

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
in and for the STATE OF UTAH

IN THE MATTER OF THE APPLICATION)	
OF SNYDER OIL COMPANY FOR AN ORDER)	
ESTABLISHING 320 ACRE DRILLING)	ORDER
AND SPACING UNITS FOR THE MESA)	
VERDE FORMATION FOR GAS PRODUCTION)	CAUSE NO. 179-3
UNDERLYING SECTION 21, TOWNSHIP 10)	
SOUTH, RANGE 23 EAST, UINTAH COUNTY,)	
UTAH)	

Pursuant to the Notice of Hearing dated July 1, 1981, of the Board of Oil, Gas and Mining, Department of Natural Resources of the State of Utah, said cause came on for hearing on Wednesday, July 22, 1981, at 9:00 a.m., in the Division of Wildlife Resources Auditorium, 1596 West North Temple, Salt Lake City, Utah.

The following members of the Board were present:

Charles R. Henderson, Chairman, Presiding
John L. Bell
Margaret Bird
Robert Norman

Also present were:

Cleon B. Feight, Director, Division of Oil, Gas and Mining
Michael Minder, Petroleum Engineer, Division of Oil, Gas and Mining

Appearances were made as follows:

For Snyder Oil Company	Lloyd Edwards
Attorneys for Snyder Oil Company	Ray, Quinney & Nebeker By Alan A. Enke, Esq.
Witnesses on behalf of Snyder Oil Company	Lloyd Edwards Jim McCormick

NOW, THEREFORE, the Board having considered the testimony of the witnesses and the exhibits received at said hearing and being fully advised in the premises, now makes and enters the following:

FINDINGS

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.

2. The Board has jurisdiction over the matters covered by said Notice and over all parties interested therein and has jurisdiction to make and promulgate any Orders hereinafter set forth.

3. The Mesa Verde Formation is a common source of supply of gas underlying the following described tract of land:

Township 10 South, Range 23 East, S.L.M.

Section 21: All

4. In the interests of conservation and the prevention of waste, and for the protection of the correlative rights of the various operators and owners of oil and gas interests within the above described area, and to prevent the drilling of unnecessary wells, the Board should enter an order establishing stand-up 320 acre drilling and spacing units (east half and west half of said section), running in a north-south direction, for the development of the Mesa Verde Formation for the production of gas underlying the above described area, and providing that no more than one gas well shall be drilled and produced from the said Mesa Verde Formation on any such unit.

5. Because of a stipulation under Federal Oil and Gas Lease U-43170 which limits surface occupancy, the Board should establish a well location for the E/2 Drilling Unit in the NE/4 NE/4 not less than 660 feet from the north line and 500 feet from the east line of the Northeast Quarter of said Section 21.

6. The Board should have the right administratively to make exceptions to the well location as established in Paragraph 5

above when it appears that there are addequate reasons because of topographical and other structure problems in the area.

ORDER

IT IS THEREFORE ORDERED:

To prevent waste of oil, gas and associated hydrocarbons, to avoid the drilling of unnecessary wells, to protect correlative rights and to establish drilling units of uniform size and shape for the promotion of more orderly development of the lands described in Paragraph 3 above, the following Orders are hereby promulgated to govern operations in said area effective as of July 22, 1981:

A. That upon the effective date any and all Orders of the Board heretofore promulgated which are inconsistent with the Orders herein set forth shall be and are hereby vacated.

B. That the drilling units as set forth in Paragraphs 4 and 5 above are hereby established for the development and production of gas from the Mesa Verde Formation underlying the lands described in Paragraph 3 above.

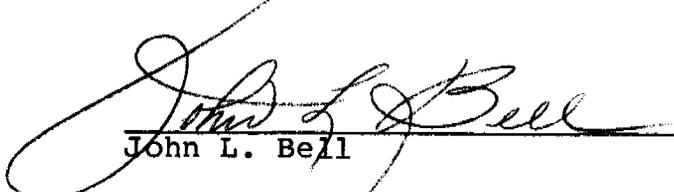
C. That the Board may by administration make exceptions to the well locations described in Paragraph 5 above in the event that topographical and other structural variations so require.

D. That the Board retains exclusive continuing jurisdictions of all matters covered by this Order and of all parties affected thereby and particularly that the Board retains and reserves exclusive and continuing jurisdiction to make further orders as appropriate as authorized by statute and applicable regulations.

ENTERED THIS 22nd DAY OF July, 1981.

BOARD OF OIL, GAS AND MINING
OF STATE OF UTAH


Charles R. Henderson


John L. Bell

C. Ray Juvelin

Margaret R. Bird

Margaret R. Bird

E. Steele McIntyre

E. Steele McIntyre

Edward T. Beck

Herm Olsen

Herm Olsen