

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

.....
IN THE MATTER OF THE PROMULGATION
AND ESTABLISHMENT OF A SPECIAL AREA
RULE TO GOVERN WILDCAT WELL SPACING
IN THE BAR X-HARLEY-SEIBER-CISCO
NOSE AREA, GRAND COUNTY, UTAH
.....

CAUSE NO. 2
ORDER NO. 2
.....

REPORT OF THE COMMISSION

This cause came on for hearing before the Commission on May 3, 1956, and June 4, 1956 at 10:00 a.m., in the Senate Chambers, State Capitol Building, Salt Lake City, Utah, on its own motion to determine the feasibility of establishing a special rule to govern wildcat well spacing in the Bar X-Harley-Seiber-Cisco Nose Area, Grand County, Utah.

F I N D I N G S

The Commission finds as follows:

1. That due notice of the time, place, and purpose of the hearing has been given in all respects as required by law.
2. That the Commission has jurisdiction over the subject matter embraced in said notice and of the parties interested therein, and jurisdiction to promulgate the hereinafter prescribed order.
3. That there are three or possibly four principal producing sand intervals or zones in this area; to wit:

The Dakota sand, the Morrison, the
Salt Wash, and the Entrada.
4. That the geological strata in this area dips downward in a north westerley direction, and in the extreme south east of the area, the Dakota Sands outcrop.
5. That there has been no systematic development throughout the area, except for the Bar X Section.
6. That all available geological and engineering data concerning the Bar X area indicate that this is primarily a gas producing area of fairly deep sands and high pressure.
7. That there is not sufficient geological or engineering data concerning the Harley Area to warrant changing the already established wildcat well spacing rule.

8. That except for the Bar X Section, most of the development has taken place in the Seiber-Cisco Nose Area; to Wit:

Township 19 South, Range 23 East
Sections: 19 through 36

Township 19 South, Range 24 East
Sections: 19 through 36

Township 20 South, Range 23 East
All Sections

Township 20 South, Range 24 East
All Sections

Township 21 South, Range 23 East
All Sections

Township 21 South, Range 24 East
All Sections

9. That all available geological and engineering data concerning the said Seiber-Cisco Nose Area indicate that the producing sands are relatively shallow, of low pressure, and are Channel or Bar type and extremely narrow and thin compared to other producing areas in Utah.

10. That the great majority of the operators in the Seiber-Cisco Nose Area are of the opinion, that to insure proper and efficient development and to promote conservation of the oil and gas resources of the State, an order should be made establishing 10 acre spacing for the drilling of wildcat wells in this area.

C O N C L U S I O N

The Commission concludes as follows:

1. That insofar as the Harley and Bar X Areas are concerned, there should be no change in the already established wildcat well spacing pattern as provided for in Rule C-3, General Rules and Regulations and Rules of Practice and Procedure, Oil and Gas Conservation Commission, State of Utah.
2. That it is feasible at this time to establish a special area spacing rule for the Seiber-Cisco Nose Area.
3. That there has been sufficient showing that the conservation of oil and gas and the prevention of waste would best be served by establishing a special area spacing rule for the Seiber-Cisco Nose Area.

O R D E R

NOW, THEREFORE, IT IS ORDERED that the following rules and regulations shall hereafter apply to the drilling of wildcat wells in the Seiber Cisco Nose Area, Grand County, Utah, more particularly described as:

Township 19 South, Range 23 East
Sections: 19 through 36

Township 19 South, Range 24 East
Sections: 19 through 36

Township 20 South, Range 23 East
All Sections

Township 20 South, Range 24 East
All Sections

Township 21 South, Range 23 East
All Sections

Township 21 South, Range 24 East
All Sections

in addition to other applicable rules, regulations, and orders of the Commission, if any, heretofore adopted and not in conflict herewith.

FIELD RULE 1-2 The spacing of all wells drilled for oil or gas which are within the following described areas; to Wit:

Township 19 South, Range 23 East
Sections: 19 through 36

Township 19 South, Range 24 East
Sections: 19 through 36

Township 20 South, Range 23 East
All Sections

Township 20 South, Range 24 East
All Sections

Township 21 South, Range 23 East
All Sections

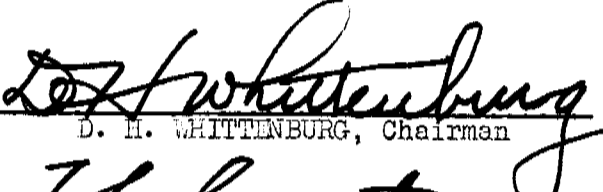
Township 21 South, Range 24 East
All Sections


and are not within a pool for which drilling units have been established shall be governed by Rule C-3, General Rules and Regulations and Rules of Practice and Procedure, Oil and Gas Conservation Commission, State of Utah, or Field Rule 2-2 of this order. It shall be at the option of the owner as to which of these two spacing rules shall govern, except that where one owner has spaced his well or wells in accordance with Rule C-3, and said well or wells are in the process of being drilled, redrilled, or are producible, the abutting or adjoining owner will not be allowed to place any offset wells on the spacing pattern provided for in Field Rule 2-2 of this order without the written consent of the owner who has followed the spacing pattern set forth in Rule C-3; which consent must be attached to the "Notice of Intention to Drill" filed with the Commission.


FIELD RULE 2-2 All wells drilled for oil or gas which are not within a pool for which drilling units have been established shall be located not less than 300 feet from any property or lease line or from the boundary of any legal subdivision comprising a governmental quarter-quarter section or equivalent lot or lots of comparable size and location and not less than 500 feet from any oil well, or less than 2500 feet from any gas well, unless otherwise specifically permitted by order of the Commission after notice and hearing.

ORDERED this 28 day of June, 1956.

THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF UTAH


D. H. WHITTENBURG, Chairman


T. S. CURTIS, Commissioner


H. F. SMART, Commissioner

BEFORE THE OIL AND GAS CONSERVATION COMMISSION

OF THE STATE OF UTAH

IN THE MATTER OF THE PROMULGATION : AMENDED ORDER NO. 2
AND ESTABLISHMENT OF A SPECIAL
AREA RULE TO GOVERN WILDCAT WELL : CAUSE NO. 2
SPACING IN THE BAR X-HARLEY-SEIBER-
CISCO NOSE AREA, GRAND COUNTY, UTAH :

REPORT OF THE COMMISSION

This cause came on for hearing before the Commission on May 3, 1956, and June 4, 1956 at 10:00 a.m., in the Senate Chambers, State Capitol Building, Salt Lake City, Utah, on its own motion to determine the feasibility of establishing a special rule to govern wildcat well spacing in the Bar X-Harley-Seiber-Cisco Nose Area, Grand County, Utah.

