

BEFORE THE OIL AND GAS CONSERVATION COMMISSION

OF THE STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF
SINCLAIR OIL & GAS COMPANY FOR AN ORDER
ESTABLISHING 320-ACRE DRILLING AND SPAC-
ING UNITS FOR THE DAKOTA GROUP SANDS AND
MORRISON FORMATION UNDERLYING SECTIONS 11,
12, 13 AND 14, TOWNSHIP 16 SOUTH, RANGE 25
EAST, AND SECTIONS 7, 8, 9, 16, 17 and 18,
TOWNSHIP 16 SOUTH, RANGE 26 EAST, SLBM, GRAND
COUNTY, UTAH.

SUPPLEMENTAL ORDER

CAUSE NO. 107-1

By the Commission:

On January 25, 1965, the Sinclair Oil and Gas Company filed an application for an order establishing 320-acre drilling and spacing units for the development and production of gas from the Dakota Group Sands underlying the following described lands:

Township 16 South, Range 25 East, SLBM

Sec. 11: All Sec. 13: All
Sec. 12: All Sec. 14: All

Township 16 South, Range 26 East, SLBM

Sec. 7: All Sec. 16: All
Sec. 8: All Sec. 17: All
Sec. 9: All Sec. 18: All

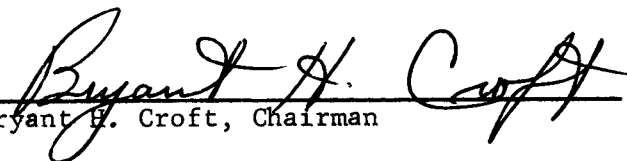
A hearing was held on February 11, 1965. At said hearing, it was determined that the Applicant, Sinclair Oil and Gas Company, by its application for 320-acre drilling and spacing units for the Dakota Group Sands intended to include the Morrison Formation within the purview of its application. Also, as a result of the testimony presented at said hearing, the Commission found that it was desirable and necessary to include the Morrison Formation in its order establishing 320-acre drilling and spacing units, subject to the right of all interested parties to show cause why the said Morrison Formation should not be included in said order.

Subsequently, an Order to Show Cause was issued on February 15, 1965, and an amended Order to Show Cause was issued on the 2nd Day of March, 1965. No objections having been received within the periods prescribed in said Orders to Show Cause:

IT IS HEREBY ORDERED that the Morrison Formation be included within the purview of the Commission's Order of February 11, 1965, issued in Cause No. 107-1.

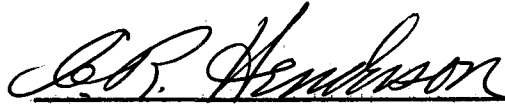
Dated this 16th Day of April, 1965.

THE OIL AND GAS CONSERVATION COMMISSION
STATE OF UTAH


Bryant H. Croft, Chairman

SUPPLEMENTAL ORDER - CAUSE NO. 107-1

April 16, 1965


C. R. Henderson, Commissioner


C. S. Thomson, Commissioner


M. V. Hatch, Commissioner

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

IN THE MATTER OF THE APPLICATION OF
SINCLAIR OIL & GAS COMPANY FOR AN ORDER
ESTABLISHING 320-ACRE DRILLING AND SPAC-
ING UNITS FOR THE DAKOTA GROUP SANDS AND
MORRISON FORMATION UNDERLYING SECTIONS 11,
12, 13 AND 14, TOWNSHIP 16 SOUTH, RANGE 25
EAST, AND SECTIONS 7, 8, 9, 16, 17 and 18,
TOWNSHIP 16 SOUTH, RANGE 26 EAST, SLBM, GRAND
COUNTY, UTAH.

