

ATTACHMENT 21

State of South Dakota approval in Case No. 5-2019

ORDER / CASE NO: ORDER NO. 5-2019

ORDER / NOTICE OF

RECOMMENDATION TYPE: EXCEPTION LOCATION

COUNTY: FALL RIVER

**LOCATION(S): T. 8S., R. 1E.,
SEC. 7**

OPERATOR: T-C OIL COMPANY, LLC

DATE ORDER ISSUED: 07/09/2019

DATE ORDER CLOSED:

AMENDS:

AMENDED BY:

APPROVAL STATUS:

FIELD NAME:

UNIT NAME:



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

denr.sd.gov

July 9, 2019

Gerald Freidrichs
Drilling Supervisor
T-C Oil Company, LLC
427 FM 774
Refugio, TX 78377

Dear Mr. Freidrichs:

Thank you for your application filed May 28, 2019, requesting approval to drill an oil well at a location that is an exception to statewide spacing. The well is located 513 feet from the east line and 261 feet from the north line in Section 7, Township 8 South, Range 1 East, approximately 11.9 miles northwest of Edgemont, Fall River County, SD.

The department published a Notice of Recommendation, Oil and Gas Case No. 5-2019, recommending approval of the application. The date for intervention was July 3, 2019, 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 do not hesitate to contact me at (605) 773-4201.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Lees".

Mike Lees, Administrator
Minerals and Mining Program

Enclosure

cy/w enc: Joe Rochelle, P.E., Engineer for T-C Oil Company, LLC, Allen & Crouch Petroleum Engineers, P. O. Box 976, Casper, WY 82601

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

IN THE MATTER OF THE APPLICATION OF T-C OIL COMPANY, LLC, REFUGIO, TX, FOR A PERMIT TO DRILL AN OIL AND GAS WELL AT AN EXCEPTION LOCATION TO STATEWIDE SPACING, DESCRIBED AS THE SOUTH DAKOTA FEDERAL 7-1 WELL, LOCATED 261 FEET FROM THE NORTH LINE AND 513 FEET FROM THE EAST LINE IN SECTION 7, TOWNSHIP 8 SOUTH, RANGE 1 EAST; APPROXIMATELY 11.9 MILES NORTHWEST OF EDMONT, FALL RIVER COUNTY, SD.

NOTICE
OF
RECOMMENDATION

OIL AND GAS
CASE NO. 5-2019

Notice is hereby given to the public and to all interested persons that 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 following matter has come to the attention of the Secretary of the Department of Environment and Natural Resources, hereinafter "Secretary."

The Secretary recommends approval of the exception location for the following reasons:

1. The applicant asserts that drilling this well at the location prescribed by the statewide spacing rule 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 on or before July 3, 2019, the Secretary's recommendation will be considered 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: <http://denr.sd.gov/des/og/pubhearing.aspx> and <http://denr.sd.gov/public>. Additional information about this application is available from Mike Lees, Administrator, Minerals and Mining Program, Department of Environment and Natural Resources, 523 East Capitol Avenue, Pierre, SD 57501, telephone (605) 773-4201, email michael.lees@state.sd.us.

June 7, 2019



Steven M. Pirner
Secretary

Published once at the total approximate cost of _____.



ALLEN & CROUCH
PETROLEUM ENGINEERS

RECEIVED
JUL 01 2019

MINERALS & MINING PROGRAM

June 26, 2019

Re: Reply to Letter Dated June 7, 2019 Notice of Recommendation
T-C Oil Company, LLC 427 FM 774 Refugio, TX 78377
South Dakota Federal 7-1 (Confidential)
261' FNL & 513' FEL NE NE Section 7-T8S-R1E, Fall River County, South Dakota

Department of Environment and Natural Resources Attention: Miles Lee
Joe Foss Building 523 East Capitol
Pierre, South Dakota 57501

Dear Mr. Lee:

This letter is a response to the South Dakota Department of Environment & Natural Resources letter dated June 7, 2019 for the South Dakota Federal 7-1 exception request.

Please find attached:

1. Affidavit of Notification
2. Certified mail return receipts
3. A list of persons notified

All of the mineral property within one-half mile of the location is owned or has been leased by T-C Oil Company, LLC.

If you have any questions or need additional information, please call me at (307) 234-3571.