F I N D I N G S

The Commission finds as follows:

1. That due notice of the time, place, and purpose of the hearing has been given in all respects as required by law.
2. That the Commission has jurisdiction over the subject matter embraced in said notice and of the parties interested therein, and jurisdiction to promulgate the hereinafter prescribed order.
3. That there are three or possibly four principal producing sand intervals or zones in this area; to-wit:

The Dakota sand, the Morrison, the
Salt Wash, and the Entrada.
4. That the geological strata in this area dips downward in a north westerly direction, and in the extreme south east of the area, the Dakota Sands outcrop.
5. That there has been no systematic development throughout the area, except for the Bar X Section.
6. That all available geological and engineering data concerning the Bar X Area indicate that this is primarily a gas producing area of fairly deep sands and high pressure.
7. That there is not sufficient geological or engineering data concerning the Harley Area to warrant changing the already established wildcat

well spacing rule.

8. That except for the Bar X Section, most of the development has taken place in the Seiber-Cisco Nose Area; to-wit:

Township 19 South, Range 23 East
Sections: 19 through 36

Township 19 South, Range 24 East
Sections: 19 through 36

Township 20 South, Range 23 East
All Sections

Township 20 South, Range 24 East
All Sections

Township 21 South, Range 23 East
All Sections

Township 21 South, Range 24 East
All Sections

9. That all available geological and engineering data concerning the said Seiber-Cisco Nose Area indicate that the producing sands are relatively shallow, of low pressure, and are Channel or Bar type and extremely narrow and thin compared to other producing areas in Utah.

10. That the great majority of the operators in the Seiber-Cisco Nose Area are of the opinion, that to insure proper and efficient development and to promote conservation of the oil and gas resources of the State, an order should be made establishing 10-acre spacing for the drilling of wild-cat wells in this area.

C O N C L U S I O N

The Commission concludes as follows:

1. That insofar as the Harley and Bar X Areas are concerned, there should be no change in the already established wildcat well spacing pattern as provided for in Rule C-3, General Rules and Regulations and Rules of Practice and Procedure, Oil and Gas Conservation Commission, State of Utah.

2. That it is feasible at this time to establish a special area spacing rule for the Seiber-Cisco Nose Area.

3. That there has been sufficient showing that the conservation of oil and gas and the prevention of waste would best be served by establishing a special area spacing rule for the Seiber-Cisco Nose Area.

O R D E R

NOW, THEREFORE, IT IS ORDERED that the following rules and regulations shall hereafter apply to the drilling of wildcat wells in the Seiber-Cisco Nose Area, Grand County, Utah, more particularly described as:

Township 19 South, Range 23 East
Sections: 19 through 36

Township 19 South, Range 24 East
Sections: 19 through 36

Township 20 South, Range 23 East
All Sections

Township 20 South, Range 24 East
All Sections

Township 21 South, Range 23 East
All Sections

Township 21 South, Range 24 East
All Sections

in addition to other applicable rules, regulations, and orders of the Commission, if any, heretofore adopted and not in conflict herewith.

[FIELD] RULE 1-2. The spacing of all wells drilled for oil or gas which are within the following described areas; to-wit:

Township 19 South, Range 23 East
Sections: 19 through 36

Township 19 South, Range 24 East
Sections: 19 through 36

Township 20 South, Range 23 East
All Sections

Township 20 South, Range 24 East
All Sections

Township 21 South, Range 23 East
All Sections

Township 21 South, Range 24 East
All Sections

and are not within a pool for which drilling units have been established shall be governed by **[**Rule C-3, General Rules and Regulations and Rules of Practice and Procedure, Oil and Gas Conservation Commission, State of Utah, or**]** **[Field]** Rule 2-2 of this order. **[**It shall be at the option of the owner as to which of these two spacing rules shall

govern, except that where one owner has spaced his well or wells in accordance with Rule C-3, and said well or wells are in the process of being drilled, redrilled, or are producible, the abutting or adjoining owner will not be allowed to place any offset wells on the spacing pattern provided for in Field Rule 2-2 of this order without the written consent of the owner who has followed the spacing pattern set forth in Rule C-3; which consent must be attached to the "Notice of Intention to Drill" filed with the Commission.]

[FIELD] RULE 2-2 All wells drilled for oil or gas which are not within a pool for which drilling units have been established shall be located not less than 300 feet from any property or lease line [or from the boundary of any legal subdivision comprising a governmental quarter-quarter section or equivalent lot or lots of comparable size and location] and not less than 600' from any oil well or 2500' from any gas well, provided further, that no more than one well will be permitted on each 10-acre plot or governmental quarter-quarter-quarter section or equivalent lot or lots of comparable size and location, unless otherwise specifically permitted by order of the Commission after notice and hearing.

AMENDED this _____ day of _____

THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF UTAH

C. R. HENDERSON, Chairman

C. S. THOMSON, Commissioner

M. V. HATCH, Commissioner

BRYANT H. CROFT, Commissioner

CHARLES P. OLSON, Commissioner

[] deletions _____ additions

EXHIBITS PRESENTED IN CAUSE NO. 2:

<u>Exhibit No.</u>	<u>Representation</u>
1	Diagram Comparing Geologic Tops as Found in Wells No. 2 and 3 - Agate Oil Company
2	Geologic and Subsurface Structure Map of Utah and Colorado.

CAUSE NO. 2

1-11-56

Motion by Commission to institute proceedings to establish a special area spacing rule in the Bar X-Harley-Seiber and Cisco Nose Area.

Hearing set for 10:00 a.m., Thursday, March 3, 1956, in the Senate Chambers.

5-22-56

Letter from Texota Oil Company supporting 10-Acre spacing in area under consideration.

6-28-57

Order by Commission adopting 10-Acre spacing for Seiber & Cisco Nose Areas.

This proceedings has been instituted by the Utah Oil and Gas Conservation Commission on its own motion as the result of an investigation of the geological conditions existing in the Bar X-Harley-Saiber-Cisco Nose Area. The investigation came about as the result of numerous requests for exceptions from the regular wildcat spacing pattern in the area. In fact, a request was made by one major oil company for a special 10 acre spacing rule to cover most of the area listed. Just recently a similar request was received from another company. This then is the problem before us. WOULD 10 ACRE SPACING, FROM A CONSERVATION STANDPOINT, BE MORE EFFECTIVE IN THE AREA OUTLINED IN OUR MOTION THAN THE NOW ESTABLISHED RULE REQUIRING 40 ACRE SPACING ?

If there are no objections we will proceed without further delay. We would like to call as the first witness Mr Hauptman, our Petroleum Engineer, who has given this matter considerable thought and study.

Mr Hauptman will you please take the stand

SWEAR MR HAUPTMAN IN

Will you please state your name and address

Mr Hauptman what is your profession

How long have you been engaged in this profession

What are your educational qualifications

With whom were you last employed and for how long

By whom are you presently employed

What are your duties with the Utah Oil & Gas Conservation Commission

Mr Hauptman you have made an investigation of the conditions existing in the Bar X-Harley-Seiber-Cisco Nose area relative to the drilling of wells for the discovery of oil and/or gas is that not correct.

Will you please explain your findings to the Commission

Because of the extremely erratic nature of the producible sands in the wells in the general overall area under consideration I believe that the most logical and satisfactory solution toward planning for future development of the area is to designate a specific area within which the salient conditions herein set out prevail:

(1) Where Triassic rocks lie on granite, which is the case throughout most of this area, this precludes the possibility of production in older beds and largely limits prospective formations to the Dakota, Morrison and Entrada, which can be reached at average depths of between 500 and 3500 feet.