SUPPLEMENTAL ORDER

CAUSE NO. 107-1

By the Commission:

On January 25, 1965, the Sinclair Oil and Gas Company filed an application for an order establishing 320-acre drilling and spacing units for the development and production of gas from the Dakota Group Sands underlying the following described lands:

Township 16 South, Range 25 East, SLBM

Sec. 11: All Sec. 13: All
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Township 16 South, Range 26 East, SLBM

Sec. 7: All Sec. 16: All
Sec. 8: All Sec. 17: All
Sec. 9: All Sec. 18: All

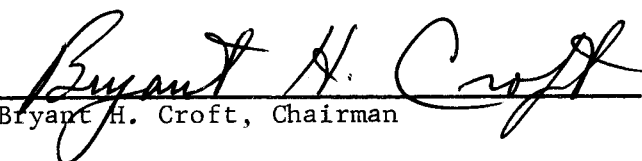
A hearing was held on February 11, 1965. At said hearing, it was determined that the Applicant, Sinclair Oil and Gas Company, by its application for 320-acre drilling and spacing units for the Dakota Group Sands intended to include the Morrison Formation within the purview of its application. Also, as a result of the testimony presented at said hearing, the Commission found that it was desirable and necessary to include the Morrison Formation in its order establishing 320-acre drilling and spacing units, subject to the right of all interested parties to show cause why the said Morrison Formation should not be included in said order.

Subsequently, an Order to Show Cause was issued on February 15, 1965, and an amended Order to Show Cause was issued on the 2nd Day of March, 1965. No objections having been received within the periods prescribed in said Orders to Show Cause:

IT IS HEREBY ORDERED that the Morrison Formation be included within the purview of the Commission's Order of February 11, 1965, issued in Cause No. 107-1.


Dated this 16th Day of April, 1965.

THE OIL AND GAS CONSERVATION COMMISSION
STATE OF UTAH



Bryant H. Croft, Chairman

SUPPLEMENTAL ORDER - CAUSE NO. 107-1

April 16, 1965


C. R. Henderson, Commissioner


C. S. Thomson, Commissioner


M. V. Hatch, Commissioner

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

IN THE MATTER OF THE APPLICATION OF
SINCLAIR OIL & GAS COMPANY FOR AN ORDER
ESTABLISHING 320-ACRE DRILLING AND SPAC-
ING UNITS FOR THE DAKOTA GROUP SANDS AND
MORRISON FORMATION UNDERLYING SECTIONS 11,
12, 13 AND 14, TOWNSHIP 16 SOUTH, RANGE 25
EAST, AND SECTIONS 7, 8, 9, 16, 17 AND 18,
TOWNSHIP 16 SOUTH, RANGE 26 EAST, SLBM, GRAND
COUNTY, UTAH.

FINDINGS OF FACT AND ORDER

CAUSE NO. 107-1

The above captioned Cause No. 107-1 is before the Oil and Gas Conservation Commission on the application of Sinclair Oil and Gas Company, for an Order to establish approximately 320-acre drilling and spacing units running in either a North-South or East-West direction according to the Government Survey thereof for the development and production of gas from the Dakota Group Sands underlying the following described lands:

Township 16 South, Range 25 East, SLBM

Sec. 11: All Sec. 13: All
Sec. 12: All Sec. 14: All

Township 16 South, Range 26 East, SLBM

Sec. 7: All Sec. 16: All
Sec. 8: All Sec. 17: All
Sec. 9: All Sec. 18: All

A hearing was held on the application on February 11, 1965. No objection was made to this application, and two witnesses were called and evidence taken in support of the application. Upon the conclusion of the hearing, the attorney for the Applicant was directed to prepare an Order to include all of the lands described in the application of Sinclair Oil and Gas Company in this Cause, and to establish 320-acre drilling and spacing units with regard to the Dakota Group Sands and the Morrison Formation. The Dakota Group Sands include the Upper and Lower Dakota, and the Cedar Mountain Sand.

