

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

IN THE MATTER OF THE APPLICATION OF)
CHEVRON OIL COMPANY, WESTERN DIVISION,)
FOR AN ORDER ESTABLISHING DRILLING)
UNITS IN THE BLUEBELL FIELD AREA,)
DUCHESNE COUNTY, UTAH.)

O R D E R
CAUSE NO. 131-2

Pursuant to the Application of Chevron Oil Company, Western Division, this cause came on for hearing before the Board of Oil and Gas Conservation, Department of Natural Resources of the State of Utah at 10:30 a.m. on Wednesday, November 20, 1968, in the Governor's Board Room, Second Floor, State Capitol Building, Salt Lake City, Utah. The following Board members were present:

Delbert M. Draper, Jr., Esq., Chairman, Presiding

Charles R. Henderson

Guy N. Cardon

Robert R. Norman

Wallace D. Yardley

Also Present:

Cleon B. Feight, Director - Division of Oil and
Gas Conservation

Paul W. Burchell, Chief Engineer, Division of Oil and Gas Conservation

Appearances were made as follows:

For the Applicant: William M. Balkovatz, Esq.
Denver, Colorado

Richard K. Sager, Esq.
Salt Lake City, Utah

For Shell Oil Company: Leslie E. Kell, Esq.
Los Angeles, California

Ray G. Martineau, Esq.
Salt Lake City, Utah

For Uqueahgut, Inc.: Edward W. Clyde, Esq.
Salt Lake City, Utah

For the Ute Tribe and the
Ute Distribution Corporation: George C. Morris, Esq.
Salt Lake City, Utah

For Certain Royalty Owners: R. Earl Dillman, Esq.
Roosevelt, Utah

For United States
Geological Survey: Rodney A. Smith - District Engineer

For Uintah and Ouray Agency
Bureau of Indian Affairs: Stanley D. Lyman, Superintendent

NOW, THEREFORE, The Board, having heard the testimony of the witnesses and having considered the evidence and being advised in the premises, now makes and enters the following:

F I N D I N G S

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 and the Rules and Regulations of the Board.

2. The Board has jurisdiction over the matter covered by said Application and over all parties interested therein and has jurisdiction to make and promulgate the Order hereinafter set forth.

3. That one well on a 320-acre tract will efficiently and economically drain the recoverable oil, gas and associated hydrocarbons from the hereinafter defined interval of the lower Green River formation underlying the hereinafter described lands.

4. That one well on a 80-acre tract will efficiently and economically drain the recoverable oil, gas and associated hydrocarbons from the hereinafter described interval of the middle Green River formation underlying the hereinafter described lands.

5. In order to prevent waste of oil, gas and associated hydrocarbons, to avoid the drilling of unnecessary wells, and to protect correlative rights, 320-acre drilling units should be established for the development and production of oil, gas and associated hydrocarbons from that interval of the Green River formation underlying the hereinafter described lands, defined as that interval below the stratigraphic equivalent of 9600 feet depth in the "E" log of the Carter #2 Bluebell well located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 3, Township 1 South, Range 2 West, U.S.M. (which is equivalent to the depth 9530 feet of the SP curve, Dual Induction Log, run March 15, 1968, in the Chevron #1 Blanchard well located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 3) down to the top of the Wasatch formation defined as depth 11,140 feet of the Induction ES log run November 9, 1967, in the Chevron #1 Boren well located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 11, Township 1 South, Range 2 West, U.S.M.

6. In order to prevent waste of oil, gas and associated hydrocarbons, to avoid the drilling of unnecessary wells, and to protect correlative rights, 80-acre drilling units should be established for the development and production of oil, gas and associated hydrocarbons for that interval of the Green River formation underlying the hereinafter described lands defined as that interval above the stratigraphic

equivalent of 9600 feet depth in the "E" log of the Carter #2 Bluebell well located in the SW $\frac{1}{2}$ NW $\frac{1}{2}$, Section 3, Township 1 South, Range 2 West, U.S.M.

7. That said intervals of the Green River formation underlie the following lands in the Bluebell Field, Duchesne County, Utah:

Township 1 North, Range 1 West, U.S.M.

Section 31: All

Township 1 North, Range 2 West, U.S.M.

Section 32: All Section 35: All
Section 33: All Section 36: All
Section 34: All

Township 1 South, Range 1 West, U.S.M.