(2) Not only are these prospective formations shallow but they have very low formation pressure.

(a) Comparison of the logs of some of the wells in this area indicate that the producing sand changes in thickness, position, porosity, and permeability in very short distances. This coupled with the fact that the Dakota and Morrison ~~sands~~ sands appear to be channel or bar deposits which are extremely narrow makes these formations very difficult to follow on 40 acre spacing.

FOR EXAMPLE:

Oil in the Carter Oil Company No. 1 Larsen-State Well is produced from the Brushy Basin member of the Jurassic Morrison formation, predominately Bentonitic mudstone containing lenses of porous, conglomeratic sandstone. These lenses are generally small and extremely lenticular. 4 dry holes have been drilled around this well at a distance from 1000 to 2640 feet.

Cisco Nose is a continuous bed of producing sand and is therefore ~~should~~

EMERSON CANNON WILLEY
ATTORNEY AT LAW
BOSTON BUILDING
SALT LAKE CITY, UTAH

May 24, 1956

Honorable Herbert Smart, Chairman
Oil & Gas Conservation Commission
Capitol Building
Salt Lake City, Utah

Re: Well Spacing Program, Bar X -
Harley - Seiber - Cisco Nose
Area, Grand County, Utah

Dear Mr. Smart:

Reference is made to the hearing which was had on May the 3rd, 1956 on the above subject, before the Utah Oil and Gas Conservation Commission.

I attended that hearing and on behalf of Texota Oil Company, whom I represent, I requested that the hearing be not concluded at that time until I had had an opportunity to further confer with my clients. The hearing was continued until June 4th, 1956 to permit any individuals to appear and offer testimony in support of or against the proposed well spacing rule.

I have since conferred with my clients and they do not wish to further appear in the matter. You have also received a copy of a letter from Tom Hiestand of Texota Oil Company, wherein it is stated that the company has no objections to the well spacing rule which was proposed.

Thank you for your consideration, however, in granting our request of a continuance of the hearing.

Yours very truly,


Emerson C. Willey

ECW/ps
cc. Henderson
Johnson

TEXOTA OIL COMPANY

318 MILE HIGH CENTER
DENVER 2, COLORADO
ACOMA 2-0685

May 17, 1956

~~Mr. Kenneth L. Smith
Ambassador Oil Corporation
3101 Winthrop Avenue
Fort Worth, Texas~~

Dear Kenneth:

In reply to your letter of May 14, 1956, pertaining to hearing on June 4, 1956, before the Oil and Gas Conservation Commission, State of Utah, in the matter of promulgation and establishment of a special area rule to govern wildcat well spacing in the Bar X, Harley, Seiber, Cisco Nose Area, Grand County, Utah, the Texota Oil Company declines to present oral testimony at the scheduled hearing.

The Texota Oil Company at this time takes the same position in the matter of wildcat well spacing that was described in applications submitted to the Commission immediately after the Commission's regulations were adopted and concerning locations in Township 18 South, Range 25 East, Section 29; Township 19 South, Range 25 East, Section 30; and Township 19 South, Range 24 East, Section 14. Therefore, this company offers no objections to a spacing rule which allows wildcat wells to be located 330 feet from lease or property lines in the area aforementioned.

Very truly yours,

TEXOTA OIL COMPANY

J. C. Hiestand
Thomas C. Hiestand

cc: Emerson C. Willey, Attorney
Salt Lake City, Utah

✓ Hon. Herbert Smart, Chairman,
Oil and Gas Conservation Commission,
Salt Lake City, Utah

Proof of Publication

STATE OF UTAH,)
County of Grand,) ss.
Clifford R. Halls

~~E. B. Taylor~~, being first duly sworn according to law, deposes and says: That he is the publisher of The Times-Independent, a weekly newspaper of general circulation, published every Thursday at Moab, Grand county, state of Utah; that the notice

Notice of Continuation of Hearing

hereto attached, and which is made a part of this Affidavit of Publication, was published in said newspaper for a period of one ~~consecutive~~ issues, the first publication having been made

May 17, 1956 ; and the last on ; that the said notice was published in each and every copy of said newspaper during the period and time of publication, and that it was published in the newspaper proper and not in a supplement thereof.

Clifford R. Halls

Subscribed and sworn to before me this

22 day of May

Vernon Dalton

Notary Public,
Residing at Moab, Utah.

My commission expires 10-14-59

Before The Oil and Gas Conservation Commission of the State of Utah
IN THE MATTER OF)
THE PROMULAGA)
TION AND ESTAB-) Notice
LISHMENT OF A SPE-) Of
CIAL AREA RULE TO) Contin-
GOVERN WILDCAT) uation
WELL SPACING IN) Of
THE BAR X-HARLEY-) Hearing
SEIBER-CISCO NOSE)
AREA, GRAND)
COUNTY, UTAH.)
Cause No. 2
Notice is hereby given that the hearing held at 10:00 on Thursday, May 3, 1956, in the Senate Chambers State Capitol Building, Salt Lake City, Utah, for the purpose of promulgating and establishing a special area rule to establish a special area rule to govern wildcat well spacing in the Bar X-Harley-Seiber-Cisco Nose Area, Grand County, Utah, is continued until Monday, June 4, 1956, at the same time and place.
OIL AND GAS CONSERVATION COMMISSION
C. B. FEIGHT
SECRETARY
(Published in the Times-Independent, Moab, Utah, May 17, 1956.

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

.....

IN THE MATTER OF THE PROMULGATION :
AND ESTABLISHMENT OF A SPECIAL AREA :
RULE TO GOVERN WILDCAT WELL SPACING: NOTICE
IN THE BAR L-HARLEY-SEIBER-CISCO :
NOSE AREA, GRAND COUNTY, UTAH :
:

.....

Notice is hereby given that a hearing will be held at 10:00 a.m.
on Thursday, May 3, 1956, in the ^{Senate Chambers} ~~Governor's Board~~
Room, State Capitol Building, Salt Lake City, Utah, for the purpose of
promulgating and establishing special area rules to govern wildcat well
spacing in the Bar L-Harley-Seiber-Cisco Nose Area, Grand County, Utah.

OIL AND GAS CONSERVATION COMMISSION

B/ D.H. Whittenburg
COMMISSIONER

/s/ H.F. Smart
COMMISSIONER

Note: This notice to be published in the Salt Lake Tribune and Times-Independent, Moab, Utah.

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

.....
:
IN THE MATTER OF THE PROMULGATION :
AND ESTABLISHMENT OF A SPECIAL AREA: Motion by Commission
RULE TO GOVERN WILDCAT WELL SPACING: Instituting Proceedings
IN THE BAR X-HARLEY-SEIBER-CISCO :
NOSE AREA, GRAND COUNTY, UTAH : Cause No.2
:
.....