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 Grand County, Utah, and are described as follows:

Township 16 South, Range 25 East, SLBM

Sec. 11: All Sec. 13: All
Sec. 12: All Sec. 14: All

Township 16 South, Range 26 East, SLBM

Sec. 7: All Sec. 16: All
Sec. 8: All Sec. 17: All
Sec. 9: All Sec. 18: All

4. The Applicant, Sinclair Oil and Gas Company, by its application for 320-acre drilling and spacing units for the Dakota Group Sands intended its application to include the Morrison Sand Formation within the purview of its application and the Commission hereby finds that it is desirable and necessary to include the Morrison Sand Formation in its Order establishing 320-acre drilling and spacing units, in order to effect the most efficient production, the prevention of waste and the protection of the correlative rights of all interested parties, subject to the right of all interested parties to show cause, why the said Morrison Formation should not be included in the Commission's Order establishing the said drilling and spacing units on the herein defined subject lands.

5. The Dakota Group Sands and the Morrison Formation are lenticular in nature and cover all of the subject lands and constitute common sources of supply. In the area of the subject lands, the Dakota Group Sands are found at depths varying from approximately 4,000 to 5,800 feet below the surface. The Morrison Formation is found at depths varying from approximately 4,250 to 6,050 feet below the surface. The Dakota Group Sand and Morrison Sand Formations are lenticular sandstones with variable porosity and permeability.

6. One well to each 320-acres will efficiently and economically drain the Dakota Group Sands reservoir under the subject land; likewise, one well to each 320-acres will efficiently and economically drain the Morrison Sand reservoir as found under the subject lands.

7. 320-acre drilling and spacing units running in either a North-South or East-West direction according to the government survey of the subject lands should be established in order to prevent waste, to avoid the drilling of unnecessary wells and to protect the correlative rights of interested parties. No more than one well should be drilled on any such unit for the production of gas from the Dakota Group Sands and no more than one well should be drilled on any such unit for the production of gas from the Morrison Formation.

8. That the drilling and spacing units for the subject lands should be formed by dividing each governmental section of approximately 640 acres into two such units to consist respectively of the N $\frac{1}{2}$ and S $\frac{1}{2}$ of each such section or to consist respectively of the E $\frac{1}{2}$ and W $\frac{1}{2}$ of each such section, except fractional sections 9 and 16, Township 16 South, Range 26 East, each of which should be one unit running North-South.

9. Except as may be hereafter ordered by the Commission, after notice and hearing, and as hereinafter provided, the permitted well for a spacing unit should not be located nearer than 500 feet from any property or lease line, spacing or unit boundary, and should not be

located nearer than 2,500 feet from a well producing from the same sand or formation, except that a 500-foot tolerance in the distance requirement of 2,500 feet will be permitted in the event surface obstructions or undue hazards are encountered.

10. Wherever reference is made herein to a section, township and range, such reference is intended to refer to the section or other legal subdivisions as determined by the government survey.

11. An exception should be granted to the Spacing Order for the Benson-Montin-Greer #1 Hatch Well, which is located 537 feet from the South line and 253 feet from the West line of Section 18, Township 16 South, Range 26 East, SLBM, Grand County, Utah.

12. If a well is completed as a producer in the Dakota Sands Group or in the Morrison Formation, the lessee or operator, if desired, may drill a subsequent "twin" well on the same drilling and spacing unit to the zone or formation in which the first well was not completed as a producer.

13. The following matters should be specifically reserved from this Order:

- (A) Whether one well may be dually completed to produce from both the Dakota Sands Group and the Morrison Formation.
- (B) Whether one well may be completed in both the Dakota Sands and the Morrison Formation so as to commingle the gas through the same string of casing.

ORDER

It is therefore ordered by the Commission as follows:

1. That 320-acre drilling and spacing units be and the same are hereby established for the production of gas from the Dakota Sands Group and the Morrison 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 7 of the foregoing Findings.

3. That no more than one well shall be drilled and completed on any such unit for the production of gas from the Dakota Sands Group and that no more than one well shall be drilled and completed on any such unit for the production of gas from the Morrison Sand Formation.