Sincerely,

Joe Rochelle, PE
Engineer for T-C Oil Company, LLC

Attachments

Cc: Gerald Friedrichs T-C Oil Company

Re: Request for Location Exception

T-C Oil Company, LLC 427 FM 774 Refugio, TX 78377

South Dakota Federal 7-1 (Confidential)

261' FNL & 513' FEL NE NE Section 7-T8S-R1E, Fall River County, South Dakota

AFFIDAVIT OF NOTIFICATION

STATE OF WYOMING)
) ss
COUNTY OF NATRONA)

The undersigned, Joe Rochelle, of lawful age, after having first duly sworn upon his oath, disposes and states:

- All of the lease operators or owners, all surface owners and royalty owners within a one-half (1/2) mile radius of the proposed South Dakota Federal 7-1 are listed on Exhibit L-1.
- Notifications of the application were mailed by certified mail, return receipt requested, to all of the lease operators or owners and all surface owners listed on Exhibit L-1, by depositing same in the same in the United States mail on the 26th Day of June, 2019.

By: Joe Rochelle
Joe Rochelle

for T-C Oil Company, LLC

STATE OF WYOMING)
) ss
COUNTY OF NATRONA)

The foregoing instrument was subscribed and sworn to before me this 26th day of June 2019.

Witness my hand and official seal.

[Signature]
Notary Public

My Commission Expires:

MARCH 24, 2022

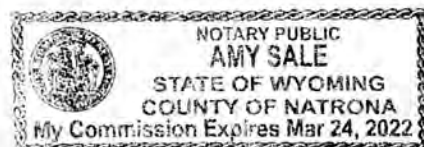


Exhibit L-1

List of Surface Owners, Lease Operators, Mineral Owners within ½ mile radius of the South Dakota Federal 7-1 NE NE Section 7-T8S-R1E, Fall River County, South Dakota.

Name and Address	Type of Interest
T-C Oil Company, LLC 427 FM 774 Refugio, TX 78377	Lease Owner
Nebraska National Forest and Grasslands 1801 Highway 18 Bypass Hot Springs, SD 57747	Surface Owner
Bureau of Land Management North Dakota Field Office 99 23 rd Ave., Suite A Dickinson, ND 58601	Mineral Owner
Bureau of Land Management South Dakota Field Office 310 Roundup Street Belle Fourche, SD 57717	Mineral Owner

U.S. Postal Service[™]
CERTIFIED MAIL[®] RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com.

DICKINSON, ND 58601

Certified Mail Fee \$3.50
\$2.80
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.55

Total Postage BLM \$6.85

Sent To North Dakota Field Office

Street and 99 23rd Ave., Suite A

City, State Dickinson, ND 58601

PS Form

Postmark
Here

06/26/2019

21

U.S. Postal Service[™]
CERTIFIED MAIL[®] RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com.

HOT SPRINGS, SD 57747

Certified Mail Fee \$3.50
\$2.80
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.55

Total Postage Nebraska National Forest & Grasslands \$6.85

Sent To 1801 Highway 18 Bypass

Street and Hot Springs, SD 57747

City, State

PS Form 3800, April 2015 PSN 7530-02-000-9047

Postmark
Here

06/26/2019

21

U.S. Postal Service[™]
CERTIFIED MAIL[®] RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com.

REFUGIO, TX 78377

Certified Mail Fee \$3.50
\$2.80
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.55

Total Postage T-C Oil Company, LLC \$6.85
427 FM 774

Sent To Refugio, TX 78377

City, State

PS Form 3800, April 2015 PSN 7530-02-000-9047

Postmark
Here

06/26/2019

21

U.S. Postal Service[™]
CERTIFIED MAIL[®] RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com.

BELLE FOURCHE, SD 57717

Certified Mail Fee \$3.50
\$2.80
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.55