Pursuant to Section 40-6-8, Utah Code Annotated 1953, as amended by the Laws of Utah 1955, Chapter 65, and Rule B-1, General Rules and Regulations and Rules of Practice and Procedure, Oil and Gas Conservation Commission of the State of Utah, the Commission, upon its own motion, hereby institutes a proceedings to determine the feasibility of establishing a special rule to govern wildcat well spacing in the following described area in Grand County, Utah, to wit:

Township 17 South, Range 25 East, SLM

Sections: 1 to 36, inclusive

Township 17 South, Range 26 East, SLM

Sections 5,6,7,8,77,18,19,20,29,30,31, & 32

Township 18 South, Range 24 East, SLM

Sections: 1,2,3,10,11,12,13,14,15,22,23,24,
25,26,27,34,35, & 36

Township 18 South, Range 25 East, SLM

Sections: 1 to 36, inclusive

Township 18 South, Range 26 East, SLM

Sections: 5,6,7,8,17,18,19,20,29,30,31, & 32

Township 19 South, Range 23 East, SLM

Sections: 19 to 36, inclusive

Township 19 South, Range 24 East, SLM

Sections 1 to 36, inclusive

Township 19 South, Range 25 East, SLM

Sections: 1 to 36, inclusive

Township 19 South, Range 26 East, SLM

Sections: 5,6,7,8,17,18,19,20,29,30,31 & 32

Township 20 South, Range 22 East, SLM

Sections: 1,2,3,10,11,12,13,14,15,22,23,24,
25,26,27,34,35, & 36

Township 20 South, Range 23 East, SLM

Sections: 1 to 36, inclusive

Township 20 South, Range 24 East, SLM

Sections: 1 to 36, inclusive

Township 20 South, Range 25 East, SLM

Sections: 1 to 36, inclusive

Township 20 South, Range 26 East, SLM

Sections: 5,6,7,8,17,18,19,20,29,30,31 & 32

Township 21 South, Range 23 East, SLM

Sections: 1 to 36, inclusive

Township 21 South, Range 24 East, SLM

Sections: 1 to 36, inclusive

and such additional area as the evidence introduced at the hearing may
warrant including in the special rule.

Dated this _____ day of _____, 1956.

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

.....
:
IN THE MATTER OF THE PROMULGATION
AND ESTABLISHMENT OF A SPECIAL AREA : NOTICE OF CONTINUATION
RULE TO GOVERN WILDCAT WELL SPACING OF HEARING
IN THE BAR X-HARLEY-SEIBER-CISCO :
NOSE AREA, GRAND COUNTY, UTAH. Cause No. 2
:
.....

Notice is hereby given that the hearing held at 10:00 on Thursday,
May 3, 1956, in the Senate Chambers, State Capitol Building, Salt Lake City,
Utah, for the purpose of promulgating and establishing a special area rule to
govern wildcat well spacing in the Bar X-Harley-Seiber-Cisco Nose Area, Grand
County, Utah, is continued until Monday, June 4, 1956, at the same time and
place.

OIL AND GAS CONSERVATION COMMISSION

CB Feight

C. B. FEIGHT
SECRETARY

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

.....

IN THE MATTER OF THE PROMULGATION :
AND ESTABLISHMENT OF A SPECIAL AREA:
RULE TO GOVERN WILDCAT WELL SPACING: NOTICE
IN THE BAR X-HARLEY-SEIBER-CISCO : Cause No. 2
NOSE AREA, GRAND COUNTY, UTAH :
:

.....

Notice is hereby given that a hearing will be held at 10:00 a.m.
on Thursday, May 3, 1956, in the Governor's Board Room, State Capitol
Building, Salt Lake City, Utah, for the purpose of promulgating and
establishing special area rules to govern wildcat well spacing in the
Bar X-Harley-Seiber-Cisco Nose Area, Grand County, Utah.

OIL AND GAS CONSERVATION COMMISSION


COMMISSIONER


COMMISSIONER

Note: This notice to be published in the Salt Lake Tribune and Times-
Independent, Moab, Utah.

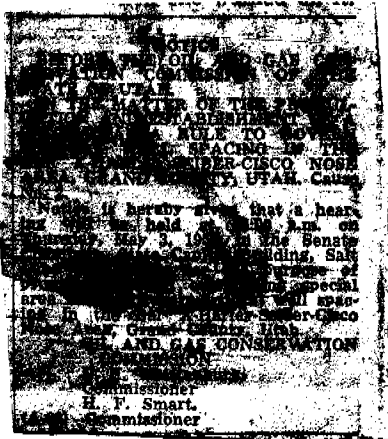
Affidavit of Publication

STATE OF UTAH, }
County of Salt Lake }

ss.

D. M. Ockey

Being first duly sworn, deposes and says that he is advertising clerk of THE SALT LAKE TRIBUNE, a daily newspaper published in Salt Lake City, Salt Lake County, in the State of Utah.



That the advertisement of which a copy is attached hereto

Before the Oil and Gas Conservation Commission of Utah in the matter of the Promulgation and Establishment of a Special Area Rule to Govern Wilcat Well Spacing in the Bar X-Harley-Seiber-Cisco Nose Area, Grand County, Utah, Cause No. 2.

was published in said newspaper on.....
April 16, 1956.

[Signature]
Advertising Clerk

Subscribed and sworn to before me this.....16th..... day of
April..... A. D. 1956.

[Signature]
Notary Public

My Commission Expires
Nov. 25, 1957



Affidavit of Publication

STATE OF UTAH, }
County of Salt Lake } ss.

D. M. Ockey

Being first duly sworn, deposes and says that he is advertising clerk of THE SALT LAKE TRIBUNE, a daily newspaper published in Salt Lake City, Salt Lake County, in the State of Utah.

That the advertisement of which a copy is attached hereto

Before the Oil and Gas Conservation Commission of Utah in the matter of the Promulgation and Establishment of a Special Area Rule to Govern Wilcat Well Spacing in the Bar X-Harley-Seiber-Cisco Nose Area, Grand County, Utah, Cause No. 2.

was published in said newspaper on April 16, 1956.

[Signature]
Advertising Clerk

Subscribed and sworn to before me this 16th day of April A. D. 1956.

[Signature]
Notary Public

My Commission Expires
Nov. 25, 1957

NOTICE
BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF UTAH.
IN THE MATTER OF THE PROMULGATION AND ESTABLISHMENT OF A SPECIAL AREA RULE TO GOVERN WILDCAT WELL SPACING IN THE BAR X-HARLEY-SEIBER-CISCO NOSE AREA, GRAND COUNTY, UTAH. Cause No. 2.
Notice is hereby given that a hearing will be held at 10:00 a.m. on Thursday, May 3, 1956, in the Senate Chambers, State Capitol Building, Salt Lake City, Utah, for the purpose of promulgating and establishing special area rules to govern wildcat well spacing in the Bar X-Harley-Seiber-Cisco Nose Area, Grand County, Utah.
OIL AND GAS CONSERVATION COMMISSION
D. H. Whittenburg,
Commissioner
H. F. Smart,
(A-62) Commissioner



GLEN M. RUBY
525 NEWHOUSE BUILDING
PHONE ELGIN 9-9777
SALT LAKE CITY 11, UTAH

April 26, 1956

Utah State Land Board
State Capitol Bldg.
Salt Lake City, Utah

Attention: Mr. Smart

Gentlemen:

As it is probable that I will be unable to attend the hearing on May 3rd to discuss well spacing for the East Cisco area, I would like to express some opinions in this regard.