4. That the location of the permitted well or wells for each such unit shall be as set forth and defined in Finding 8 of the foregoing Findings provided however, that an exception in respect to the location of a permitted well, may be had without notice or hearing upon the filing with the Commission of an application showing that topographic conditions, surface obstructions, or undue hazards exist, which reasonably require a well location nearer than 2,500 feet, but not less than 2,000 feet from a well producing in the same zone or formation, in which the proposed well is to be completed.

5. An exception to this spacing order is hereby granted to the Spacing Order for the

Benson-Montin-Greer #1 Hatch Well, which is located 537 feet from the South line and 253 feet from the West line of Section 18, Township 16 South, Range 26 East, SLBM, Grand County, Utah.

6. If a well is completed as a producer in the Dakota Sands Group or in the Morrison Formation, the lessee or operator, if desired, may drill a subsequent "twin" well on the same drilling and spacing unit, to the zone or formation in which the first well was not completed as a producer.

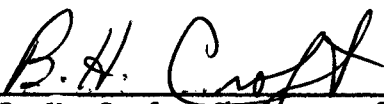
7. That the following matters are specifically reserved from this Order:


- (A) Whether one well may be dually completed to produce from the Dakota Sands Group and Morrison Formation both.
- (B) Whether one well may be completed in both the Dakota Sands and the Morrison Formation, so as to commingle the gas through the same string of casing.

8. That nothing in the foregoing Findings of Fact in this Order is intended, or shall be construed in any manner to determine or affect any question relating to the boundaries of any lease or the title to any lands or to determine the rights of any party in respect to any voluntary or involuntary pooling of interests within any hereby established spacing or drilling unit.

9. That the Commission retains continuing jurisdiction of all matters covered by this Order dated this 11th day of February, 1965.

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


B. H. Croft, Chairman of the
Commission, Presiding


C. R. Henderson, Commissioner


C. S. Thomson, Commissioner


M. V. Hatch, Commissioner

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

IN THE MATTER OF THE APPLICATION OF
SINCLAIR OIL & GAS COMPANY FOR AN ORDER
ESTABLISHING 320-ACRE DRILLING AND SPAC-
ING UNITS FOR THE DAKOTA GROUP SANDS AND
MORRISON FORMATION UNDERLYING SECTIONS 11,
12, 13 AND 14, TOWNSHIP 16 SOUTH, RANGE 25
EAST, AND SECTIONS 7, 8, 9, 16, 17 AND 18,
TOWNSHIP 16 SOUTH, RANGE 26 EAST, SLBM, GRAND
COUNTY, UTAH.

FINDINGS OF FACT AND ORDER

CAUSE NO. 107-1

The above captioned Cause No. 107-1 is before the Oil and Gas Conservation Commission on the application of Sinclair Oil and Gas Company, for an Order to establish approximately 320-acre drilling and spacing units running in either a North-South or East-West direction according to the Government Survey thereof for the development and production of gas from the Dakota Group Sands underlying the following described lands:

Township 16 South, Range 25 East, SLBM

Sec. 11: All Sec. 13: All
Sec. 12: All Sec. 14: All

Township 16 South, Range 26 East, SLBM

Sec. 7: All Sec. 16: All
Sec. 8: All Sec. 17: All
Sec. 9: All Sec. 18: All

A hearing was held on the application on February 11, 1965. No objection was made to this application, and two witnesses were called and evidence taken in support of the application. Upon the conclusion of the hearing, the attorney for the Applicant was directed to prepare an Order to include all of the lands described in the application of Sinclair Oil and Gas Company in this Cause, and to establish 320-acre drilling and spacing units with regard to the Dakota Group Sands and the Morrison Formation. The Dakota Group Sands include the Upper and Lower Dakota, and the Cedar Mountain Sand.