Section 6: All Section 18: All
Section 7: All Section 19: All

Township 1 South, Range 2 West, U.S.M.

Section 1: All Section 13: All
Section 2: All Section 14: All
Section 3: All Section 15: All
Section 4: All Section 16: All
Section 5: All Section 17: All
Section 8: All Section 20: All
Section 9: All Section 21: All
Section 10: All Section 22: All
Section 11: All Section 23: All
Section 12: All Section 24: All

8. The above-described area contains accumulations of oil, gas and associated hydrocarbons in the aforesaid intervals of the Green River formation and that such accumulations exist in separate pools each constituting a separate common source of supply.

9. That drilling units should be established comprising the E $\frac{1}{2}$ of each governmental section or governmental lots corresponding thereto, i.e., 320-acres more or less, and the W $\frac{1}{2}$ of each governmental section or governmental lots corresponding thereto, i.e., 320-acres more or less, for that interval of the Green River formation defined in paragraph 5. above.

10. The location of wells within said E $\frac{1}{2}$ and W $\frac{1}{2}$ should be permitted as follows:

- (a) That the permitted wells for each drilling unit of 320 acres, more or less, should be located in the NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of each of the following described sections, but no closer than 1100 feet from the section lines or the quarter section lines of said NE $\frac{1}{4}$ and said SW $\frac{1}{4}$:

Township 1 North, Range 1 West, U.S.M.

Section 31

Township 1 North, Range 2 West, U.S.M.

Sections 32, 33, 35 and 36

Township 1 South, Range 1 West, U.S.M.

Sections 7, 18 and 19

Township 1 South, Range 2 West, U.S.M.

Sections 8, 9, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23 and 24

- (b) That the $E\frac{1}{2}$ of Section 6, Township 1 South, Range 1 West, U.S.M., should comprise a drilling unit of 320 acres, more or less, for the permitted well to be located in the $NE\frac{1}{4}$ of said section, but no closer than 1100 feet from the east section line or 1100 feet from the north-south quarter section line and no closer than 1282 feet from the north section line or 1100 feet from the east-west quarter section line.

- (c) That the permitted wells for each drilling unit of 320 acres more or less, should be located in the $SW\frac{1}{4}$ of each of the following sections, but no closer than 1100 feet from the section lines or the quarter section lines of said $SW\frac{1}{4}$.

Township 1 South, Range 1 West, U.S.M.

Section 6

Township 1 North, Range 2 West, U.S.M.

Section 34

Township 1 South, Range 2 West, U.S.M.

Section 5

- (d) That the $E\frac{1}{2}$ of Section 34, Township 1 North, Range 2 West, U.S.M., should comprise a drilling unit of 320-acres more or less, and that the permitted well should be located in the center of said $E\frac{1}{2}$, but no closer than 1100 feet from the east section line or 1100 feet from the north-south quarter section line and no closer than 2400 feet from the north or south section lines of said $E\frac{1}{2}$, or in the alternative, at Shell Oil Company's election, such location shall be the Humble Ute 48-1-34-B well; provided however, that if Shell elects said Humble well as the location for said $E\frac{1}{2}$ of Section 34, it shall reenter such well and test the same in the Lower Green River Formation.