I favor closer than the customary 40 acre spacing for shallow wells and especially where the pay zone is sufficiently prolific to give a good well pay-out on closer spacing. This should be a matter for a good operator to decide. There is a difference in production behavior in fields and reservoirs and these factors must be taken into account and it is not possible to lay down any hard and fast rules.

Oil and Gas should be removed at a rate that will return the cost of the well according to the financial needs of the owner, but not at a rate that will materially reduce the ultimate yield or cause undue water invasion or waste of gas.

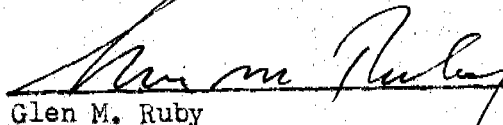
Since the East Cisco area produces from lenticular sands, and at shallow depth, wells should be more closely spaced than 40 acres.

Spacing as close as 10 acres could result in a better percentage of discoveries, where lenses are small, and will certainly result in a better yield per acre.

On the other hand, if the acre yield is low, there might not be enough oil to repay the cost of drilling and production, in which case there should be a provision for a reduction in royalties and oil payments as a relief for the operator.

As long as a practical rule is observed with respect to lease boundary locations, the operator should be allowed to select locations with regard to structure and sand thickness rather than to try to maintain a perfect pattern of lines or rectangles. You can be sure, especially in deep wells, that the location, at the surface, is much less uniform in the reservoir.

Yours very truly,


Glen M. Ruby

April 25, 1956

International Oil & Metals Corporation
216 State Exchange Bldg
Salt Lake City, Utah

Attn: Robert P. Kunkel, Geologist

Gentlemen:

This is to acknowledge receipt of your letter requesting 10 acre spacing in the Seiber area.

Please be advised that a hearing is being held on May 3, 1956, for the purpose of establishing a special area rule to govern wildcat well spacing in the Bar X-Seiber-Cisco Nose-Harley area. Therefore, no action can be taken on your application at this time.

However, in view of your letter, we ~~hope~~ ^{hope} that you will plan to ~~att~~ ^{attend} this hearing and offer testimony in support of what you have concluded will be the most effective spacing for this area.

We are enclosing a copy of the notice concerning said hearing for your information and file.

Very truly yours,

UTAH OIL & GAS CONSERVATION COMMISSION

CLEON B FEIGHT
SECRETARY

April 23, 1956

The Carter Oil Company
Box 591
Vernal, Utah

Attn: Mr B. M. Bradley

Gentlemen:

Referring to our notice concerning the hearing that will be held on May 3, 1956, for the purpose of establishing a special area rule to govern wild-cat well spacing in the Bar X-Harley-Seiber-Cisco Nose Area, Grand County, Utah, we would like very much to have a list of the names of the individuals from your company that will attend. Also, will you please let us know whether you intend to introduce any evidence at said hearing.

Very truly yours,

OIL & GAS CONSERVATION COMMISSION

HERBERT F. SMART
COMMISSIONER

cc: The Carter Oil Company
Box 120
Denver, Colorado

TRES OIL COMPANY

412 WICHITA NATIONAL BANK BUILDING

PHONE 2-7881

WICHITA FALLS, TEXAS

April 16, 1956

The State of Utah,
Oil & Gas Conservation Commission,
Salt Lake City 14, Utah

Gentlemen:

Referring to your letter dated April 12, 1956, regarding special hearing regarding the wildcat well spacing to be held Thursday, May 3, 1956, we will be unable to attend the hearing due to other commitments, however, we would like very much to have a copy of the proceedings.

Very truly yours,

TRES OIL COMPANY

C. B. Christie, Jr.
C. B. Christie, Jr.

CBC,Jr:h

April 12, 1956

Tres Oil Company
412 Wichita National Bank Building
Wichita Falls, Texas

Attention: C. B. Christie, Jr.

Dear Sir:

With reference to your letter of March 30, 1956, please be advised that the Oil and Gas Conservation Commission has decided to hold a hearing to determine the feasibility of establishing a special rule to govern wildcat well spacing in the Cisco area.

We are enclosing a copy of the notice of the hearing.

Yours very truly,

CLEON B. FEIGHT

CBF/jg
Encl.

Mr. H. F. Smart, Commissioner
Utah O & G Coun. Comm.

Regarding Tres Oil Company letter of March 30 on Well Spacing regulations and possible revision or blanket exception being granted on a portion of the area lying between the Cisco Dome, Grand County, and the Utah-Colo state line and north of Highway #50.

By memo to you, Febr 20 '56, I recommended that exception to regulation spacing should be granted only on merits of each case applied for.

Now it does appear that since shallow geologic conditions of lenticular "shoe string" sands do prevail as exist in Eastern Kansas and spots in Texas (discussed in 2 articles of 1923 A. A. P. G. bulletins)

Accordingly, in the light of contemplated exploratory activity in this particular area by Tres Oil Co and others (farm outs from Carter Oil Co), it is reasonable and consistent for the Commission to permit 10 acre wildcat spacing in lieu of 40 acre spacing without particularly specified exceptions in this area.

The area I should recommend as coming under such consideration is delineated on accompanying plat.

April 5, 1956.

Chas. A. Hauptman.
Petroleum Engineer

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

.....
:
IN THE MATTER OF THE PROMULGATION :
AND ESTABLISHMENT OF A SPECIAL AREA: Motion by Commission
RULE TO GOVERN WILDCAT WELL SPACING: Instituting Proceedings
IN THE BAR X-HARLEY-SEIBER-CISCO :
NOSE AREA, GRAND COUNTY, UTAH : Cause No.2
:
.....

Pursuant to Section 40-6-8, Utah Code Annotated 1953, as amended by the Laws of Utah 1955, Chapter 65, and Rule B-1, General Rules and Regulations and Rules of Practice and Procedure, Oil and Gas Conservation Commission of the State of Utah, the Commission, upon its own motion, hereby institutes a proceedings to determine the feasibility of establishing a special rule to govern wildcat well spacing in the following described area in Grand County, Utah, to wit:

Township 17 South, Range 25 East, SLM

Sections: 1 to 36, inclusive

Township 17 South, Range 26 East, SLM

Sections 5,6,7,8,17,18,19,20,29,30,31, & 32

Township 18 South, Range 24 East, SLM

Sections: 1,2,3,10,11,12,13,14,15,22,23,24,
25,26,27,34,35, & 36

Township 18 South, Range 25 East, SLM

Sections: 1 to 36, inclusive

Township 18 South, Range 26 East, SLM

Sections: 5,6,7,8,17,18,19,20,29,30,31, & 32

Township 19 South, Range 23 East, SLM

Sections: 19 to 36, inclusive

Township 19 South, Range 24 East, SLM

Sections 1 to 36, inclusive

Township 19 South, Range 25 East, SLM

Sections: 1 to 36, inclusive

Township 19 South, Range 26 East, SLM

Sections: 5,6,7,8,17,18,19,20,29,30,31 & 32

Township 20 South, Range 22 East, SLM

Sections: 1,2,3,10,11,12,13,14,15,22,23,24,
25,26,27,34,35, & 36

Township 20 South, Range 23 East, SLM

Sections: 1 to 36, inclusive

Township 20 South, Range 24 East, SLM

Sections: 1 to 36, inclusive

Township 20 South, Range 25 East, SLM

Sections: 1 to 36, inclusive

Township 20 South, Range 26 East, SLM

Sections: 5,6,7,8,17,18,19,20,29,30,31 & 32

Township 21 South, Range 23 East, SLM

Sections: 1 to 36, inclusive

Township 21 South, Range 24 East, SLM

Sections: 1 to 36, inclusive

and such additional area as the evidence introduced at the hearing may
warrant including in the special rule.

