

RECEIVED

JUL 01 2013

DEPT OF ENVIRONMENT & NATURAL
RESOURCES - RAPID CITY

Fredrikson
& BYRON, P.A.

June 27, 2013

Ms. Jenny Hegg
Department of Environment and
Natural Resources
2050 West Main, Suite #1
Rapid City, SD 57701

VIA EMAIL AND U.S. MAIL

**RE: CASE NO. 20-2013: IN THE MATTER OF
THE APPLICATION OF CONTINENTAL
RESOURCES, INC. FOR AN ORDER OF
THE BOARD AMENDING ANY
APPLICABLE ORDERS FOR THE
TABLE MOUNTAIN FIELD TO POOL
ALL INTERESTS IN AN OVERLAPPING
1280-ACRE SPACING UNIT
DESCRIBED AS SECTIONS 16 AND 21,
TOWNSHIP 22 NORTH, RANGE 3 EAST,
HARDING COUNTY, SOUTH DAKOTA;
AND FOR SUCH OTHER RELIEF AS
THE BOARD DEEMS APPROPRIATE.**

Dear Ms. Hegg:

Please find enclosed herewith for filing a PETITION AND APPLICATION OF CONTINENTAL RESOURCES, INC. for consideration.

Thank you for your attention to this matter.

If you should have any questions, please advise.

Sincerely,


LAWRENCE BENDER

LB/leo

Enclosure

cc: Mr. Michael Lees – (w/enc.) *Via Email*

Ms. Christi Wood – (w/enc.) *Via Email*

6753365_1.DOC

Attorneys & Advisors
main 701.221.4020
fax 701.221.4040
www.fredlaw.com

Fredrikson & Byron, P.A.
200 North Third Street, Suite 150
Bismarck, North Dakota
58501-3879

RECEIVED

JUL 01 2013

DEPT OF ENVIRONMENT & NATURAL
RESOURCES - RAPID CITY

STATE OF SOUTH DAKOTA

DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

BOARD OF MINERALS AND ENVIRONMENT

CASE NO. 20-2013

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL RESOURCES, INC. FOR AN
ORDER OF THE BOARD AMENDING ANY
APPLICABLE ORDERS FOR THE TABLE
MOUNTAIN FIELD TO POOL ALL
INTERESTS IN AN OVERLAPPING 1280-ACRE
SPACING UNIT DESCRIBED AS SECTIONS 16
AND 21, TOWNSHIP 22 NORTH, RANGE 3
EAST, HARDING COUNTY, SOUTH DAKOTA;
AND FOR SUCH OTHER RELIEF AS THE
BOARD DEEMS APPROPRIATE.

PETITION AND APPLICATION
OF CONTINENTAL RESOURCES, INC.

Continental Resources, Inc. (“Continental”) and for its petition and application to the Department of Environment and Natural Resources, Board of Minerals and Environment (the “Board”), states and alleges as follows:

1.

Continental is the owner of an interest in the oil and gas leasehold estate underlying all or portions of the following described lands in Harding County, South Dakota:

Township 22 North, Range 3 East

Section 16: All

Section 21: All

(the “Subject Lands”)

2.

In Order No. 4-2013, the Board established the Subject Lands as a 1280-acre spacing unit in the Table Mountain field.

3.

That the Subject Lands overlap two laydown 320-acre spacing units established under Order No. 6-1983.

4.

That the Koch 11-16A well, located on the N/2 of Section 16, and the Koch 34-16 well, located on the S/2 of Section 16, are vertical wells that have produced since 1984 in said 320-acre spacing units.

5.

That Continental hereby requests the Board designate Continental as the operator of the authorized well within said spacing unit comprised of the Subject Lands.

6.

That there are both separately owned tracts and separately owned interests in the spacing unit comprised of the Subject Lands.

7.

That a voluntary pooling of the Subject Lands has not been accomplished.

8.

That Section 45-9-31 of the South Dakota Codified Laws provides as follows:

45-9-31. Order pooling all interests in spacing unit--Application by interested person--Notice and hearing--Terms and conditions. In the absence of voluntary pooling, the Board of Minerals and Environment or the secretary, as applicable, upon the application of any interested person, shall enter an order pooling all interests in the spacing unit for the development and operation of the spacing unit, and for the sharing of production from the spacing unit. Each such pooling order shall be made after notice and opportunity for hearing, and shall be upon terms and

conditions that are just and reasonable, and that afford to the owner of each tract or interest in the spacing unit the opportunity to recover or receive without unnecessary expense, his or her just and equitable share.

9.

That Section 45-9-32 of the South Dakota Codified Laws provides as follows:

45-9-32. Order of Board of Minerals and Environment pooling all interests in spacing unit--Operation of well--Rights of owners to participate--Payment of expenses. Each such pooling order shall authorize the drilling, equipping, and operation of a well on the spacing unit; shall provide who may drill and operate the well; shall prescribe the time and manner in which all the owners in the spacing unit may elect to participate therein; and shall make provision for payment by all those who elect to participate therein of the reasonable actual cost thereof, plus a reasonable charge for supervision and interest.

10.

Continental respectfully requests that the Board enter an order to pool all interests in an overlapping 1280-acre spacing unit for the Table Mountain Field described as the Subject Lands.

11.

In Continental's opinion, pooling the Subject Lands will increase the ultimate recovery of the pool, prevent waste, prevent the drilling of unnecessary wells and protect correlative rights.

WHEREFORE, Continental respectfully requests that notice of this matter be provided as required by South Dakota laws and that thereafter the Board of Minerals and Environment enter its order granting the relief requested herein.

DATED this 27 day of June, 2013.

Fredrikson & Byron, P.A.

By  _____

LAWRENCE BENDER
SOUTH DAKOTA LICENSE #3461
200 North 3rd Street, Suite 150
P. O. Box 1855
Bismarck, ND 58502-1855
(701) 221-4020

***ATTORNEYS FOR APPLICANT AND
PETITIONER, CONTINENTAL RESOURCES,
INC.***

6578962_1.DOC