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 Grand County, Utah, and are described as follows:

Township 16 South, Range 25 East, SLBM

Sec. 11: All Sec. 13: All
Sec. 12: All Sec. 14: All

Township 16 South, Range 26 East, SLBM

Sec. 7: All Sec. 16: All
Sec. 8: All Sec. 17: All
Sec. 9: All Sec. 18: All

4. The Applicant, Sinclair Oil and Gas Company, by its application for 320-acre drilling and spacing units for the Dakota Group Sands intended its application to include the Morrison Sand Formation within the purview of its application and the Commission hereby finds that it is desirable and necessary to include the Morrison Sand Formation in its Order establishing 320-acre drilling and spacing units, in order to effect the most efficient production, the prevention of waste and the protection of the correlative rights of all interested parties, subject to the right of all interested parties to show cause, why the said Morrison Formation should not be included in the Commission's Order establishing the said drilling and spacing units on the herein defined subject lands.

5. The Dakota Group Sands and the Morrison Formation are lenticular in nature and cover all of the subject lands and constitute common sources of supply. In the area of the subject lands, the Dakota Group Sands are found at depths varying from approximately 4,000 to 5,800 feet below the surface. The Morrison Formation is found at depths varying from approximately 4,250 to 6,050 feet below the surface. The Dakota Group Sand and Morrison Sand Formations are lenticular sandstones with variable porosity and permeability.

6. One well to each 320-acres will efficiently and economically drain the Dakota Group Sands reservoir under the subject land; likewise, one well to each 320-acres will efficiently and economically drain the Morrison Sand reservoir as found under the subject lands.

7. 320-acre drilling and spacing units running in either a North-South or East-West direction according to the government survey of the subject lands should be established in order to prevent waste, to avoid the drilling of unnecessary wells and to protect the correlative rights of interested parties. No more than one well should be drilled on any such unit for the production of gas from the Dakota Group Sands and no more than one well should be drilled on any such unit for the production of gas from the Morrison Formation.

8. That the drilling and spacing units for the subject lands should be formed by dividing each governmental section of approximately 640 acres into two such units to consist respectively of the N $\frac{1}{2}$ and S $\frac{1}{2}$ of each such section or to consist respectively of the E $\frac{1}{2}$ and W $\frac{1}{2}$ of each such section, except fractional sections 9 and 16, Township 16 South, Range 26 East, each of which should be one unit running North-South.

9. Except as may be hereafter ordered by the Commission, after notice and hearing, and as hereinafter provided, the permitted well for a spacing unit should not be located nearer than 500 feet from any property or lease line, spacing or unit boundary, and should not be

located nearer than 2,500 feet from a well producing from the same sand or formation, except that a 500-foot tolerance in the distance requirement of 2,500 feet will be permitted in the event surface obstructions or undue hazards are encountered.

10. Wherever reference is made herein to a section, township and range, such reference is intended to refer to the section or other legal subdivisions as determined by the government survey.

11. An exception should be granted to the Spacing Order for the Benson-Montin-Greer #1 Hatch Well, which is located 537 feet from the South line and 253 feet from the West line of Section 18, Township 16 South, Range 26 East, SLBM, Grand County, Utah.

12. If a well is completed as a producer in the Dakota Sands Group or in the Morrison Formation, the lessee or operator, if desired, may drill a subsequent "twin" well on the same drilling and spacing unit to the zone or formation in which the first well was not completed as a producer.

13. The following matters should be specifically reserved from this Order:

- (A) Whether one well may be dually completed to produce from both the Dakota Sands Group and the Morrison Formation.
- (B) Whether one well may be completed in both the Dakota Sands and the Morrison Formation so as to commingle the gas through the same string of casing.