Dated this 11 day of April, 1956.

D. Whittingburg
H. J. Smart

TRES OIL COMPANY

412 WICHITA NATIONAL BANK BUILDING

PHONE 2-7881

WICHITA FALLS, TEXAS

March 30, 1956

RE: Cisco Field
Grand County, Utah

Oil and Gas Conservation Commission,
State of Utah
State Capitol Building,
Salt Lake City, Utah

Gentlemen:

We were wondering if there would be any way of knowing, before ~~was~~^{we} actually staked location in the Cisco Field, whether we would be permitted to drill Dakota Sand oil wells on 10 acre location, or will we have to have a special hearing to obtain permission to drill.

We are contemplating additional exploration for Dakota Sand at approximately 1600' deep in the Cisco area. Wells of this nature, in Texas and Oklahoma where we are familiar, would be dug on 2½ acre spacing.

We would appreciate your letting us know just what the requirements are on the above.

Very truly yours,

TRES OIL COMPANY

C. B. Christie, Jr.
C. B. Christie, Jr.

CBC, Jr:h

February 8, 1956

Mr. D. H. Whittenburg, Chairman
The Oil and Gas Conservation Commission
State of Utah
Salt Lake City, Utah

Dear Mr. Whittenburg:

This letter will serve as a supplement to a request dated December 16, 1955, from Tres Oil Company, Wichita Falls, Texas, concerning an exception to your spacing rules and regulations for oil and/or gas exploratory tests in the State of Utah.

At a meeting held on this date in your office a review of the reasons presented as substantiation of the request resolved itself into the matter of the geologic features which would enable you to make a decision in favor of the exception. Although item 3, page 2, of the letter of December 16th is of chief concern to your group, it was felt that a more thorough explanation will be necessary.

The No. 1 Cullen-Government, NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 15, T. 20 S., R. 23 E., was drilled through the Dakota horizon contacted at 1475 feet, and into the Entrada sandstone. During the course of drilling the Dakota was drill-stem tested between 1552 and 1590 feet for a period of 3 hours and 20 minutes; the results were as follows:

Gas surfaced in 30 minutes at the rate of 50,000 cubic feet per day; recovered 480 feet fluid of which 250 feet was dark green oil and 230 feet was mud.

Following this test attempts at a commercial completion were unsuccessful.

Electric log of the No. 1 Cullen-Government indicates a rather thin sandstone section for the oil-bearing portion of the Dakota approximately 10 feet.

A second test, No. 2 Cullen-Government NE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 15, T. 20 S., R. 23 E., was subsequently drilled through the Dakota with cable tools. No electric log was run on this hole but from samples it is evident that the Dakota is barren at this location.

Under item 2 previously mentioned, reference was made as follows:
"From a structural standpoint the location selected in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 11, T. 20 S., R. 23 E., has an advantage and would be better situated than one 500 feet from the lease and section line."

Page 2
Feb. 8, 1956

X
The test wells projected in this immediate area have been located on a prominent structural "nose" trending north-south through Sections 10, 11, 14, 15, T. 20 S., R. 23 E., as shown on the attached plat. It is the Tres Oil Company's intention to drill as close to the axis of this "nosing" and still take advantage of the stratigraphic information gained from the drilling of Nos. 1 and 2.

It is my geologic opinion that the proposed location in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 11, T. 20 S., R. 23 E., is well situated structurally and that sand conditions in the Dakota will improve in this direction from Well Nos. 1 and 2.

Very truly yours,



A. W. CULLEN

Consulting Geologist.
Denver, Colo.

The above meets the geological requirements for an exception to the O.S. Regulations.

Feb 8, 1956.

Chas A Hauptman

Memo for Herbert F. Smart, Commissioner
Oil & Gas Conservation Commission

Cursuant to various correspondence (latest Jan. 24, '56) and informal conferences with representatives of the Carter Oil Co and associated operatives in Grand County, I have made a study of the merits pro and con on applications for exceptional well-spacing submitted ~~thereon~~ for our consideration.

As a basis for this study, and resultant conclusions I used T.C. Hiestand's map - Exhibit "A" - Geologic and subsurface structure map submitted by him in behalf of application for exception and approval of Notice of Intention to Drill well No. 1-B, Sec. 29, T. 18 S., R. 25 E., Grand Co, Utah. (Text +)

This study was made jointly with dist. engineer Don Russell, of O & G L. Br. U.S.G.S. From technical data made available to us thru his office (electric + formation logs) thus far drilled in the area between Cisco and Colo-Utah line and Salt Valley and the Box-X Area, we have concluded that

1. As yet available data does not justify the Commission to deviate from its established 40-acre spacing pattern on wild-cat drilling.
2. Until further exploratory information is available applications for irregular locations should be approved upon the merits of each respective case. And I so recommend.

February 20, 1956.

Chas A Hauptman
Petroleum Engineer.

Memo for Herbert F. Smart
Oil & Gas Conservation Commission
Capitol Bldg.

Pursuant to B.M. Bradley's letter of Jan 24, '56
re: spacing of wildcat well spacing.

In Par 1 I believe the authors, Bradley -
mostly Farmer, are very presumptive in
assuming, if not concluding, that commercial
production of oil and/or gas will unlikely
be found in the deeper geologic beds of
the area in question. Drilling is the only
conclusive answer.

In Par. 2 After discovery certainly well
spacing of less than 40 acres/well would be
in order.

Par. 3 Contention of "channel" or "bar"
deposits applies to uranium deposition
as is now generally believed, but not
so as commonly being found in oil or
gas deposits (structures) or (stratigraphic
traps) P.P. except certain Kansas and Texas areas ^(Shoestring, P. P. & Co.) Apr. 1923. A.C.B. B.M.

Par 4. If it can be shown geologically,
as above, that a center of a 40 is "unnecessary"
an exception may be applied for & granted.

Par. 5. In the Rky Mtn region where low-
pressure, small-production, shallow areas do
produce not 4 or 5 spot patterns ultimately
result in field patterns, but rather 9 or
even more wells per 40 acres are the

Common result. Examples - Lance Creek,
+ Osage field of eastern Wyo. Salt Creek
of Central Wyoming. Cat Creek in northern
Montana, and many others.

