

BEFORE THE OIL AND GAS CONSERVATION
COMMISSION OF THE STATE OF UTAH

IN THE MATTER OF THE AMENDED)
APPLICATION OF KIMBARK EXPLORATION)
COMPANY FOR AN ORDER ESTABLISHING) ORDER
DRILLING UNITS FOR THE McELMO MESA)
POOL, SAN JUAN COUNTY, UTAH, WITH) CAUSE NO. 109-1
REFERENCE TO THE KNOWN PRODUCING ZONES)
OF THE HERMOSA FORMATION.)

This cause came on regularly for hearing before the Commission at 10:00 a.m. on Thursday, March 11, 1965 in the offices of the Commission, 348 East South Temple, Suite 301, Salt Lake City, Utah. The entire Commission was present with the exception of Commissioner C. P. Olson.

Francis M. Gibbons of Senior & Senior appeared as attorney on behalf of the Applicant, Kimbark Exploration Company. Ronald N. Boyce, Assistant Attorney General, appeared on behalf of the State of Utah.

At the hearing, evidence in support of the amended application for an order establishing drilling units for the McElmo Mesa Pool was introduced on behalf of Kimbark Exploration Company, the Applicant. The land covered by said amended application lies within San Juan County, Utah and is described as follows:

Township 41 South, Range 26 East, S.L.M.

Section 4: W $\frac{1}{2}$
Section 5: All
Section 6: All

Mr. W. K. Arbuckle was accepted by the Commission as an expert Petroleum Engineer. Mr. Arbuckle's testimony described the physical characteristics of said McElmo Mesa Pool and the ownership of mineral interests therein. Exhibits "A", "B" and "C" which illustrated and corroborated Mr. Arbuckle's testimony were offered and received in evidence.

The offered evidence was not challenged and no objection to the granting of the amended application was filed or expressed.

FINDINGS

Based upon the testimony of Mr. Arbuckle, the exhibits admitted in evidence, and the proof of publication of the Notice of the Hearing which was read into the record, the Commission finds that:

1. Due and regular notice of the time, place and purpose of the hearing was given to all interested parties in the form and manner and within the time required by law.

2. The Commission has jurisdiction over the matter covered by said amended application and over all parties interested therein and has jurisdiction to make and promulgate the order hereinafter set forth.

3. The Applicant, Kimbark Exploration Company, is a Colorado corporation qualified to do business in the State of Utah and owns operating rights and working interests as to portions of the area sought to be spaced through the amended application.

4. The Hermosa Formation continuously underlies the above described land and contains, in the known producing zones thereof, a common accumulation of oil and gas which constitutes a single pool.

5. One well to each 80 acres will efficiently and economically drain the known producing zones of said Hermosa Formation as found in and underlying the above described lands. In order to conform with existing drilling and spacing patterns on adjacent or nearby lands, the 80 acre drilling and spacing units for the subject lands should be formed by dividing each quarter section into two drilling units to consist respectively of the east half of such quarter section and the west half of such quarter section with the situs of the permitted wells to be as follows:

A. The northeast quarter of each quarter section for the drilling unit constituting the east half of that quarter section; and

B. The southwest quarter of each quarter section for the drilling unit constituting the west half of that quarter section.

6. The approval of the amended application will prevent waste, avoid the drilling of unnecessary wells and protect correlative rights.

CONCLUSION

The Commission therefore concludes that the amended application should be granted as requested.

ORDER

IT IS THEREFORE ORDERED that the following described lands shall constitute the McElmo Mesa Pool with reference to the known producing zones of the Hermosa Formation lying thereunder.

Township 41 South, Range 26 East, S.L.M.

Section 4: $W\frac{1}{2}$
Section 5: All
Section 6: All

IT IS FURTHER ORDERED that the following drilling units be and they are hereby established in 80 acre tracts as to said McElmo Mesa Pool, each containing two contiguous north and south legal subdivisions, with a maximum of one well on each tract located as follows:

