



SINCLAIR OIL & GAS COMPANY
501 LINCOLN TOWER BUILDING
DENVER, COLORADO 80203

November 21, 1966

WESTERN REGION

Utah Oil and Gas Conservation Commission
348 East South Temple
Suite 301
Salt Lake City, Utah 84111

Attention: Mr. Cleon Feight, Secretary

Re: Cause 124-1

Gentlemen:

Enclosed is an original and four (4) copies of the Findings of Fact and Order, Cause 124-1, which the Commission requested we prepare.

We trust the Findings and Order will be satisfactory to you. Should you have any questions, please feel free to call me collect in Denver at 266-2461.

Yours very truly,

SINCLAIR OIL & GAS COMPANY


C. M. Peterson
Attorney

CMP: dk
Enclosures

*Copy of signed order sent
to Peterson on 12-21-66
CMT*

and to establish 20-acre drilling and spacing units with regard to the Coconino Sand Formation in such area.

NOW, THEREFORE, after due and careful consideration, this Commission makes the following Findings of Fact:

FINDINGS OF FACT

1. That due notice of the time, place and purpose of the hearing has been given in all respects as required by the applicable law and regulations.

2. That the Commission has jurisdiction over the subject matter described in said notice and of the parties interested therein, and jurisdiction to promulgate the Order hereinafter set out.

3. The area involved in this Cause, hereinafter referred to for convenience as "Subject Lands," lies within San Juan County, Utah, and are described as follows:

Township 43 South, Range 22 East, S.L.M.

Section 15: SW/4, W/2 SE/4
Section 16: SE/4, E/2 SW/4
Section 21: NE/4, E/2 NW/4, NE/4 SW/4,
N/2 SE/4
Section 22: NW/4, N/2 SW/4, W/2 NE/4,
NW/4 SE/4

4. To date seven (7) wells have been drilled and have produced oil from the Coconino Sand Formation within the Subject Lands. The porosity, permeability and water saturation within the Coconino Sand Formation encountered in these wells vary so that the productive zones within the Coconino Sand Formation vary from well to well. The productive area of the Coconino Sand Formation covers all of the Subject Lands and constitutes a common source of supply. In the area within the Subject Lands, the Coconino Sand Formation is found at depths varying from approximately

1150 Feet to 1700 Feet below the surface.

The topography of the Subject Lands has considerable variation, making well location costs proportionately high to the cost of the actual drilling of a well. All of the Subject Lands are located on a single Navajo Tribal Indian Lease.

5. One (1) well to each Twenty (20) acres will efficiently and economically drain the Coconino Sand Formation Reservoir under the Subject Lands.

6. Twenty (20) acre drilling and spacing units running in either a North-South or East-West direction, according to the private survey of the Subject Lands, should be established in order to prevent waste, to avoid drilling of unnecessary wells, and to protect the correlative rights of interested parties. No more than one (1) well should be drilled on any such unit for the production of oil from the Coconino Sand Formation.

7. That the drilling and spacing units for the Subject Lands should be formed by dividing each quarter quarter section of approximately Forty (40) acres into two (2) such units to consist respectively of the N/2 and the S/2 of such quarter quarter section or to consist respectively of the E/2 and W/2 of each such quarter quarter section.

8. No unit well shall be located nearer than 660 Feet from any other producing unit well; provided, however, that an exception with respect to the location of the permitted well might be approved by the Commission without notice or hearing upon the filing with the Commission of a showing that the proposed exception location is such as would be reasonably required by existing topographic conditions and would justify a well location nearer than 660 Feet from another producing unit well, and either that the ownership of all oil and gas leases within a radius of 660

Feet of the proposed exception location is common to the ownership of all the oil and gas leases under the proposed exception location, or that all owners of oil and gas leases within such radius have consented in writing to the proposed exception location.

ORDER

It is therefore ordered by the Commission as follows:

1. That Twenty (20) acre drilling and spacing units be and the same are hereby established for the production of oil from the Coconino Sand Formation, underlying the Subject Lands as above defined.

2. That the shape and pattern of the drilling and spacing units shall be as set forth and defined in Finding Number Seven (7) of the foregoing Findings, and that the spacing units for the presently producing Coconino Formation wells be designated as follows:

English Well No. 2 - Located 2319 Feet from the South line, 2022 Feet from the West line of Section 22, Township 43 South, Range 22 East, S.L.M.
Drilling Unit - N/2 NE/4 SW/4 of said Section 22.

English Well No. 4 - Located 2296 Feet from the North line, 1431 Feet from the West line of Section 22, Township 43 South, Range 22 East, S.L.M.
Drilling Unit - W/2 SE/4 NW/4 of said Section 22.

English Well No. 8 - Located 2296 Feet from the North line, 671 Feet from the West line of Section 22, Township 43 South, Range 22 East, S.L.M.
Drilling Unit - S/2 SW/4 NW/4 of said Section 22.

English Well No. 12 - Located 1320 Feet from the North line, 660 Feet from the East line of Section 21, Township 43 South, Range 22 East, S.L.M.
Drilling Unit - N/2 SE/4 NE/4 of said Section 21.

English Well No. 13 - Located 450 Feet from the North line, 940 Feet from the East line of Section 21, Township 43 South, Range 22 East, S.L.M.
Drilling Unit - N/2 NE/4 NE/4 of said Section 21.

English Well No. 14 - Located 1100 Feet from the North line, 500 Feet from the West line of Section 22, Township 43 South, Range 22 East, S.L.M.
Drilling Unit - S/2 NW/4 NW/4 of said Section 22.

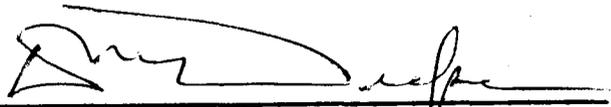
3. That no more than one (1) well be drilled and completed on any such unit for the production of oil from the Coconino Sand Formation.

4. That the location of the permitted well for each such unit shall be as set forth and defined in Finding Number Eight (8) of the foregoing Findings; provided, however, that an exception in respect to the location of a permitted well may be had without notice of hearing upon filing with the Commission of an Application showing the topographic conditions, surface obstructions, or undue hazards exist, which reasonably require a well location nearer than 660 Feet from a well producing from the Coconino Sand Formation, and where that the ownership of all oil and gas leases within a radius of 660 Feet of the proposed exception location is common to the ownership of all the oil and gas leases under the proposed exception location, or that all owners of oil and gas leases within such radius have consented in writing to the proposed exception location.

5. That this Order shall continue in effect until further order of the Commission.

6. That the Commission retains continuing jurisdiction of all matters covered by this Order dated this 10th day of November, 1966.

BY ORDER OF THE OIL AND GAS
CONSERVATION COMMISSION OF THE
STATE OF UTAH


Delbert M. Draper, Commissioner,
Presiding

C. S. Thompson

C. S. Thompson, Chairman of the
Commission

C. R. Henderson

C. R. Henderson, Commissioner

M. V. Hatch

M. V. Hatch, Commissioner

J. Harold Reese

J. Harold Reese, Commissioner

(24-1)

(11/10/66)

PMB

20 acre spacing unit - Boundary Butte

C. M. Peterson

Floyd Williams - Denver, Colo.

Swisher's Geologists' Association

Qualified before

Ellet Water table to West and East

Denial - 1948

test

15 oil in Coronado (Penkerton Trail)

three oil wells 248 = 14 bbls/day

12, 13, 14 = 366 bbls/day