

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

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IN THE MATTER OF THE PETITION \*  
OF TXO PRODUCTION CORP. FOR AN \*  
ORDER EXTENDING DRILLING AND \*  
SPACING UNITS AS ESTABLISHED BY \*  
THIS BOARD'S ORDER IN CAUSE NO. \*  
107-1 FOR THE DAKOTA AND \*  
MORRISON FORMATIONS UNDERLYING \*  
SECTION 33, TOWNSHIP 15-1/2 \*  
SOUTH, RANGE 26 EAST, S.L.M., \*  
GRAND COUNTY, UTAH \*

**FINDINGS AND ORDER**

Docket No. 84-048  
Cause No. 107-4

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Pursuant to the Application of TXO Production Corp., this cause came on for hearing before the Board of Oil, Gas & Mining, Department of Natural Resources, State of Utah, on Thursday, August 23, 1984, at 10 o'clock a.m. in the auditorium of the Department of Natural Resources, 1636 West North Temple, Salt Lake City, Utah. The following Board members were present: Gregory P. Williams, Chairman, Richard B. Larsen, John M. Garr, E. Steele McIntyre, Constance K. Lundberg, James W. Carter, Charles R. Henderson.

Appearances were made as follows: for TXO Production Corp. (Petitioner), A. John Davis of Hugh C. Garner & Associates, 310 South Main, Suite 1400, Salt Lake City, Utah 84101.

NOW, THEREFORE, the Board having considered the testimony adduced and the exhibits reviewed in said hearing, and being fully

advised in the premises by the parties, 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, including personal service of a Notice of Hearing upon all parties having an interest in the tracts of land contiguous to and cornering upon the subject lease (except those lands outside the Board's jurisdiction) listed in Exhibit "A" of the Petition.

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

3. On oral motion of counsel for TXO Production Corp., said Petition was amended to correct the descriptions of several locations in the Petition.

4. The Board has previously entered Orders in Cause Nos. 107-1, 107-2, 107-3 which established the San Arroyo Spaced Area immediately to the South and to the West of the above described lands.

5. Geologic evidence indicates that the oil and gas producing geologic structures which underlie the San Arroyo Spaced Area also underlie the above described lands. Specifically the Dakota and Morrison formations are believed to underlie the subject land.

6. Due to the rugged topographic configuration of the subject lands, Petitioner intends to drill a directional well from a location outside the surface of the above described lands which will bottom out at a point 600 feet from the South line and 700 from the West line of said Section 33, Township 15 1/2 South, Range 26 East, S.L.M., Grand County, Utah.

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

**ORDER**

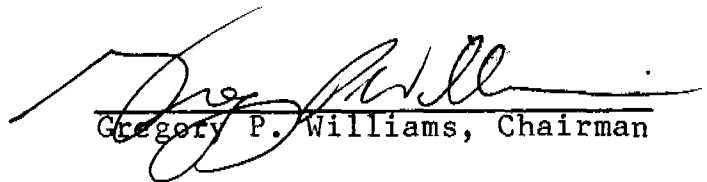
IT IS HEREBY ORDERED by this Board as follows:

1. The provisions of the Order entered in Cause No. 107-1 are extended to cover Section 33, Township 15 1/2 South, Range 26 East, S.L.M., Grand County, Utah.
2. The appropriate provisions of the Order entered in Cause No. 107-1 are modified insofar as necessary and for this Order alone to allow said Section 33 to be a 196 acre unit within the San Arroyo spaced area.
3. The directional well to be drilled into the subject lands shall be the designated Unit Well for the Section 33 Drilling Unit.


4. The permitted location for the bottom hole in the Unit Well shall be located 600 feet from the South line and 700 from the West line of said Section 33, and no closer than 2,500 feet from any producing gas well in the adjacent area, with a 500 foot tolerance in the footage between wells in the event surface obstructions or undue hazards are encountered.

DATED this 24<sup>th</sup> day of September, 1984.

STATE OF UTAH  
BOARD OF OIL, GAS & MINING

  
Gregory P. Williams, Chairman

APPROVED AS TO FORM:

  
Barbara W. Roberts  
Assistant Attorney General

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IN THE MATTER OF THE PETITION \*  
OF TXO PRODUCTION CORP. FOR AN \*  
ORDER EXTENDING DRILLING AND \*  
SPACING UNITS AS ESTABLISHED BY \*  
THIS BOARD'S ORDER IN CAUSE NO. \*  
107-1 FOR THE DAKOTA & MORRISON \*  
FORMATIONS UNDERLYING SECTION 33, \*  
TOWNSHIP 15-1/2 SOUTH, RANGE 26 \*  
EAST, S.L.M., GRAND COUNTY, UTAH \*

FINDINGS AND ORDER

Docket No. *84-048*  
Cause No. 107-4

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Petitioner's Verified Petition to allow Service by  
Certified Mail was heard ex parte before Gregory P. Williams,  
Chairman of the Utah Board of Oil, Gas and Mining on July 11, 1984.  
The Chairman having considered the petition and being advised in the  
premises, now makes and orders the following:

FINDINGS

1. Petitioner has petitioned the Board for an extension of the provisions of the Order entered in Cause 107-1.
2. The Petitioner is required to personally serve a copy of the Petition and Notice of Hearing on all persons whose property interests may be affected by the Petition.
3. Great Basins Petroleum Company, BACO Partnership, Pacific Energy Resources, Inc. and Pacific Century Resources, Inc.

own leasehold interests in tracts of land contiguous with the tract involved in the extension Petition.

4. Said entities have no officer or agents upon whom process can be served in the State of Utah.

5. Attempts to obtain personal service in Utah would therefore be to no avail.

6. Said entities addresses are:

Great Basins Petroleum Company  
1011 Gateway West  
Century City, California 90067

Pacific Energy Resources, Inc.  
dba Century Resources  
920 First National Bank Building  
Denver, Colorado 80293

Pacific Century Resources, Inc.  
920 First National Bank Building  
Denver, Colorado 80293

BACO Partnership  
718 - 17th Street  
No. 630  
Denver, Colorado 80202

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

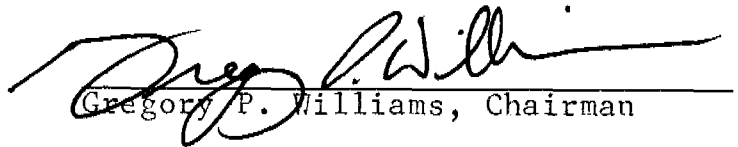
ORDER

THEREFORE, IT IS HEREBY ORDERED:

1. TXO Production Corporation's Petition to Allow Service by Certified Mail on said entities is hereby granted.

DATED this 11<sup>th</sup> day of July, 1984.

STATE OF UTAH  
BOARD OF OIL, GAS AND MINING

  
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Gregory P. Williams, Chairman