ORDER

It is therefore ordered by the Commission as follows:

1. That 320-acre drilling and spacing units be and the same are hereby established for the production of gas from the Dakota Sands Group and the Morrison 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 7 of the foregoing Findings.
3. That no more than one well shall be drilled and completed on any such unit for the production of gas from the Dakota Sands Group and that no more than one well shall be drilled and completed on any such unit for the production of gas from the Morrison Sand Formation.
4. That the location of the permitted well or wells for each such unit shall be as set forth and defined in Finding 8 of the foregoing Findings provided however, that an exception in respect to the location of a permitted well, may be had without notice or hearing upon the filing with the Commission of an application showing that topographic conditions, surface obstructions, or undue hazards exist, which reasonably require a well location nearer than 2,500 feet, but not less than 2,000 feet from a well producing in the same zone or formation, in which the proposed well is to be completed.
5. An exception to this spacing order is hereby granted to the Spacing Order for the

Benson-Montin-Greer #1 Hatch Well, which is located 537 feet from the South line and 253 feet from the West line of Section 18, Township 16 South, Range 26 East, SLBM, Grand County, Utah.

6. If a well is completed as a producer in the Dakota Sands Group or in the Morrison Formation, the lessee or operator, if desired, may drill a subsequent "twin" well on the same drilling and spacing unit, to the zone or formation in which the first well was not completed as a producer.

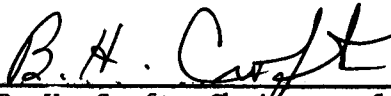
7. That the following matters are specifically reserved from this Order:


- (A) Whether one well may be dually completed to produce from the Dakota Sands Group and Morrison Formation both.
- (B) Whether one well may be completed in both the Dakota Sands and the Morrison Formation, so as to commingle the gas through the same string of casing.

8. That nothing in the foregoing Findings of Fact in this Order is intended, or shall be construed in any manner to determine or affect any question relating to the boundaries of any lease or the title to any lands or to determine the rights of any party in respect to any voluntary or involuntary pooling of interests within any hereby established spacing or drilling unit.

9. That the Commission retains continuing jurisdiction of all matters covered by this Order dated this 11th day of February, 1965.

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


B. H. Croft, Chairman of the
Commission, Presiding


C. R. Henderson, Commissioner


C. S. Thomson, Commissioner


M. V. Hatch, Commissioner

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

IN THE MATTER OF THE APPLICATION OF SINCLAIR OIL & GAS COMPANY FOR AN ORDER ESTABLISHING 320 ACRE DRILLING AND SPACING UNITS FOR THE DAKOTA GROUP COMMON SOURCE OF GAS SUPPLY UNDERLYING SECTIONS 11, 12, 13, and 14, TOWNSHIP 16 SOUTH, RANGE 25 EAST, AND SECTIONS 7, 8, 9, 16, 17, and 18 TOWNSHIP 16 SOUTH, RANGE 26 EAST, GRAND COUNTY, UTAH	: : : :	CAUSE NO. 107-1 FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER
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The above captioned Cause No. 107-1 is before the Oil and Gas Conservation Commission on the application of Sinclair Oil & Gas Company for an Order to establish approximately 320 acre drilling and spacing units running in either a North-South or East-West direction according to the Government Survey thereof for the development and production of gas from the Dakota Group Sands Common Source of Supply underlying the following described lands:

<u>Township 16 South, Range 25 East, S. L. M.</u>	
Section 11: All	Section 13: All
Section 12: All	Section 14: All
 <u>Township 16 South, Range 26 East, S. L. M.</u>	
Section 7: All	Section 16: All
Section 8: All	Section 17: All
Section 9: All	Section 18: All

A hearing was held on the application on February 11, 1965. No objection was made to this application and two witnesses were called and evidence taken in support of the application. Upon the conclusion of the hearing, the attorney for the Applicant was directed to prepare an Order to include all of the lands described in the application of Sinclair Oil & Gas Company in this Cause and to establish 320 acre drilling and spacing units with regard to the Dakota Group Sands and the Morrison Formation.

The Dakota Group Sands include the Upper and Lower Dakota, and the Cedar Mountain Sand.