- (e) That the $W\frac{1}{2}$ of Section 1, Township 1 South, Range 2 West, U.S.M., should comprise a drilling unit of 320-acres more or less, for the permitted well to be located in the center of said $W\frac{1}{2}$ but no closer than 1100 feet from the west section line or 1100 feet from the north-south quarter section lines and no closer than 2400 feet from the south section line or 2806 feet from the north section line of said $W\frac{1}{2}$.
- (f) That the $W\frac{1}{2}$ of Section 4, Township 1 South, Range 2 West, U.S.M., should comprise a drilling unit of 320-acres more or less, for the permitted well to be located in the approximate center of the $SE\frac{1}{4}$ of the $NW\frac{1}{4}$ of said Section 4, but no closer than 660 feet from the north-south quarter section line and no closer than 660 feet from the east-west quarter section line and no closer than 1700 feet from the north section line of said Section 4.
- (g) That the $E\frac{1}{2}$ of Sections 1 and 5, Township 1 South, Range 2 West, U.S.M., should comprise drilling units of 320 acres more or less for the permitted well to be located in the $NE\frac{1}{4}$ of said sections, but no closer than 1100 feet from the east section line or 1100 feet from the north-south quarter section line and no closer than 1363 feet from the north section line or 1100 feet from the east-west quarter section line of said $E\frac{1}{2}$.
- (h) That the $E\frac{1}{2}$ or $W\frac{1}{2}$ of the following sections should comprise a drilling unit of 320 acres more or less, for each of the wells now located in the $SE\frac{1}{4}$ of Section 4; $SW\frac{1}{4}$ and $NW\frac{1}{4}SE\frac{1}{4}$ of Section 3; $SW\frac{1}{4}$ and $SE\frac{1}{4}$ of Section 2; $SW\frac{1}{4}$ and $NE\frac{1}{4}$ of Section 10; $NW\frac{1}{4}NW\frac{1}{4}$ and $NE\frac{1}{4}$ of Section 11, Township 1 South, Range 2 West, U.S.M. and that same should be allowed as regular locations or exceptions to the well spacing in said 320-acres drilling units, and that no other well should be permitted to produce from said interval defined in paragraph 5 above in the 320-acre drilling units in which said wells are located.

11. Each 80-acre drilling unit should consist of two (2) governmental quarters or governmental lots corresponding thereto, comprising eighty (80) acres, more or less, located in an east-west or horizontal direction in a quarter-section, or governmental lots corresponding thereto. The permitted well for each drilling

unit should be located in the center of the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of each quarter-section or governmental lots corresponding thereto, and in the center of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of each quarter section or governmental lots corresponding thereto.

12: That the Carter Oil Company Bluebell Unit #2 well (now called Uqueahgut Inc., #1 Victor Brown) located in the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 3, Township 1 South, Range 2 West, U.S.M., should be allowed as an exception to the well spacing in said 80-acre drilling units, and that no other well should be permitted to produce from said interval defined in paragraph 6 above, in the 80-acre drilling unit comprising the S $\frac{1}{2}$ of the NW $\frac{1}{4}$ of said Section 3.

13. That the evidence presented shows that Temporary Order, designated as Cause No. 131-1, dated March 13, 1968, being no longer applicable, should be vacated.

O R D E R

IT IS THEREFORE ORDERED:

1. That 320-acre drilling units be and the same are hereby established for the development and production of oil, gas and associated hydrocarbons from that interval of the Green River formation underlying the hereinafter described lands defined as that interval below the stratigraphic equivalent of 9600 feet depth in the "E" log of the Carter #2 Bluebell well located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 3, Township 1 South, Range 2 West, U.S.M. (which is equivalent to the depth 9530 feet of the SP curve, Dual Induction log, run March 15, 1968, in the Chevron #1 Blanchard well located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 3) down to the top of the Wasatch formation defined as depth 11,140 feet of the Induction ES log run November 9, 1967, in the Chevron #1 Boren well located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 11, Township 1 South, Range 2 West, U.S.M.

2. That 80-acre drilling units be and the same are hereby established for the development and production of oil, gas and associated hydrocarbons from that interval of the Green River formation underlying the hereinafter described lands defined as that interval above the stratigraphic equivalent of 9600 feet depth in the #2 Bluebell well located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 3, Township 1 South, Range 2 West, U.S.M.

3. That the Green River formation, including the productive intervals defined above, in the Bluebell Field, underlie the following lands situated in Duchesne County, Utah:

Township 1 North, Range 1 West, U.S.M.

Section 31: All

Township 1 North, Range 2 West, U.S.M.

Section 32: All Section 35: All
Section 33: All Section 36: All
Section 34: All

Township 1 South, Range 1 West, U.S.M.

Section 6: All Section 18: All
Section 7: All Section 19: All

Township 1 South, Range 2 West, U.S.M.

Section 1: All Section 13: All
Section 2: All Section 14: All
Section 3: All Section 15: All
Section 4: All Section 16: All
Section 5: All Section 17: All
Section 8: All Section 20: All
Section 9: All Section 21: All
Section 10: All Section 22: All
Section 11: All Section 23: All
Section 12: All Section 24: All

4. That drilling units be and the same are hereby established comprising the $E\frac{1}{2}$ of each governmental section or governmental lots corresponding thereto, i.e., 320-acres, more or less, and the $W\frac{1}{2}$ of each governmental section or governmental lots corresponding thereto, i.e., 320-acres, more or less, for that interval of the Green River formation defined in paragraph 1 of this Order.

