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DEPT OF ENVIRONMENT & NATURAL  
RESOURCES - RAPID CITY

STATE OF SOUTH DAKOTA

DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

BOARD OF MINERALS AND ENVIRONMENT

CASE NO. 33-2013

IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. FOR AN ORDER OF THE BOARD AMENDING BOARD ORDER NOS. 6-83, 12-08, 13-08, AND 5-10 SO AS TO AMEND THE FIELD RULES FOR THE TABLE MOUNTAIN FIELD AND ESTABLISH THE FOLLOWING OVERLAPPING 1280-ACRE SPACING UNIT: SECTIONS 1 AND 12, TOWNSHIP 22 NORTH, RANGE 3 EAST, AND THE FOLLOWING 1280-ACRE SPACING UNITS: SECTIONS 17 AND 20, SECTIONS 18 AND 19, SECTIONS 29 AND 32, AND SECTIONS 30 AND 31, TOWNSHIP 22 NORTH, RANGE 3 EAST, TABLE MOUNTAIN FIELD, HARDING COUNTY, SOUTH DAKOTA; AND ALLOW THE DRILLING OF ONE HORIZONTAL WELL TO THE RED RIVER "B" POOL ON EACH SPACING UNIT NOT LESS THAN 500 FEET TO THE SPACING UNIT BOUNDARY RELIEF AS THE BOARD DEEMS APPROPRIATE.

PETITION AND APPLICATION  
OF CONTINENTAL RESOURCES, INC.

COMES NOW THE PETITIONER, Continental Resources, Inc. ("Continental") and for its petition and application states and alleges as follows:

1.

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

Township 22 North, Range 3 East

Section 1: All

Section 12: All

Section 17: All

Section 18: All  
Section 19: All  
Section 20: All  
Section 29: All  
Section 30: All  
Section 31: All  
Section 32: All

(the "Subject Lands")

2.

By Board Order Nos. 6-83, 12-08, 13-08 and 5-10, the Table Mountain Field is comprised of the following described lands, Harding County, South Dakota:

Township 23 North, Range 3 East

Section 25: All  
Section 26: All  
Section 35: All  
Section 36: All

Township 23 North, Range 4 East

Section 30: NW/4

Township 22 North, Range 2 East

Section 24: E/2

Township 22 North, Range 3 East

Section 1: All  
Section 2: All  
Section 3: All  
Section 4: All  
Section 9: All  
Section 10: All  
Section 11: All  
Section 12: All  
Section 14: All  
Section 15: All  
Section 16: All  
Section 17: All  
Section 19: All  
Section 20: All

Section 21: All  
Section 22: All  
Section 23: All  
Section 27: All  
Section 28: All  
Section 29: All  
Section 30: All

3.

That the proposed overlapping spacing unit comprised of Sections 1 and 12, Township 22 North, Range 3 East, overlaps an existing 320-acre spacing units established under Board Order No. 6-83.

4.

That the Koch 34-1 Hansen State well, located on the SW/4SE/4 of Section 1, Township 22 North, Range 3 East, is a vertical well that has produced since 1983 in said 320-acre spacing unit comprised of the S/2 of Section 1, as established in Board Order No. 6-83.

5.

That Sections 1 and 12, Township 22 North, Range 3 East are currently spaced as 640-acre spacing units under Board Order No. 13-97.

6.

That Section 17 is currently spaced as part of a 1280-acre spacing unit comprised of all of Sections 16 and 17, Township 22 North, Range 3 East, pursuant to Board Order No. 14-2008.

7.

That Section 19 is currently spaced as part of a 1280-acre spacing unit comprised of the E/2 of Section 24, Township 22 North, Range 2 East, and all of Section 19, and the W/2 of Section 20, Township 22 North, Range 3 East, pursuant to Board Order No. 12-2008.

8.

That Sections 29 and 30, Township 22 North, Range 3 East, are currently spaced as a 1280-acre spacing unit pursuant to Board Order No. 13-2008.

9.

That Section 32, Township 22 North, Range 3 East, is currently spaced as a 640-acre spacing unit pursuant to Board Order No. 3-1996.

10.

That Sections 18, 31, and 32, Township 22 North, Range 3 East, are currently not located in a field.

11.

That Continental desires to utilize the horizontal drilling technique to test and further develop the "B" zone of the Red River Formation, in and under the Subject Lands.

12.

That in utilizing the horizontal drilling technique, it is reasonably necessary to have a certain amount of flexibility with respect to well locations that the current orders and rules of the Board fail to provide.

13.

That it is the opinion of Continental that use of the horizontal drilling technique to test and further develop the "B" zone of the Red River Formation will increase the ultimate recovery of the reservoir in a manner which will prevent waste, protect correlative rights and prevent the drilling of unnecessary wells.



14.

That Continental requests an order of the Board amending Board Order Nos. 6-83, 7-95, 12-08, 13-08, and 5-10 to amend the field rules for the Table Mountain Field and establish the following overlapping 1280-acre spacing: Sections 1 and 12, Township 22 North, Range 3 East, and the following 1280-acre spacing units: Sections 17 and 20, Sections 18 and 19, Sections 29 and 32, and Sections 30 and 31, Township 22 North, Range 3 East, Table Mountain Field, Harding County, South Dakota; and allow the drilling of one horizontal well to the Red River "B" pool on each spacing unit not less than 500 feet to the spacing unit boundary and for other relief as the Board deems appropriate.

15.

That the legal authority and jurisdiction under which a hearing would be held and the particular statutes and rules involved are S.D.C.L. Ch. 1-26, S.D.C.L. Ch. 45-9 and A.R.S.D. Ch. 74:09:01 and A.R.S.D. Ch. 74:12:02.

**WHEREFORE**, Continental respectfully requests that this matter be set for hearing and that thereafter the Board of Minerals and Environment grant the following:

- a. That Board Order Nos. 6-83, 3-1996, 13-97, 12-2008, 13-2008 and 14-2008 and any applicable orders or rules of the Board be amended so as to establish Sections 1 and 12, and Sections 17 and 20, Township 22 North, Range 3 East, as overlapping 1280-acre spacing units, and Sections 18 and 19, Sections 29 and 32, and Sections 30 and 31, Township 22 North, Range 3 East, as 1280-acre spacing units in the Table Mountain Field, Harding County, South Dakota, and allow the drilling of one horizontal well not less than 500 feet to the spacing unit boundary for each spacing

unit;

- b. That the boundaries of the Table Mountain Field be expanded to encompass Sections 18, 31, and 32, Township 22 North, Range 3 East.
- c. That the Board be authorized to issue drilling permits for the horizontal wells requested upon receipt of appropriate applications as provided by the rules and regulations of the Board; and
- d. That Continental be granted other relief as the Board deems appropriate.

DATED this 5th day of September, 2013.

Fredrikson & Byron, P.A.

By 

**LAWRENCE BENDER**

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*ATTORNEYS FOR APPLICANT AND PETITIONER,  
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