

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
IN AND FOR THE STATE OF UTAH

IN THE MATTER OF THE PETITION *
OF ALTA ENERGY CORPORATION FOR *
AN ORDER EXTENDING TO SECTION 33, *
TOWNSHIP 6 SOUTH, RANGE 21 EAST, *
S.L.M., UINTAH COUNTY, UTAH, THE *
80 ACRE DRILLING/SPACING UNITS *
PREVIOUSLY ESTABLISHED BY THIS *
BOARD IN CAUSE NO. 127-1, 127-2, *
AND 127-3 FOR THE PRODUCTION OF *
OIL FROM THE GREEN RIVER *
FORMATION *

FINDINGS AND ORDER

Docket No. 85-023
Cause No. 127-4

Pursuant to the Petition of Alta Energy Corp., this cause came on for hearing before the Board of Oil, Gas & Mining, Department of Natural Resources, State of Utah, on Thursday, June 20, 1985, at 10 o'clock a.m. in the Board Room of the Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 301, Salt Lake City, Utah. The following Board members were present:

Gregory P. Williams, Chairman
Richard B. Larsen
John M. Garr
E. Steele McIntyre
James W. Carter
Charles R. Henderson

Appearing on behalf of the Division were Dr. Dianne R. Nielson, Director; Ronald J. Firth, Associate Director, Oil & Gas; and John R. Baza, Petroleum Engineer. Representing the Division was

Barbara W. Roberts, Esq., Assistant Attorney General. Representing the Board was Mark C. Moench, Esq., Assistant Attorney General.

The Petitioner, Alta Energy Corporation, was represented by John A. Harja of Hugh C. Garner & Associates, 310 South Main Street, Suite 1400, Salt Lake City, Utah 84101.

The following witnesses were called by Petitioner Alta Energy Corporation: John Osmond, geologist; and Judith Atherton, attorney at law.

NOW, THEREFORE, the Board having considered the testimony adduced and the exhibits reviewed in said hearing, and being fully advised in the premises, makes and enters the following:

FINDINGS AND CONCLUSIONS

1. Due and regular notice of the time, place and purpose of the hearing was given to all interested parties as required by law and the Rules and Regulations of the Board, except for Calais Resources, Inc. and Prima Energy Co., both of whom are owners of an interest in a lease (ML-40226) which is adjacent to Section 33. Both of these companies have executed a waiver of its right to notice of the hearing and a consent to the petition.

2. The Board has jurisdiction over the subject matter of the Petitioner and over all parties interested therein and has jurisdiction to make and promulgate the order hereinafter set forth.

3. In Cause Nos. 127-1, 127-2, and 127-3, this Board previously ordered that 80 acre stand-up drilling/spacing units be

established for the production of oil from the Green River Formation and the Green River-Wasatch Transition Zone at a stratigraphic depth of not greater than 7,727 feet underlying Sections 19, 20 (W1/2), 28, 29, 30, and 32 of Township 6 South, Range 21 East, S.L.M. and Section 24, Township 6 South, Range 20 East, S.L.M.

4. The 80 acre drilling/spacing units so established were formed by dividing each governmental quarter section into two units, consisting of the E1/2 and the W1/2 of each such quarter section. No more than one well is permitted in each such drilling/spacing unit. The permitted well sites within each such drilling/spacing unit are the SE1/4 and the NW1/4 of each governmental quarter section.

5. Geologic evidence indicates that an oil and gas producing reservoir underlies the lands in Section 33, Township 6 South, Range 21 East S.L.M., and that this structure is an extension of the oil and gas producing reservoir underlying the lands spaced in Cause Nos. 127-1, 127-2, and 127-3.

6. Geologic evidence indicates that 80 acre drilling/spacing units will most efficiently drain the oil and gas producing reservoir underlying the lands in said Section 33, and that such drilling/spacing units will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. Petitioner has already drilled the Alta Federal 33-1-I Well in the NE1/4 SE1/4 of Section 33 and has requested the well be

approved as the designated well for the drilling/spacing unit comprising the E1/2 SE1/4 of Section 33.