I still believe the Commission should
not give wholesale 10-acre wild cat
spotting of locations, but that each
case should be considered upon the merits
of data submitted for consideration.

Jan. 31, 1956.

Chas A Hauptman
Petroleum Engineer.



THE CARTER OIL COMPANY

P. O. Box 472, Vernal, Utah
January 24, 1956

Vernal 590

Mr. Herbert F. Smart
Oil & Gas Conservation Commission
of the State of Utah
State Capitol Building
Salt Lake City, Utah

Dear Sir:

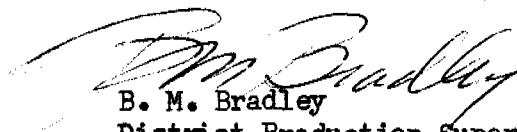
On December 23, 1955, representatives of The Carter Oil Company met informally with the Conservation Commission to discuss wildcat location practice in the area indicated on the attached plat. It was explained that ten-acre spot locations had various advantages over forty-acre locations. The available data supporting this suggestion are briefly summarized as follow:

- (1) Throughout most of this area, Triassic rocks lie on granite. This precludes the possibility of production in older beds and largely limits prospective formations to the Dakota, Morrison, and Entrada, which can be reached at average depths of between 500 and 3500 feet.
- (2) Considering the shallowness of the prospective formations and the associated low formation pressure, it would appear that in most instances it would be necessary to develop productive acreage on something less than forty-acre spacing.
- (3) It has been demonstrated that the Dakota and Morrison sands are apparently channel or bar deposits which are extremely narrow. Such sands cannot be effectively followed on forty-acre spacing.
- (4) Present indications are that much of the production that may be found in the subject area, will be of a marginal nature. Any requirement to drill one or more unnecessary wells could make the operation uneconomic.
- (5) An initial ten-acre spot can be expanded into forty-acre spacing without the first well being off-pattern. Conversely, however, an initial forty-acre spot cannot be incorporated in a regular ten-acre pattern without drilling on quarter-quarter lines, which frequently are lease lines. This greater flexibility is one of the principal supporting facts for ten-acre spots.

Carter's present program is to evaluate prospects in the subject area by farmout. Consequently, since Carter itself will not be operating these

tests, this letter is not being submitted as a formal request for an exception to Rule C-3(b). As an interested party, however, we are suggesting that the Commission give early consideration to the advisability of establishing a field rule, within the indicated area, whereby the Commission will approve ten-acre spot locations for wildcat wells when requested by the operator. Should we be able to provide the Commission with any additional information on the subject, we would be happy to do so.

Very truly yours,



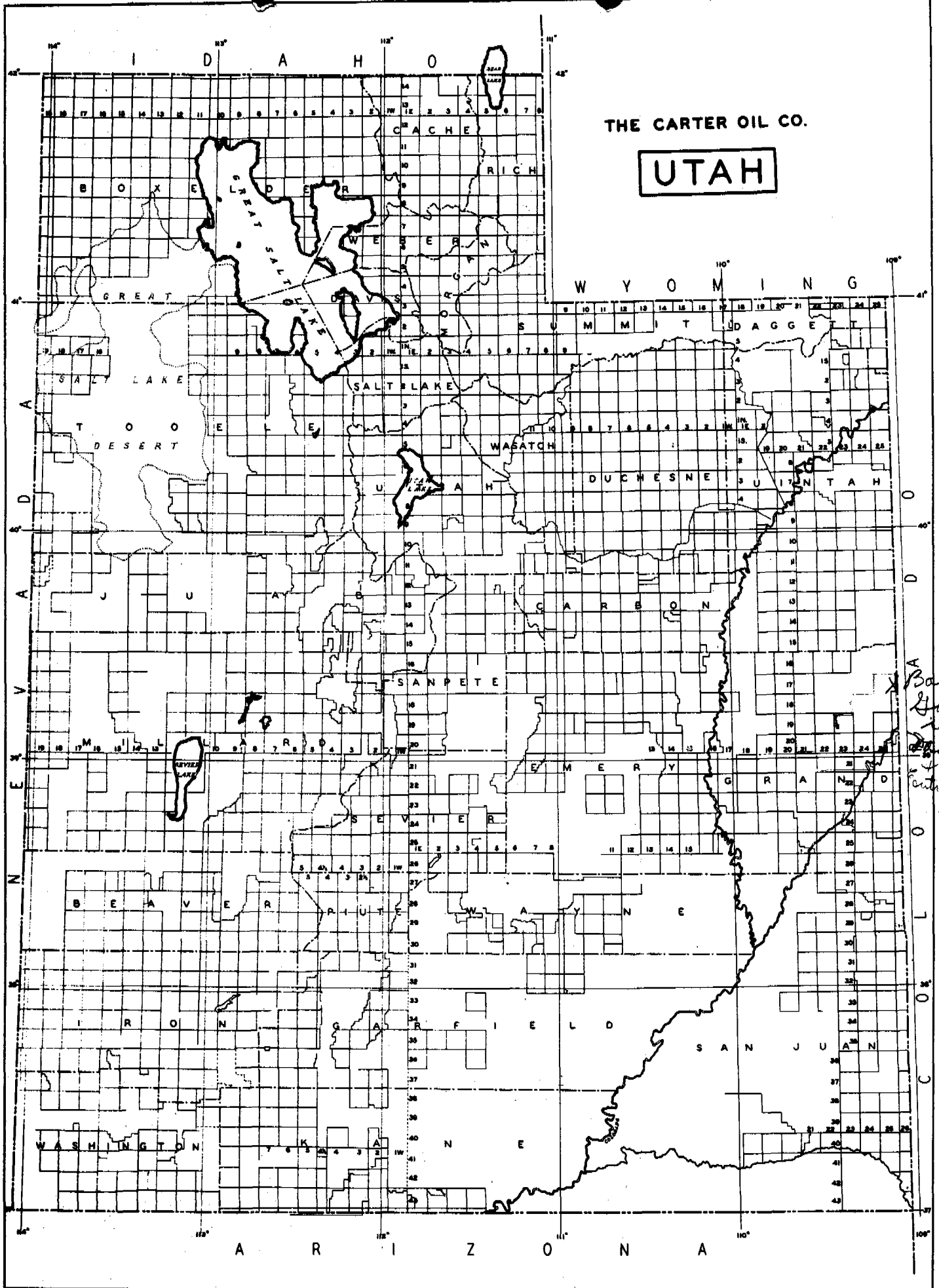
B. M. Bradley
District Production Superintendent

EMB:VEF:h

Attachment

THE CARTER OIL CO.

UTAH



*Barth
Geo
Dak.
Cartoon*

Herb:

Charlie Hauptman asked me
to say something at the hearing
in this regard, but since I may
be out of town, I am sending
the enclosed to you for the
record, if you want to use it
— Sam

TRES OIL COMPANY

412 WICHITA NATIONAL BANK BUILDING

PHONE 2-7881

WICHITA FALLS, TEXAS

December 16, 1955

*Received
Dec 30 '55
HJD*

Mr. D. H. Whittenburg, Chairman
The Oil and Gas Conservation Commission,
State of Utah,
Salt Lake City, Utah

Dear Mr. Whittenburg:

The attached notice filed with the Geological Survey, United States Department of the Interior, Salt Lake City, Utah, covers an "Intention to Drill" made in behalf of Tres Oil Company, 614 Wichita National Building, Wichita Falls, Texas.

According to your "General Rules and Regulations and Rules of Practice and Procedure" as established by the Utah Oil and Gas Conservation Act of 1955, (Rule C-3(b) General Well Spacing Requirements), "All wells drilled for oil or gas which are not within a pool for which drilling units have been established, shall be located not less than 500 feet from any property or lease line or from the boundary of any legal subdivision comprising a governmental quarter-quarter section or equivalent lot or lots of comparable size and location and not less than 1,000 feet from any other producing oil well, unless otherwise specifically permitted by order of the Commission after notice and hearing; provided further, that no well which is not within a pool for which drilling units have been established shall be located less than 4,960 feet from any other well which has been completed as a gas well, unless and until drilling units have been established for such wells."

You will note that the attached intention to drill involves a location 330 feet from a lease line, that is a lease line established by assignment out of the same basic lease for purposes of farm-out, and that this footage measurement is not in accord with your regulation as quoted above. An exception is requested for allowance of a location 990 feet North of the South line and 330 feet East of the West line of Section 11, T.20S, R.23E., Grand County, Utah for the following reasons:

1. It is the intention of the Operator to drill and test the Dakota sandstone formation expected at a depth of about 1,550 feet. In the interest of oil and gas conservation, it is

TRES OIL COMPANY

412 WICHITA NATIONAL BANK BUILDING

PHONE 2-7881

WICHITA FALLS, TEXAS

Page -2-

felt that successful wells at this depth are economically feasible and would result in more efficient drainage of a low pressure reservoir on the closer well spacing as requested.

2. A successful small gas well was completed during the present year at the NE1/4 NE1/4, NE1/4, Section 15, T.20S, R.23E, in the Morrison sandstone between 1,764 and 1,776 feet. The Operator does not intend to carry the subject test well as deep as the Morrison or to the same stratigraphic level as is productive in the NE1/4 Section 15. Under these circumstances, there is no conflict with your minimum footage requirements of 4,960 feet applicable to gas wells.

3. During the course of drilling the test well described above, some shows of oil were encountered in the Dakota horizon. From a structural standpoint the location selected in the NW1/4 SW1/4 SW1/4, Section 11, T.20S, R.23E., has an advantage and would be better situated than one 500 feet from the lease and section line.

It is my understanding that the Commission has the authority to grant an exception for a case such as this without notice and hearing. Since it is our wish to commence preparatory and drilling operations in the very near future, it is my hope that this letter application is looked upon with favor and that an exception to the spacing rule be granted.

Very truly yours,

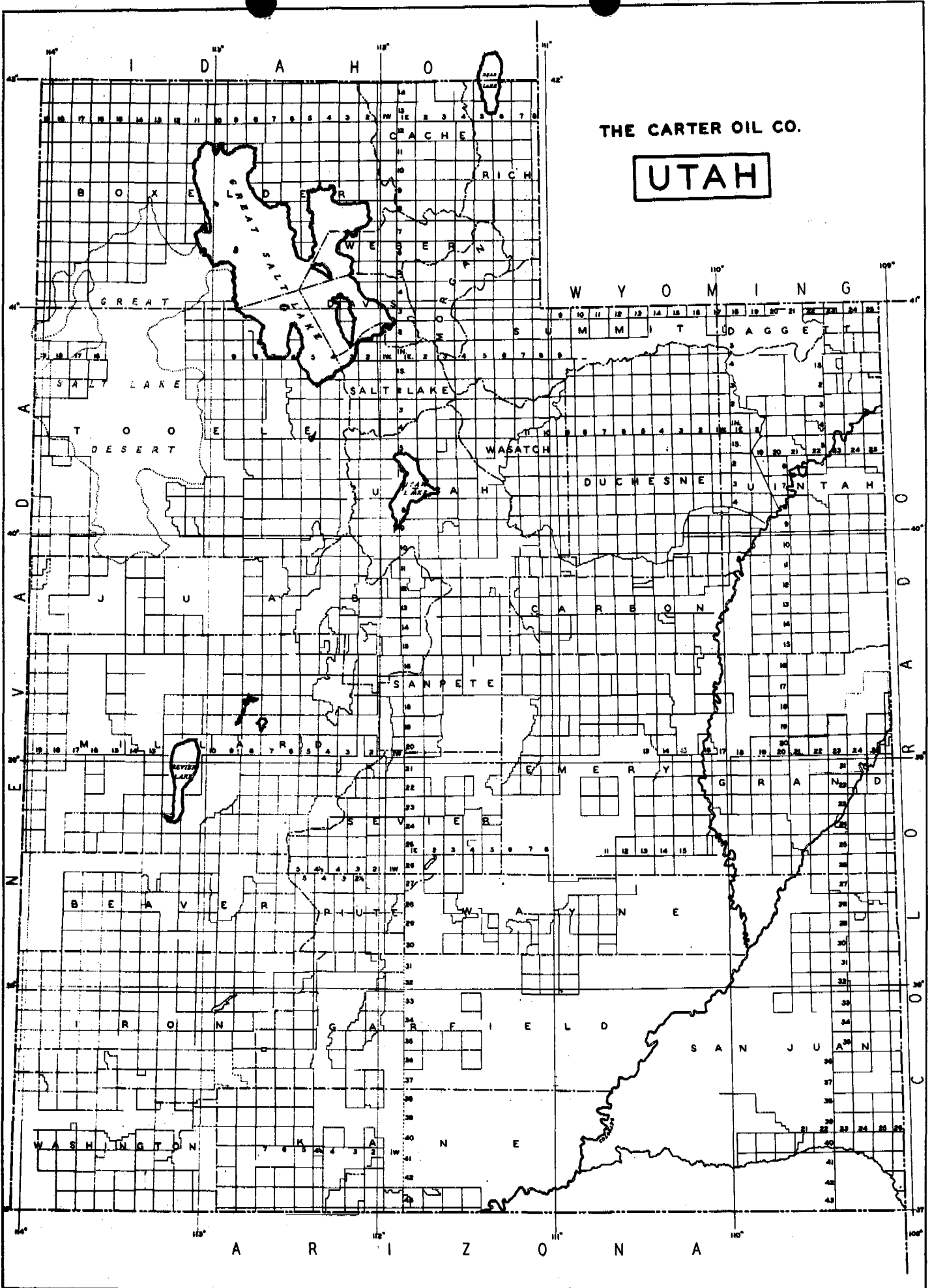
TRES OIL COMPANY

W. S. Thomas
W. S. Thomas

WRG, Jr/h

THE CARTER OIL CO.

UTAH



~~_____~~
John L. Rich
Shoe string Sand
Greenwood County,

Texas -

A. A. P. G. Bulletin

Set from Crawford at U of W.
1920-25

Haytman - Read
this





Herb - which we discussed
and
The map (referred to here)
I put back in the well file.
Chas.