



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 E CAPITOL AVE
PIERRE SD 57501-3182
danr.sd.gov

May 31, 2023

Al Salomone, Manager
Gulf Exploration, LLC
9701 North Broadway Extension
Oklahoma City, OK 73114

Dear Mr. Salomone:

Thank you for your applications filed April 17 and April 28, 2023, requesting approval to drill oil wells at locations that are an exception to statewide spacing. The first well is located 1,250 feet from the north line and 500 feet from the east line in Section 3, Township 9 South, Range 1 East, approximately 10 miles west of Edgemont, Fall River County, SD. The second well is located 2,550 feet from the south line and 1,550 feet from the west line in Section 16, Township 9 South, Range 1 East, approximately 9.4 miles southwest of Edgemont, Fall River County, SD.

The department published Notices of Recommendation, Oil and Gas Case No. 2-2023 and 3-2023, recommending approval of the applications. The date for intervention was May 24, 2023, and no parties petitioned the Board of Minerals and Environment for a hearing on the applications by the deadline.

Therefore, in accordance with the Administrative Rules of South Dakota 74:12:02:08 and 74:12:09, approval of the applications is hereby granted. Enclosed are the Notices of Recommendation.

If our office can be of further assistance to you, please contact Lucy Blocker at (605) 773-4201.

Sincerely,

Hunter Roberts, Secretary

Enclosure

cc w/enc: Brett Koenecke, May, Adam, Gerdes & Thompson, P. O. Box 160, Pierre, SD

STATE OF SOUTH DAKOTA
SECRETARY OF THE
DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF GULF EXPLORATION CO., OKLAHOMA CITY, OKLAHOMA, FOR A PERMIT TO DRILL AN OIL AND GAS WELL AT AN EXCEPTION LOCATION TO STATEWIDE SPACING, DESCRIBED AS THE ENIGMA 1-3 WELL, LOCATED 1,250 FEET FROM THE NORTH LINE AND 500 FEET FROM THE EAST LINE IN SECTION 3, TOWNSHIP 9 SOUTH, RANGE 1 EAST; APPROXIMATELY 10 MILES WEST OF EDMONT, FALL RIVER COUNTY, SOUTH DAKOTA.

NOTICE
OF
RECOMMENDATION

OIL AND GAS
CASE NO. 2-2023

Notice is hereby given to the public and to all interested persons of an oil well spacing exception request pursuant to South Dakota Codified Laws (SDCL) Chapter 1-26 and Chapter 45-9 and further pursuant to the Administrative Rules of South Dakota (ARSD) 74:12:02:08 and 74:12:09.

The Secretary recommends approval of the oil and gas statewide spacing exception well location for the following reasons:

1. The applicant asserts that drilling this well at the location prescribed by statewide spacing would likely result in a well unable to produce in economic quantities, as indicated by three-dimensional seismic interpretation.
2. No other producing or drilled oil and gas wells are located within 1,000 feet of the proposed location.

Authority for the Secretary to approve this application is contained in ARSD 74:12:02:08 and 74:12:09. Unless a person files a petition requesting a hearing on the above application pursuant to the provisions of ARSD 74:09:01:01 and 74:09:01:04 on or before May 24, 2023, the Secretary's recommendation will be final and the Secretary will approve the application in accordance with that recommendation.

The application and notice of recommendation are also posted on the department's website at: <https://danr.sd.gov/Environment/MineralsMining/OilGas/OilGasCases.aspx> and <https://danr.sd.gov/public/default.aspx>. Additional information about this application is available from Mike Lees, Administrator, Minerals, Mining, and Superfund Program, Department of Agriculture and Natural Resources, 523 East Capitol Avenue, Pierre, SD 57501, telephone (605) 773-4201, email michael.lees@state.sd.us.

May 4, 2023



Hunter Roberts
Secretary

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STATE OF SOUTH DAKOTA
SECRETARY OF THE
DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF GULF EXPLORATION CO., OKLAHOMA CITY, OKLAHOMA, FOR A PERMIT TO DRILL AN OIL AND GAS WELL AT AN EXCEPTION LOCATION TO STATEWIDE SPACING, DESCRIBED AS THE AVALANCHE 1-16 WELL, LOCATED 2,550 FEET FROM THE SOUTH LINE AND 1,550 FEET FROM THE WEST LINE IN SECTION 16, TOWNSHIP 9 SOUTH, RANGE 1 EAST; APPROXIMATELY 9.4 MILES SOUTHWEST OF EDGEMONT, FALL RIVER COUNTY, SOUTH DAKOTA.

NOTICE
OF
RECOMMENDATION

OIL AND GAS
CASE NO. 3-2023

Notice is hereby given to the public and to all interested persons of an oil well spacing exception request pursuant to South Dakota Codified Laws (SDCL) Chapter 1-26 and Chapter 45-9 and further pursuant to the Administrative Rules of South Dakota (ARSD) 74:12:02:08 and 74:12:09.

The Secretary recommends approval of the oil and gas statewide spacing exception well location for the following reasons:

1. The applicant asserts that drilling this well at the location prescribed by statewide spacing would likely result in a well unable to produce in economic quantities, as indicated by three-dimensional seismic interpretation.
2. No other producing or drilled oil and gas wells are located within 1,000 feet of the proposed location.

Authority for the Secretary to approve this application is contained in ARSD 74:12:02:08 and 74:12:09. Unless a person files a petition requesting a hearing on the above application pursuant to the provisions of ARSD 74:09:01:01 and 74:09:01:04 on or before May 24, 2023, the Secretary's recommendation will be final and the Secretary will approve the application in accordance with that recommendation.

The application and notice of recommendation are also posted on the department's website at: <https://danr.sd.gov/Environment/MineralsMining/OilGas/OilGasCases.aspx> and <https://danr.sd.gov/public/default.aspx>. Additional information about this application is available from Mike Lees, Administrator, Minerals, Mining, and Superfund Program, Department of Agriculture and Natural Resources, 523 East Capitol Avenue, Pierre, SD 57501, telephone (605) 773-4201, email michael.lees@state.sd.us.

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Hunter Roberts
Secretary

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