



South Dakota 74:12:02:06, and based upon Luff's Petition and the supporting documents filed by Luff, the Secretary makes and enters the following order:

Luff represents owners of interests in the oil and gas leasehold estate in all or portions of the E/2 of Section 10, the W/2 of Section 11, the NW/4 of Section 14, and the NE/4 of Section 15, Township 22 North, Range 4 East, Harding County, South Dakota.

Pursuant to Order Nos. 2-78, 20-97, 2-10, 6-13 and 4-14, all of these lands other than the NW/4 of Section 14 and the NE/4 of Section 15 are included within the Buffalo Field. Pursuant to Order No. 4-14, the NE/4 of Section 10, together with the NW/4 of Section 11, the E/2 of Section 3 and the W/2 of Section 2 constitute a 960-acre spacing unit. The NW/4 of Section 14 and the NE/4 of Section 15 are not currently included in any field established by order of the Board, but are adjacent to the current outline of the Buffalo Field and evidence submitted by Luff indicates those lands are likely to be productive of hydrocarbons from the same Red River "B" pool currently included within the Buffalo Field.

Luff has drilled the Castle Rock D-11H well in a northwest/southeast orientation on the 960-acre spacing unit established by Order No. 4-14 and now desires to drill an additional horizontal well in the Red River "B" Formation that generally parallels the Castle Rock D-11H well. The proposed spacing unit accommodates the wellbore planned by Luff and is also consistent with other spacing orders entered by the Board in the area.

Such a spacing unit is not smaller than the maximum area that can be efficiently and economically drained by the proposed well and the size, shape and location of the spacing unit will result in the efficient and economic development of the pool as a whole.

**IT IS THEREFORE ORDERED**

- A. The outline of the Buffalo Field is extended to include the NW/4 of Section 14

and the NE/4 of Section 15, Township 22 North, Range 4 East, Harding County, South Dakota. An overlapping spacing unit consisting of the E/2 of Section 10, the W/2 of Section 11, the NW/4 of Section 14 and the NE/4 of Section 15 is hereby established in the Buffalo Field.

B. A horizontal well with one or more laterals is allowed to be drilled on this spacing unit in the Red River "B" pool with any such laterals in the Red River "B" pool located not closer than 500 feet to the spacing unit boundary and not closer than 1,000 feet to that portion of the wellbore of the Castle Rock D-11H well that is in the Red River "B" zone.

C. That all portions of previous orders of the Board, if any, which are not amended by this Order shall remain in full force and effect until further order of the Board or Secretary.

D. That upon filing all required further information and forms with the Department of Environment and Natural Resources, a drilling permit may be issued for the horizontal wells on the spacing units established above.

Dated and signed this 19<sup>th</sup> day of December 2014.

A handwritten signature in black ink, appearing to read 'S. Pirner', with a horizontal line extending to the right.

Steven M. Pirner  
Secretary  
Department of Environment and Natural Resources