Sufficient evidence now being available upon which to reach a decision, the Board issues the following:

ORDER

IT IS HEREBY ORDERED by this Board as follows:

1. The 80 acre stand-up drilling/spacing units previously established by this Board in Cause Nos. 127-1, 127-2, and 127-3 for the production of oil from the Green River Formation and the Green River-Wasatch Transition Zone at a stratigraphic depth of not greater than 7,727 feet be, and hereby are, extended to cover Section 33, Township 6 South, Range 21 East, S.L.M.
2. No more than one well shall be drilled on any such 80 acre drilling/spacing unit in said Section 33 for the production of oil from the above-described interval.
3. The permitted well sites within each such 80 acre drilling/spacing unit in said Section 33 shall be the SE1/4 and the NW1/4 of each governmental quarter section, except that the presently existing Alta Federal 33-1-I Well, located in the NE1/4 SE1/4, shall be the designated and permitted well for the spacing unit comprised of the E1/2 SE1/4.
4. All wells in the spaced area shall be located no closer than 500 feet from the exterior boundaries of each permitted well site

location, provided, however, that exceptions to the foregoing "500 foot rule" may be approved without notice or hearing;

a) Upon the filing with the Board of a petition indicating the necessity for the proposed exception location based on topographical and/or geological conditions; and

b) 1) Where the ownership of all oil and gas leases within a radius of 660 feet of the proposed exception location is in common with the ownership of the oil and gas leases under the proposed exception location; or

2) All owners of oil and gas leases within such 660 foot radius consent in writing to the proposed exception location.

5. The effective date of this Order shall be June 20, 1985, the date of the hearing in this matter.

DATED this 26th day of ^{July}~~June~~, 1985.

STATE OF UTAH
BOARD OF OIL, GAS & MINING


Gregory P. Williams, Chairman

Approved as to form:


Mark C. Moench
Assistant Attorney General

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EAST, S.L.M., UINTAH COUNTY, *
UTAH, THE 80 ACRE DRILLING/ *
SPACING UNITS PREVIOUSLY *
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CAUSE NOS. 127-1, 127-2 AND *
127-3, FOR THE PRODUCTION OF OIL *
FROM THE GREEN RIVER FORMATION. *

ORDER

Docket No. 85-023
Cause No. 127-4

Petitioner's Motion for Continuance was heard ex-parte before Gregory P. Williams, chairman of the Utah Board of Oil, Gas and Mining on May 3, 1985. Mr. Williams, having considered the Motion and having been advised as to the premises, now makes the following order:

ORDER

IT IS HEREBY ORDERED:

1. That Petitioner be granted a continuance and that the matter be scheduled for the June hearing date.
2. That Petitioner give notice of such continuance to any party to whom Petitioner was previously required to give notice.

DATED this 3rd day of May, 1985.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING



Gregory P. Williams
Chairman

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FINDINGS AND ORDER

Docket No. 85-023
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Petitioner's Verified Petition to Allow Service by
Certified Mail was heard ex-parte before James W. Carter of the
Utah State Board of Oil, Gas and Mining, on April 15, 1985. Mr.
Carter, having considered the Petition and being advised as
to the premises, now makes and orders the following:

FINDINGS

1. The Petitioner has applied to the Board for an Order extending to the captioned property, the 80 acre drilling/spacing units previously established by the Board in Cause Nos. 127-1, 127-2 and 127-3.
2. Petitioner is required to personally serve a copy of the Petition and a Notice of Hearing on Mr. Richard L. Peterson, P.O. Box 8, Douglas, Wyoming 82633.

3. Attempts to obtain personal service on Mr. Peterson would not be efficacious.

4. Service by certified mail is as likely to give actual notice as is service by publication.

ORDER

THEREFORE, IT IS HEREBY ORDERED THAT:

1. Alta Energy Corporation's Verified Petition to Allow Service by Certified Mail on Mr. Richard L. Peterson, P.O. Box 8, Douglas, Wyoming 82133, is hereby granted.

DATED this 15th day of April, 1985.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING