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

FINDINGS OF FACT

1. The area involved in this cause, hereinafter referred to for convenience as "Subject Lands," lies within Grand County, Utah and are described as follows:

<u>Township 16 South, Range 25 East, S. L. M.</u>			
Section 11:	All	Section 13:	All
Section 12:	All	Section 14:	All

<u>Township 16 South, Range 26 East, S. L. M.</u>			
Section 7:	All	Section 16:	All
Section 8:	All	Section 17:	All
Section 9:	All	Section 18:	All

2. The Applicant, Sinclair Oil & Gas Company, by its application for 320 acre drilling and spacing units for the Dakota Sands Group intended its application to include the Morrison Sand Formation within the purview of its application and the Commission hereby finds that it is desirable and necessary to include the Morrison Sand Formation in its Order establishing 320 acre drilling and spacing units in order to effect the most efficient production, the prevention of waste and the protection of the correlative rights of all interested parties, subject to the right of all interest parties to show cause why the said Morrison Formation should not be included in the Commission's Order establishing the said drilling and spacing units on the herein defined subject lands.

3. The Dakota Group Sands and the Morrison Formation are lenticular in nature and apparently cover all of the Subject Lands and constitute common sources of supply. In the area of the Subject Lands, the Dakota Group Sands are found at depths varying

from approximately 4,000 to 5,800 feet below the surface. The Morrison Formation is found at depths varying from approximately 4,250 to 6,050 feet below the surface. The Dakota Group Sand and Morrison Sand Formations are lenticular sandstones with variable porosity and permeability.

4. One well to each 320 acres will efficiently and economically drain the Dakota Group Sands reservoir under the subject land; likewise one well to each 320 acres will efficiently and economically drain the Morrison Sand reservoir as found under the subject lands.

5. 320 acre drilling and spacing units running in either a North-South or East-West direction according to the government survey of the Subject Lands should be established in order to prevent waste, to avoid the drilling of unnecessary wells and to protect the correlative rights of interested parties. No more than one well should be drilled on any such unit for the production of gas from the Dakota Group Sands and no more than one well should be drilled on any such unit for the production of gas from the Morrison Formation.

6. That the drilling and spacing units for the subject lands should be formed by dividing each governmental section of approximately 640 acres into two such units to consist respectively of the N/2 and S/2 of each such section or to consist respectively of the E/2 and W/2 of each such section, except fractional sections 9 and 16, Township 16 South, Range 26 East, each of which should be one unit running North-South.

7. Except as may be hereafter ordered by the Commission after notice and hearing and as hereinafter provided, the permitted well for a spacing unit should not be located nearer than 500 feet from any property or lease line, spacing or unit boundary and should not be located nearer than 2,500 feet from a well producing from the same sand or formation, except that a 500-foot

tolerance in the distance requirement of 2,500 feet will be permitted in the event surface obstructions or undue hazards are encountered.

8. Wherever reference is made herein to a section, township and range, such reference is intended to refer to the section or other legal subdivisions as determined by the government survey.

9. An exception should be granted to the Spacing Order for the Benson-Minton-Greer #1 Hatch Well, which is located 537 feet from the South line and 253 feet from the West line of Section 18, 16 South, Range 26 East, Grand County, Utah.

10. If a well is completed as a producer in the Dakota Sands Group or in the Morrison Formation, the lessee or operator if desired may drill a subsequent "twin" well on the same drilling and spacing unit to the zone or formation in which the first well was not completed as a producer.

11. The following matters should be specifically reserved from this Order:

(A) Whether one well may be dually completed to produce from both the Dakota Sands Group and the Morrison Formation.

(B) Whether one well may be completed in both the Dakota Sands and the Morrison Formation so as to commingle the gas through the same string of casing.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the subject matter of this cause and over the lessees and operators in the area involved. Notice of the hearing in this cause was given in all respects as required by law.

2. The Dakota Group Sands and the Morrison Formation are present under the subject lands which are more fully described in Finding 1 of the foregoing Findings, and they constitute common pools or sources of supply.

3. One well to each 320 acres will efficiently and economically drain each of the said pools or common sources of supply as found in and underlying the subject lands.

4. The establishment of 320 acre spacing and drilling units for the subject lands is necessary to prevent waste and to protect the correlative rights of interested parties.