5. That the location of wells within said $E\frac{1}{2}$ and $W\frac{1}{2}$ shall be as follows:

- (a) That the permitted wells for each drilling unit of 320 acres, more or less, shall be located in the $NE\frac{1}{4}$ and $SW\frac{1}{4}$ of each of the following sections, but no closer than 1100 feet from the section lines or the quarter section lines of said $NE\frac{1}{4}$ and $SW\frac{1}{4}$.

Township 1 North, Range 1 West, U.S.M.

Section 31

Township 1 North, Range 2 West, U.S.M.

Sections 32, 33, 35 and 36

Township 1 South, Range 1 West, U.S.M.

Sections 7, 18 and 19

Township 1 South, Range 2 West, U.S.M.

Sections 8, 9, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23 and 24

- (b) That the $E\frac{1}{2}$ of Section 6, Township 1 South, Range 1 West, U.S.M., shall comprise a drilling unit of 320 acres more or less, for the permitted well to be located on the $NE\frac{1}{4}$ of said section, but no closer than 1100 feet from the east section line or 1100 feet from the north-south quarter section line and no closer

than 1282 feet from the north section line or 1100 feet from the east-west quarter section line.

- (c) That the permitted wells for each drilling unit of 320 acres more or less, shall be located in the SW $\frac{1}{4}$ of each of the following sections, but no closer than 1100 feet from the section lines or the quarter section lines of said SW $\frac{1}{4}$.

Township 1 South, Range 1 West, U.S.M.

Section 6

Township 1 North, Range 2 West, U.S.M.

Section 34

Township 1 South, Range 2 West, U.S.M.

Section 5

- (d) That the E $\frac{1}{2}$ of Section 34, Township 1 North, Range 2 West, U.S.M., shall comprise a drilling unit of 320 acres, more or less and that the permitted well shall be located in the center of said E $\frac{1}{2}$, but no closer than 1100 feet from the east section line or 1100 feet from the north-south quarter section line and no closer than 2400 feet from the north or south section lines of said E $\frac{1}{2}$, or in the alternative at Shell Oil Company's election, such location shall be the Humble Ute 48-1-34-B well; provided however, that if Shell elects said Humble well as the location for said E $\frac{1}{2}$ of Section 34, it shall reenter such well and test the same in the Lower Green River Formation.
- (e) That the W $\frac{1}{2}$ of Section 1, Township 1 South, Range 2 West, U.S.M., shall comprise a drilling unit of 320 acres more or less, for the permitted well to be located in the center of said W $\frac{1}{2}$ but no closer than 1100 feet from the west section line or 1100 feet from the north-south quarter section lines and no closer than 2400 feet from the south section line or 2806 feet from the north section line of said W $\frac{1}{2}$.
- (f) That the W $\frac{1}{2}$ of Section 4, Township 1 South, Range 2 West, U.S.M., shall comprise a drilling unit of 320 acres more or less, for the permitted well to be located in the approximate center of the SE $\frac{1}{4}$

of the NW $\frac{1}{4}$ of said Section 4, but no closer than 660 feet from the north-south quarter section line and no closer than 660 feet from the east-west quarter section line and no closer than 1700 feet from the north section line of said Section 4.

(g) That the E $\frac{1}{2}$ of Sections 1 and 5, Township 1 South, Range 2 West, U.S.M., shall comprise drilling units of 320 acres more or less, for the permitted well to be located in the NE $\frac{1}{4}$ of said sections, but no closer than 1100 feet from the east section line or 1100 feet from the north-south quarter section line and no closer than 1363 feet from the north section line or 1100 feet from the east-west quarter section line of said E $\frac{1}{2}$.

(h) That the E $\frac{1}{2}$ or W $\frac{1}{2}$ of the following sections shall comprise a drilling unit of 320 acres more or less, for each of the wells now located in the SE $\frac{1}{4}$ of Section 4; SW $\frac{1}{4}$ and NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 3; SW $\frac{1}{4}$ and SE $\frac{1}{4}$ of Section 2; SW $\frac{1}{4}$ and NE $\frac{1}{4}$ of Section 10; NW $\frac{1}{4}$ NW $\frac{1}{4}$ and NE $\frac{1}{4}$ of Section 11, Township 1 South, Range 2 West, U.S.M., and that same be allowed as regular locations or exceptions to the well spacing established hereby, and that no other well shall be permitted to produce from said interval described in paragraph 1 of this Order in the 320-acre drilling units in which said wells are located.

