

(S.D.)-SD Board Approves Oil Drilling Permit In New Area

By: Jeremy Anderson Posted at: 03/21/2013 12:08 PM

PIERRE, S.D. (AP) - A state board has approved permits allowing a new company to drill two oil and gas wells in a part of western South Dakota far from existing wells.

The Board of Minerals and Environment voted unanimously to let Quartz Operations drill the wells about 9,700 feet deep about two miles west of Wasta. That's far from South Dakota's main oilfield in the northwest corner of the state.

State officials note that Quartz has provided no information to indicate why it thinks oil might be found in the area.

State Geologist Derric Iles (YLZ) says there's a low probability the two wells will find any oil in the Precambrian formation.

But Louis Loehr (LOR), a driller hired by Quartz, says companies are looking at that formation elsewhere in the world.