5. The shape and pattern of the spacing units for the subject lands should be as set forth and defined in Finding 5 of the foregoing Findings.

6. No more than one well on any such spacing or drilling unit should be drilled and completed for the production of gas from the Dakota Sands Group and no more than one well on any such spacing or drilling unit should be drilled and completed for the production of gas from the Morrison Formation.

7. The locations or patterns of the permitted wells should be as set forth in Finding 6 of the foregoing Findings.

8. The application of Sinclair Oil & Gas Company requested 320 acre drilling and spacing units in the Dakota Sands Group only and it has been determined that it is desirable and necessary to also include the Morrison Formation in the Order establishing 320 acre drilling and spacing units in order to obtain the most efficient production, prevention of waste, and the protection of correlative rights. In the event any interested party or parties should object to the inclusion of the Morrison Formation in the Order of the Commission establishing 320 acre drilling and spacing units, such interested party or parties are hereby ordered to show cause why the said Morrison Formation should not be included in the Order of the Commission on or before March 1, 1965. If no objections are received on or before March 1, 1965, the Order of the Commission will be effective in all respects as to both the Dakota Sands Group and the said Morrison Formation.

ORDER

It is therefore ordered by the Commission as follows:

1. That 320 acre drilling and spacing units be and the same are hereby established for the production of gas from the Dakota Sands Group and the Morrison 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 5 of the foregoing Findings.

3. That no more than one well shall be drilled and completed on any such unit for the production of gas from the Dakota Sands Group and that no more than one well shall be drilled and completed on any such unit for the production of gas from the Morrison Sand Formation.

4. That the location of the permitted well or wells for each such unit shall be as set forth and defined in Finding 6 of the foregoing Findings provided however that an exception in respect to the location of a permitted well may be had without notice or hearing upon the filing with the Commission of an application showing that topographic conditions, surface obstructions, or undue hazards exist which reasonably require a well location nearer than 2,500 feet but not less than 2,000 feet from a well producing in the same zone or formation in which the proposed well is to be completed.

5. An exception to this spacing order is hereby granted to the Spacing Order for the Benson-Minton-Greer #1 Hatch Well, which is located 537 feet from the South line and 253 feet from the West line of Section 18, Township 16 South, Range 26 East, Grand County, Utah.

6. If a well is completed as a producer in the Dakota Sands Group or in the Morrison Formation, the lessee or operator if desired

may drill a subsequent "twin" well on the same drilling and spacing unit to the zone or formation in which the first well was not completed as a producer.

7. That the following matters are specifically reserved to the Commission to be determined following subsequent notice and hearing:

(A) Whether one well may be dually completed to produce from the Dakota Sands Group and Morrison Formation both.

(B) Whether one well may be completed in both the Dakota Sands and the Morrison Formation so as to commingle the gas through the same string of casing.

8. Subject to the rights of interested parties to object as hereinafter stated, this Order covers and is in all respects effective as to the Dakota Sands Group and the Morrison Sand Formation. If any interested party or parties should object to this Order being effective to cover the Morrison Sand Formation, any such party or parties are hereby ordered to show cause why this order should not be effective to the Morrison Sand on or before March 1, 1965. If any such objection is received by the Commission on or before said date, a time and date will be set for the hearing of any such objection after due notice has been given. If no objection is received by the Commission on or before March 1, 1965, this Order of the Commission will thereafter in all respects be effective as to the Morrison Sand Formation as well as the Dakota Group Sands.

9. That nothing in the foregoing Findings of Fact or Conclusions of Law or in this Order is intended or shall be construed in any manner to determine or affect any question relating to the boundaries of any lease or the title to any lands or to determine the rights of any party in respect to any voluntary or

or involuntary pooling of interests within any hereby established spacing or drilling unit.

10. That the Commission retains continuing jurisdiction of all matters covered by this Order dated this _____ day of February, 1965.

APPROVED

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

B. H. Croft, Chairman of the
Commission, Presiding