, ND, define the field limits, and enact such special field rules as may be necessary essary. John Hoeven, Governor Chairman, ND Industrial Commission 9/7 - 600576 John Hoeven, Governor