

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

IN THE MATTER OF THE APPLICATION)
OF BOW VALLEY PETROLEUM INC. FOR)
AN ORDER EXTENDING AND MODIFYING)
PRIOR ORDERS OF THE BOARD IN CAUSE)
NO. 131-14, TO COVER ADDITIONAL)
LANDS OUTSIDE OF THE BLUEBELL)
FIELD, UINTAH COUNTY, UTAH)

ORDER

CAUSE NO. 131-33

Pursuant to Notice of Hearing dated April 22, 1980, of the Board of Oil, Gas and Mining, Department of Natural Resources of the State of Utah, said cause came on for hearing on Wednesday, May 28, 1980, at 10:00 a.m., in the Wildlife Resources Auditorium, 1596 West North Temple, Salt Lake City, Utah. A decision on said matter was deferred until the next Board meeting on June 18, 1980, at which time a decision on the matter was deferred until the next Board meeting on July 22, 1980.

The following members of the Board were present at the July 22, 1980, meeting:

Charles R. Henderson, Chairman, Presiding

John L. Bell

E. Steele McIntyre

C. Ray Juvelin

Edward T. Beck

Thadis W. Box

Also present:

Cleon B. Feight, Director, Division of Oil,
Gas and Mining

Mike Minder, Chief Petroleum Engineer, Division
of Oil, Gas and Mining

Appearances were made as follows:

For Bow Valley Petroleum
Inc.

Bob Lewis
Denver, Colorado

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

FINDINGS

1. Due and regular notice of the time, place and purpose of the hearing was given to all interested parties as required by law and the rules and regulations of the Board.

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

3. By Order designated Cause No. 131-32, dated August 11, 1971, the Board extended the Bluebell Field, Uintah County, Utah, originally established by Order in Cause No. 131-11, dated February 17, 1971, as extended by Cause Orders 131-14 and 131-24, to include the lands applied for therein and established drilling units comprising governmental sections for the production of oil, gas and associated hydrocarbons from the interval described therein, underlying the lands described in Cause No. 131-14.

4. Further drilling and development operations and the information obtained therefrom, subsequent to the date of Order in said Cause No. 131-14, indicate that the Orders of the Board contained therein should now be extended as follows:

- (a) That the lands known and believed to be underlain by the common source of supply from which oil, gas and associated hydrocarbons can be produced include all of the lands described and referred to in said Cause Nos. 131-11, 131-14 and 131-24, and the following lands situated in Uintah County, Utah, to-wit:

TOWNSHIP 1 SOUTH, RANGE 1 EAST, USM
Sections 1 thru 16: All
Section 17: All, except the S/2SW/4
Section 18: N/2
Section 20: NE/4NE/4
Section 21: N/2N/2

TOWNSHIP 1 SOUTH, RANGE 2 EAST, USM
Sections 4 thru 8: All
Sections 18 & 19: All

- (b) That the spaced interval underlying the lands described in Paragraph 4(a) above, should be that interval referred to and described in Paragraph 4(b) of Cause No. 131-14.
- (c) That the maximum area that can be efficiently and economically drained by one well from the proposed spaced interval underlying the area herein proposed to be spaced is not smaller than 640 acres, more or less, with the exception of Sections 17 and 18, T1S, R1E, USM, Uintah County,

Utah, as a result of a portion of said sections

lying within the boundaries of the Roosevelt Unit.

5. That it is consistent with this Board's duty to promote orderly development in this area to declare that the 560 acres consisting of all except the S/2SW/4 of Section 17, and 320 acres consisting of all except the S/2 of Section 18, T1S, R1E, USM, Uintah County, Utah, be declared a spacing unit which one well can efficiently and economically drain.

6. That in order to protect correlative rights, the following irregular drilling units should be established as hereinafter described:

Township 1 South, Range 1 East, USM

Drilling Unit No. 1 - 600 acres

Section 16: E/2 & E/2W/2

Section 21: N/2NE/4 & NE/4NW/4

Drilling Unit No. 2 - 560 acres

Section 16: W/2W/2

Section 17: E/2

Section 20: NE/4NE/4

Section 21: NW/4NW/4

Drilling Unit No. 3 - 560 acres

Section 17: NW/4 & N/2SW/4

Section 18: N/2

7. That a well drilled in the NE/4SW/4 of Section 18, T1S, R2E, USM, Uintah County, Utah, was proved productive of oil and gas in the intervals sought to be spaced herein, on December 15, 1979, and that in the interest of protecting correlative rights, this spacing order should be made effective retroactive to such date.

ORDER

IT IS THEREFORE ORDERED:


To prevent waste of oil, gas and associated hydrocarbons, to avoid the drilling of unnecessary wells, to protect correlative rights and to establish drilling units of uniform size and shape for the promotion of more orderly development of the Bluebell Area, including the extension thereof herein, the subject of this application, the following Orders are hereby promulgated to govern operations in said area effective December 15, 1979:

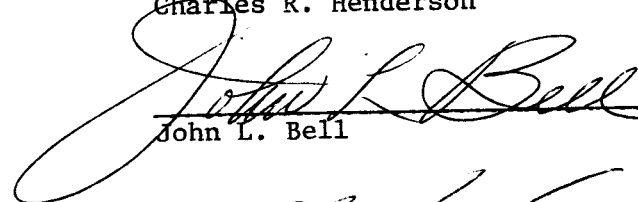
- (a) That upon said effective date any and all Orders of the Board heretofore promulgated which are inconsistent with the Orders herein set forth shall be and are hereby vacated.
- (b) That drilling units described in Paragraphs 5 and 6 above are hereby established for the


- development and production of oil, gas and associated hydrocarbons from the interval referred to in Paragraph 3 above, underlying the lands described in Paragraph 4(a) above.
- (c) That as hereby modified the Orders of the Board in said Cause No. 131-14 shall continue in effect and are hereby extended to cover the lands described in Paragraph 4(a) above.
- (d) That this Order is a temporary Order and the Board, on its own motion, or any interested party may file an application requesting a hearing to present new evidence concerning the matters set forth herein.
- (e) That the Board retains exclusive continuing jurisdiction of all matters covered by this Order and of all parties affected thereby and particularly that the Board retains and reserves exclusive and continuing jurisdiction to make further orders as appropriate as authorized by statute and applicable regulations.

ENTERED THIS 22nd DAY OF July, 1980.

BOARD OF OIL, GAS AND MINING
OF STATE OF UTAH


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