6. That drilling units be and the same are hereby established comprising two (2) governmental quarters or governmental lots corresponding thereto, i.e., 80-acres more or less, located in an east-west or horizontal direction in a quarter section. The permitted well for each such 80-acre drilling unit shall be located in the center of the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of each governmental quarter section, or governmental lots corresponding thereto, and in the center of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of each governmental quarter section, or governmental lots corresponding thereto, and that no other well shall be permitted to produce from said interval described in paragraph 2 of this Order in the drilling units in which said wells are located.

7. That the Carter Oil Company Bluebell Unit #2 well (now called Uqueahgut, Inc., #1 Victor Brown) located in the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 3, Township 1 South, Range 2 West, U.S.M. shall be allowed as an exception to the well spacing in said

80-acre drilling units, and that no other well shall be permitted to produce from said interval defined in paragraph 2 above, in the 80-acre drilling unit comprising the S½ of the NW¼ of said Section 3.

8. That an exception in respect to the location of a permitted well within a 320-acre drilling unit and/or 80-acre drilling unit may be granted without notice or hearing upon the filing with the Division of an application showing that topographical condition or cultural features exist which reasonably require a change in the specified well location.

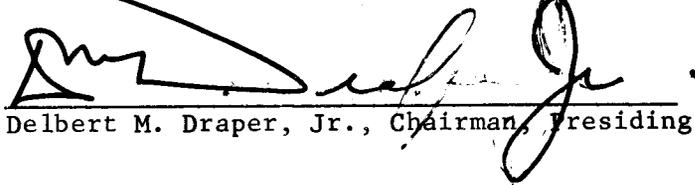
9. That the Temporary Order, designated as Cause No. 131-1, dated March 13, 1968, be and the same is hereby vacated.

10. That this Order shall be in effect until further order of the Board.

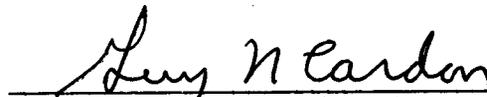
11. That the Board retains continuing jurisdiction of all matters covered by this Order.

ENTERED this twentieth day of November, 1968.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF UTAH


Delbert M. Draper, Jr., Chairman, Presiding

Charles R. Henderson, Board Member


Guy N. Cardon, Board Member


Robert R. Norman, Board Member


Wallace D. Yardley, Board Member

Dick Roberts	-	Shell Oil Co.
Hessie E. Kell		" " "
Dr. S. Martinian		" " "
Ed Spottswood		Shell Oil Co
Donald J. Johnson		Ugheahgut Inc.
Walter E. Brown		Land owner
R. Earl Dillman		Attorney for protestant
P. J. Butler		Chevron Oil Co.
A. E. Singleton		Chevron Oil Company
J. R. Ashmore		Chevron Oil Company
A. H. WIEDER		CHEVRON OIL COMPANY
E. P. Works Jr.		Gulf Oil Corp
Mrs. Leta Bragg		Large owner
Lyn Miller		Land owner
Clair C. Larsen		Oil Right - Owner
Fred S. Coltharp		Royalty owner
Dodney A. Smith		U.S. Geological Survey
Adelyn H. Logan (Mrs)		U.S. Bureau Ind. Affairs
STANLEY D. LYMAN	SUPT	U & O AGENCY Bureau Indian Affairs
Ed Allen		Chevron Pipe Line Co
H. P. M. Fish		Geologist
Ray F. Sproule		Flying Diamond Ranch Co.
Ray Mecham		Land Owner
Ed Mecham		" "
John Chas		Land Owner
J. S. Latta	?	Ute Distribution Corp.
Raymond L. Brown	?	Mineral owner
J. S. Pack		" "
Jarvis D. Long	?	Ute Distribution Corporation
Lynna D. Sixkiller		" " "
Calvin D. Durdock		" " "
Henry W. Prosser		" " "
Karla Blanchard		Land Owner
Lester Blanchard		" "

The Hearing scheduled for the 13th has been
postponed until the 20th of November.

(Copy of the above sent to each Board
Member)

(Also called Allen Jenkins)