DRILLING UNIT NO.	DESCRIPTION				PERMITTED WELL LOCATION
	Acreage	Sec.	Twp.	Rge.	
1	E $\frac{1}{2}$ NW $\frac{1}{4}$	4	41S	26E	NE $\frac{1}{4}$ NW $\frac{1}{4}$
2	W $\frac{1}{2}$ NW $\frac{1}{4}$	4	41S	26E	SW $\frac{1}{4}$ NW $\frac{1}{4}$
3	E $\frac{1}{2}$ SW $\frac{1}{4}$	4	41S	26E	NE $\frac{1}{4}$ SW $\frac{1}{4}$
4	W $\frac{1}{2}$ SW $\frac{1}{4}$	4	41S	26E	SW $\frac{1}{4}$ SW $\frac{1}{4}$
5	E $\frac{1}{2}$ NE $\frac{1}{4}$	5	41S	26E	NE $\frac{1}{4}$ NE $\frac{1}{4}$
6	W $\frac{1}{2}$ NE $\frac{1}{4}$	5	41S	26E	SW $\frac{1}{4}$ NE $\frac{1}{4}$
7	E $\frac{1}{2}$ NW $\frac{1}{4}$	5	41S	26E	NE $\frac{1}{4}$ NW $\frac{1}{4}$
8	W $\frac{1}{2}$ NW $\frac{1}{4}$	5	41S	26E	SW $\frac{1}{4}$ NW $\frac{1}{4}$
9	E $\frac{1}{2}$ SE $\frac{1}{4}$	5	41S	26E	NE $\frac{1}{4}$ SE $\frac{1}{4}$
10	W $\frac{1}{2}$ SE $\frac{1}{4}$	5	41S	26E	SW $\frac{1}{4}$ SE $\frac{1}{4}$
11	E $\frac{1}{2}$ SW $\frac{1}{4}$	5	41S	26E	NE $\frac{1}{4}$ SW $\frac{1}{4}$
12	W $\frac{1}{2}$ SW $\frac{1}{4}$	5	41S	26E	SW $\frac{1}{4}$ SW $\frac{1}{4}$
13	E $\frac{1}{2}$ NE $\frac{1}{4}$	6	41S	26E	NE $\frac{1}{4}$ NE $\frac{1}{4}$
14	W $\frac{1}{2}$ NE $\frac{1}{4}$	6	41S	26E	SW $\frac{1}{4}$ NE $\frac{1}{4}$
15	E $\frac{1}{2}$ NW $\frac{1}{4}$	6	41S	26E	NE $\frac{1}{4}$ NW $\frac{1}{4}$
16	W $\frac{1}{2}$ NW $\frac{1}{4}$	6	41S	26E	SW $\frac{1}{4}$ NW $\frac{1}{4}$
17	E $\frac{1}{2}$ SE $\frac{1}{4}$	6	41S	26E	NE $\frac{1}{4}$ SE $\frac{1}{4}$
18	W $\frac{1}{2}$ SE $\frac{1}{4}$	6	41S	26E	SW $\frac{1}{4}$ SE $\frac{1}{4}$
19	E $\frac{1}{2}$ SW $\frac{1}{4}$	6	41S	26E	NE $\frac{1}{4}$ SW $\frac{1}{4}$
20	W $\frac{1}{2}$ SW $\frac{1}{4}$	6	41S	26E	SW $\frac{1}{4}$ SW $\frac{1}{4}$

Each such well shall be drilled only at the location authorized herein and shall be located not closer than 500 feet from the exterior boundaries of the legal subdivision within the unit upon which the well is located; provided, however, an exception to the location of the permitted well within each legal subdivision may be had without notice or hearing upon an application filed in due form showing the necessity for a location nearer than 500 feet to the exterior boundaries of said legal subdivision, based upon topographical reasons, and a showing of consent from the operators in all other drilling units within said pool which

adjoin or corner upon the drilling unit which shall contain such unorthodox location.

IT IS FURTHER ORDERED that the commencement of the drilling of any well or wells in the McElmo Mesa Pool as defined herein for the purpose of producing oil or gas therefrom at a location other than authorized by this order is hereby prohibited.

IT IS FURTHER ORDERED that the spacing order entered herein is without prejudice to a further application by any of the parties owning interests in said pool and leave is hereby granted to file such further application or applications.

IT IS FURTHER ORDERED that the Commission expressly reserves the right, after notice and hearing, to alter, amend, or repeal any and/or all of the provisions of this order.

Dated this day of , A.D. 1965.

THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF UTAH

Bryant H. Croft, Chairman

C. R. Henderson, Commissioner

C. S. Thomson, Commissioner

M. V. Hatch, Commissioner

C. P. Olson, Commissioner

BEFORE THE OIL AND GAS CONSERVATION COMMISSION

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IN THE MATTER OF THE AMENDED APPLICATION
OF KIMARK EXPLORATION COMPANY FOR AN
ORDER ESTABLISHING DRILLING UNITS FOR
THE McELMO MESA POOL, SAN JUAN COUNTY,
UTAH, WITH REFERENCE TO THE KNOWN
PRODUCING ZONES OF THE HERMOSA FORMA-
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O R D E R

CAUSE NO. 109-1

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Township 41 South, Range 26 East, SLBM
Sec. 4: W $\frac{1}{2}$ Sec. 6: All
Sec. 5: All

Mr. W. K. Arbuckle was accepted by the Commission as an expert Petroleum Engineer. Mr. Arbuckle's testimony described the physical characteristics of said McElmo Mesa Pool and the ownership of mineral interests therein. Exhibits "A", "B" and "C", which illustrated and corroborated Mr. Arbuckle's testimony were offered and received in evidence.

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FINDINGS

Based upon the testimony of Mr. Arbuckle, the exhibits admitted in evidence, and the proof of publication of the Notice of the Hearing, which was read into the record, the Commission finds that:

1. Due and regular notice of the time, place and purpose of the hearing was given to all interested parties in the form and manner and within the time required by law.

2. The Commission has jurisdiction over the matter covered by said amended application and over all parties interested therein and has jurisdiction to make and

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IT IS FURTHER ORDERED that the commencement of the drilling of any well or wells in the McElmo Mesa Pool as defined herein for the purpose of producing oil or gas therefrom at a location other than authorized by this order is hereby prohibited.

IT IS FURTHER ORDERED that the spacing order entered herein is without prejudice to a further application by any of the parties owning interests in said pool and leave is hereby granted to file such further application or applications.

IT IS FURTHER ORDERED that the Commission expressly reserves the right, after notice and hearing, to alter, amend, or repeal any and/or all of the provisions of this order.

DATED this 11th day of March, 1965.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF UTAH

Bryant H. Croft
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