



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

July 15, 2024

Brian Dice
Wadi Petroleum, Inc.
575 N Dairy Ashford Rd.
Suite 350
Houston, Texas 77079

Dear Mr. Dice:

Thank you for your application filed June 12, 2024, requesting approval to drill an oil well at a location that is an exception to statewide spacing. The well is located 1,261 feet from the north line and 516 feet from the east line in Section 7, Township 8 South, Range 1 East, approximately 11.9 miles northwest of Edgemont, Fall River County, South Dakota.

The department published a Notice of Recommendation, Case No. 1-2024, recommending approval of the application. The date for intervention was July 10, 2024, and no parties petitioned the Board of Minerals and Environment for a hearing on the application by the deadline.

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

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

IN THE MATTER OF THE APPLICATION OF WADI PETROLEUM, INC., HOUSTON, TEXAS, FOR A PERMIT TO DRILL AN OIL AND GAS WELL AT AN EXCEPTION LOCATION TO STATEWIDE SPACING, DESCRIBED AS THE SOUTH DAKOTA FEDERAL 1-7 WELL, LOCATED 261 FEET FROM THE NORTH LINE AND 516 FEET FROM THE EAST LINE IN SECTION 7, TOWNSHIP 8 SOUTH, RANGE 1 EAST; APPROXIMATELY 11.9 MILES NORTHWEST OF EDMONT, FALL RIVER COUNTY, SOUTH DAKOTA.

NOTICE
OF
RECOMMENDATION

OIL AND GAS
CASE NO. 1-2024

Notice is hereby given to the public and to all interested persons of an oil and gas well field 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 July 10, 2024, 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.

June 20, 2024



Hunter Roberts
Secretary

Published once at the total approximate cost of _____.