Total Postage BLM \$6.85
South Dakota Field Office

Sent To 310 Roundup Street

Street and Belle Fourche, SD 57717

City, State

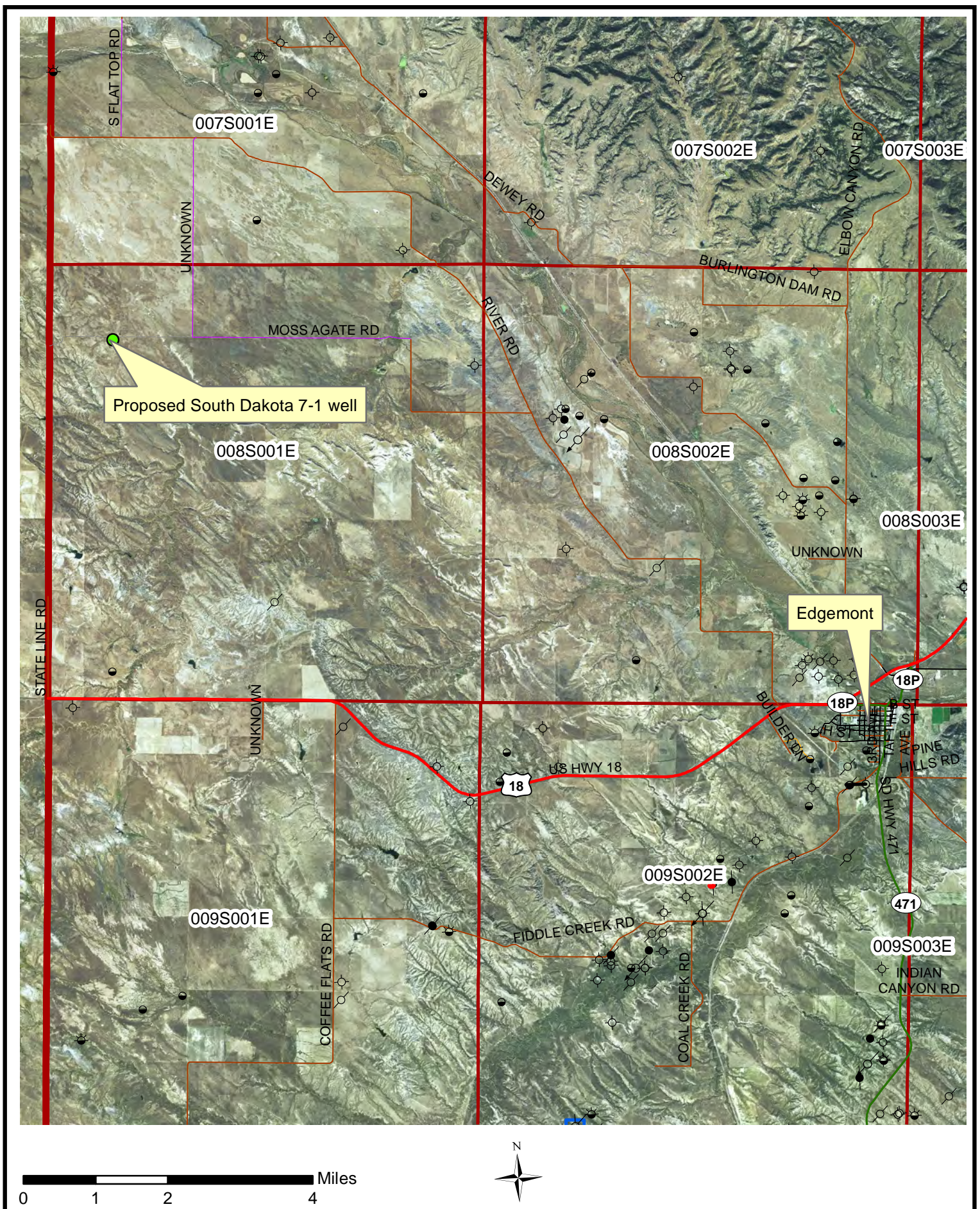
PS Form 3800, April 2015 PSN 7530-02-000-9047

Postmark
Here

06/26/2019

21

South Dakota 7-1 Locator Map, T-C Oil



Affidavit of PublicationState of South Dakota
County of Fall River**RECEIVED****JUN 17 2019****DEPT OF ENVIRONMENT & NATURAL
RESOURCES - RAPID CITY**

Taylor Risse, being, first duly sworn, on oath, says: That he/she is an employee of Scherer Publishing, LLC, and that the Fall River County Herald is, and during all the times hereinafter mentioned was, a weekly legal newspaper as defined in the SDCL 17-2-2.1 through the 17-2-2.4 inclusive; that said newspaper has been published within the said county of Fall River and State of South Dakota, for at least one year next prior to the first publication of the attached public notice, and that the printed copy of which, taken from the paper in which the same was published, and which is hereto attached and made a part of this affidavit, was published in said newspaper for **1** successive week(s) to wit:

June 13, 2019

That the full amount of the fee charged for the publication of the attached public notice, **\$31.74** insures to the sole benefit of the publisher or publishers; that no agreement or understanding for the division thereof has been made with any other person, and that no part thereof has been agreed to be paid to any person whomsoever; that the fees charged for the publication thereof are:

Signed: _____

Subscribed and sworn to before me this 13 day of June, 2019._____
Notary PublicMy Commission Expires
December 9, 2021

LEGAIS

Emergency Management: Gold & West, Phone: Full/Long Distance: \$14.95, Postcard, Notepad: Surveyor: \$80.00, Total For Emergency Management: \$264.95



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

denr.sd.gov

June 7, 2019

Gerald Freidrichs
Drilling Supervisor
T-C Oil Company, LLC
427 FM 774
Refugio, TX 78377

Dear Mr. Freidrichs:

Enclosed is a copy of the Notice of Recommendation for T-C Oil Company, LLC, Refugio, TX - Oil and Gas Case No. 5-2019, Fall River County, SD. The Notice of Recommendation has been sent to the Fall River County Herald for publication on Thursday, June 13, 2019.

The purpose of this letter is to advise you that it is the applicant's responsibility to serve notice on those persons "....whose property may be affected..." as specified in South Dakota Codified Laws 45-9-58.

Please file with this office the following:

1. Affidavit of Notification
2. Certified mail return receipts
3. A list of persons notified

The department recommends T-C Oil Company complete its notification, and submits the affidavit of notification and the list of persons notified prior to the end of the notification period specified in the enclosed notice of recommendation.

Thank you for your cooperation.

Sincerely,

Mike Lees, Administrator
Minerals and Mining Program

Enclosure

cy/w enc: Joe Rochelle, P.E., Engineer for T-C Oil Company, LLC, Allen & Crouch Petroleum Engineers, P. O. Box 976, Casper, WY 82601



RECEIVED
JUN 5 2019
DEPT OF ENVIRONMENT & NATURAL
RESOURCES - RAPID CITY

June 5, 2019

Re: Request for Location Exception
T-C Oil Company, LLC 427 FM 774 Refugio, TX 78377
South Dakota Federal 7-1 (Confidential)
261' FNL & 513' FEL NE NE Section 7-T8S-R1E, Fall River County, South Dakota

Minerals and Mining Program Attention: Lucy Dahl
2050 West Main Street, Suite #1
Rapid City, SD 57702-2493

Dear Ms. Dahl:

Pursuant to the rules and regulations of the South Dakota Department of Environment & Natural Resources, T-C Oil Company, LLC Company hereby requests administrative approval for a location exception for the referenced wellbore. The reason for the exception is due to the geology and structural conditions for optimizing the location. T-C Oil Company has run extensive seismic across this area. If the location is not moved, we will miss our planned target. As a consequence, the South Dakota Federal 7-1 was moved to an acceptable surface location.

All of the mineral property within one-half mile of the location is owned or has been leased by T-C Oil Company, LLC. The legal survey plat and a map showing the location is attached.

If no objections are received, and if the supervisor is of the opinion that a hearing is unnecessary, please administratively approve this application. If you have any questions or need additional information, please call me at (307) 234-3571.

Sincerely,

A handwritten signature in blue ink that reads 'Joe Rochelle'.

Joe Rochelle, PE
Engineer for T-C Oil Company, LLC

Attachments

Cc: Gerald Freidrichs T-C Oil Company

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

IN THE MATTER OF THE APPLICATION OF T-C OIL COMPANY, LLC, REFUGIO, TX, FOR A PERMIT TO DRILL AN OIL AND GAS WELL AT AN EXCEPTION LOCATION TO STATEWIDE SPACING, DESCRIBED AS THE SOUTH DAKOTA FEDERAL 7-1 WELL, LOCATED 261 FEET FROM THE NORTH LINE AND 513 FEET FROM THE EAST LINE IN SECTION 7, TOWNSHIP 8 SOUTH, RANGE 1 EAST; APPROXIMATELY 11.9 MILES NORTHWEST OF EDMONT, FALL RIVER COUNTY, SD.

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June 7, 2019



Steven M. Pirner
Secretary

Published once at the total approximate cost of _____.

RECEIVED

MAY 28 2019

T8S, R1E

DEPT OF ENVIRONMENT & NATURAL
RESOURCES - RAPID CITY

FOUND STONE
NW. COR.
SEC. 7, T8S, R1E
LAT: 43.376571
LON: -104.054636

S 87°46'50" E 5157.93' (M)
LAT: 43.376612
LON: -104.045149

SET ALUM. CAP
P.L.S. NO. 13484
NE. COR.
SEC. 7, T8S, R1E
LAT: 43.376655
LON: -104.035235

SOUTH DAKOTA FEDERAL 7-1
UNGRADED ELEV= 3856.5'
SURFACE POSITION

LAT: 43.369359
LON: -104.054593

N 02°19'13" E 5256.95' (M)

LOT 1

LOT 2

LOT 3

LOT 4

7

SURFACE POSITION
NAD 83
STPC (SDS)
N: 401,949'
E: 984,113'
LAT: 43° 22' 33.349"N
(43.375930°N)
LON: 104° 02' 13.811"W
(104.037170°W)

SURFACE POSITION
NAD 27
STPC (SDS)
N: 401,949'
E: 1,015,714'
LAT: 43° 22' 33.447"N
(43.375957°N)
LON: 104° 02' 12.062"W
(104.036684°W)

N 02°04'14" E 5274.50' (M)

LAT: 43.369419
LON: -104.035152

FOUND STONE
SW. COR.
SEC. 7, T8S, R1E
LAT: 43.362147
LON: -104.054551

LAT: 43.362166
LON: -104.044988

S 87°35'12" E 5180.92' (M)

SET ALUM. CAP
P.L.S. NO. 13484
SE. COR.
SEC. 7, T8S, R1E
LAT: 43.362184
LON: -104.035068

CERTIFICATE OF SURVEYOR

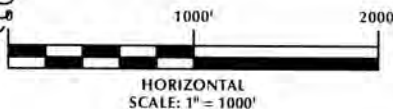
I, WRANGLER GROHS, A LICENSED PROFESSIONAL LAND SURVEYOR IN THE STATE OF SOUTH DAKOTA, DO HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM A FIELD RECORD DURING AN ACTUAL SURVEY OF THE LAND DESCRIBED. NECESSARY LOCATIONS PERFORMED BY ME OR UNDER MY SUPERVISION AND THAT THE LOCATION AND LEGAL DESCRIPTION PRESENTED FROM THE SURFACE LOCATION ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

WRANGLER J.

GROHS

WRANGLER GROHS
PROFESSIONAL LAND SURVEYOR
SOUTH DAKOTA REGISTRATION NUMBER 13484

Date 4/24/19



NOTES:

- ▲ INDICATES SECTION CORNER.
- INDICATES CALCULATED CORNER.
- SECTION CORNER LATITUDES AND LONGITUDES ARE NAD83 (2011)(EPOCH:2010).
- ELEVATION BASED ON NAVD88 (GEOID12B).
- BASIS OF BEARING IS FROM SOUTH DAKOTA COORDINATE SYSTEM NAD83, SOUTH ZONE, U.S. SURVEY FEET.
- ALL MEASURED DISTANCES ARE GRID.
COMBINED SCALE FACTOR: .99972955 CALCULATED FROM THE NW. CORNER OF SECTION 7, T8S, R1E.

WELL LEGAL PLAT

SOUTH DAKOTA FEDERAL 7-1
261' FNL & 516' FEL (SURFACE POSITION)
NE1/4 NE1/4, SECTION 7
T8S, R1E, B.H.M.
FALL RIVER COUNTY, SOUTH DAKOTA

Prepared For:

HC

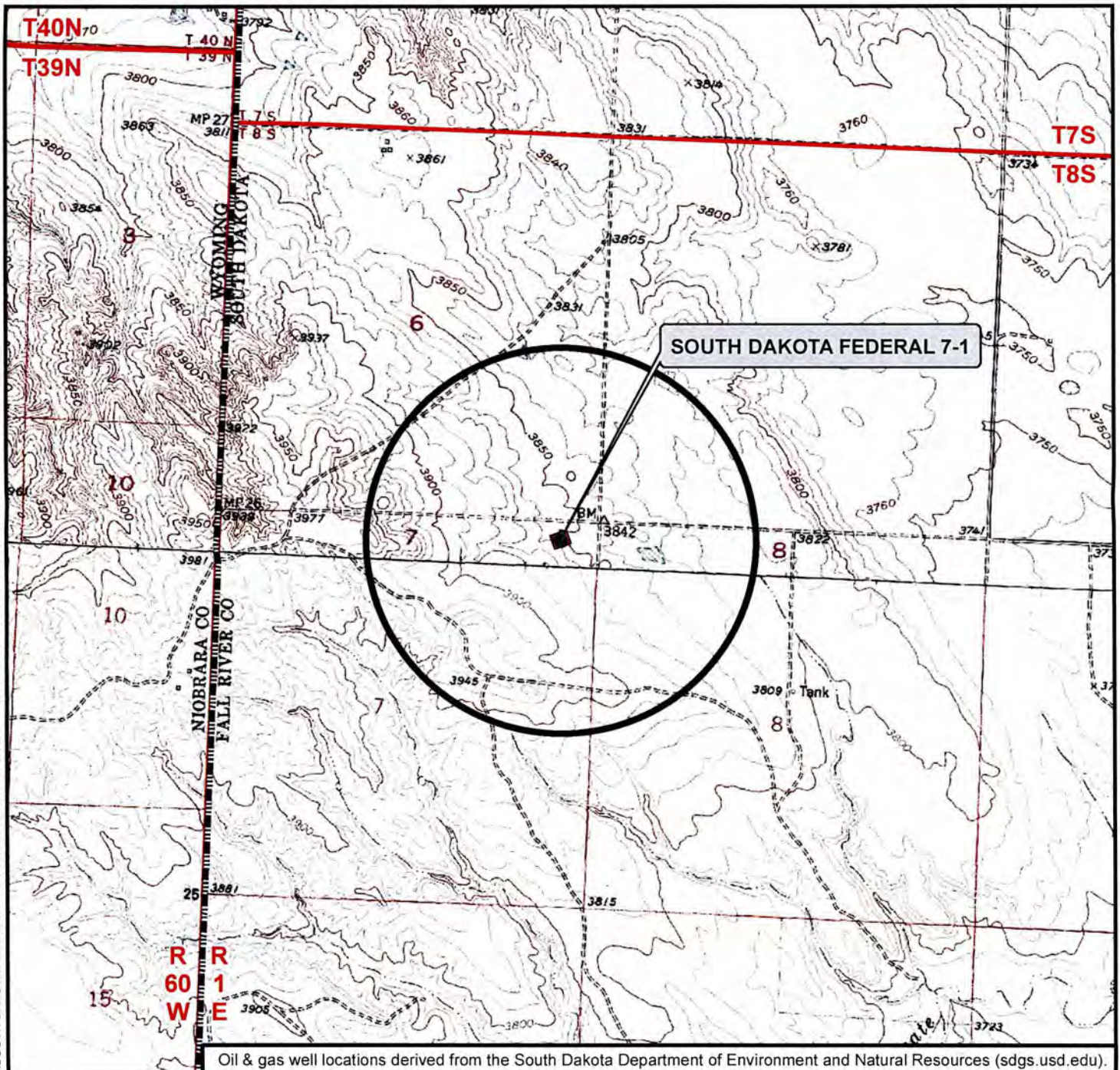
T-C OIL COMPANY, LLC
427 FM 774
REFUGIO, TEXAS 78377



CONSULTING, LLC

1095 Saberton Avenue
Sheridan, Wyoming 82801
Phone 307-674-0609
Fax 307-674-0182

DRAFTED BY: SJM	CHECKED BY: WJC	SHEET NO: 1
DATE DRAFTED: 4/24/19	DATE SURVEYED: 4/4/19	1 OF 1
REVISED:	FILE NAME: 18-225	



Oil & gas well locations derived from the South Dakota Department of Environment and Natural Resources (sdgs.usd.edu).

Legend

- Well - Proposed
- Well Pad - Proposed
- Half-Mile Radius
- ☼ Injecting
- ☼ Producing
- ☼ Spudded
- ⊕ Plugged and Abandoned
- Shut In
- ⊖ Temporarily Abandoned

RECEIVED
MAY 28 2019

EXCEPTION LOCATION MAP

**SOUTH DAKOTA FEDERAL 7-1
LOCATED IN NENE OF SECTION 7
T8S, R1E, B.H.M.
FALL RIVER COUNTY, SOUTH DAKOTA**

Prepared For:

HC

T-C OIL COMPANY, LLC
427 FM 774
REFUGIO, TEXAS 78377



CONSULTING, LLC
1095 Saberton Avenue
Sheridan, Wyoming 82801
Phone 307-674-0609
Fax 307-674-0182



SCALE: 1" = 2,000ft

NAD83 SD-Sft

DRAWN: TL

DATE: 18 Apr 2019

REVISED:

DATE:

SHEET NO:

1

1 OF 1