

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 W. A. MONCRIEF FOR AN ORDER)	
EXTENDING PRIOR ORDERS OF THE BOARD)	ORDER
IN CAUSE NO. 139, AS EXTENDED AND)	
MODIFIED, TO COVER AND INCLUDE)	
ADDITIONAL LANDS IN THE ALTAMONT)	CAUSE NO. 139-17
FIELD, DUCHESNE COUNTY, UTAH.)	

Pursuant to Notice of Hearing dated September 1, 1978, of the Board of Oil, Gas & Mining, Department of Natural Resources of the State of Utah, this Cause came on for hearing before Cleon B. Feight, acting as hearing examiner for the full Board, at 10:00 o'clock a.m. on Tuesday, September 26, 1978, in the Executive Conference of the Holiday Inn, 1659 West North Temple, Salt Lake City, Utah.

Appearing for the applicant was Robert G. Pruitt, Jr., of Pruitt & Gushee, attorneys, and Robert E. Park, Manager of Exploration of Moncrief Oil Interests, as a witness.

Also present were the following:

Pat Driscoll, Chief Petroleum Engineer, Division of Oil, Gas and Mining

Paul E. Reimann, Esq., for himself and Maybeth Reimann, trustees for certain property owners

Stephen Bates, for himself and other family members also present

Juanita Smith, for herself and her son, property owners

William O. Balkovatz, Esq., for Gulf Oil Companies

Denise Dragoo, Esq., Assistant Attorney General for the State of Utah

Don Hemmingway, for the LDS Church, a property owner

Letters in support of the application were received from:

Texaco Inc. by R. M. Danos
Denver, Colorado

Gulf Oil Exploration and Production Company by J. D. Richards
Denver, Colorado

NOW, THEREFORE, having considered the testimony presented to their hearing examiner and the exhibits received at said hearing, and being fully advised in the premises, and all persons appearing before the hearing examiner being in favor of the application, the Board 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 in the form and manner and within the time required by law and the rules and regulations of the Board.
2. The Board has jurisdiction over the matter covered by said Notice and over all parties interested therein and has jurisdiction to make and promulgate the order hereinafter set forth.
3. By Orders entered in Consolidated Causes No. 139-3 and No. 139-4 dated June 24, 1971, Cause No. 139-5 dated November 17, 1971, and Cause No. 139-8 dated September 20, 1972, the Board established drilling units comprising each governmental section for the production of oil, gas and associated hydrocarbons from the interval described in paragraph No. 4(a) of said Order in Cause No. 139-8, common source of supply underlying the lands in the Altamont Area, all as more particularly described in said Consolidated Causes No. 139-3 and No. 139-4, Cause No. 139-5 and Cause No. 139-8.
4. Further drilling and development operations and the information and data obtained therefrom, both within and beyond the presently defined boundaries of spaced lands described in said Orders in Consolidated Causes No. 139-3 and No. 139-4, Cause No. 139-5 and Cause No. 139-8, subsequent to the dates of said Orders, indicate that the present spaced interval and spaced area as described in said prior Orders should now be further defined and enlarged to include the following additional lands:

Township 4 South, Range 6 West, USM

Sections 3 through 18: All

5. One well on a governmental section consisting of 640 acres, more or less, will efficiently and economically drain the recoverable oil, gas and associated hydrocarbons from the aforesaid common source of supply underlying the lands described in paragraph 4 above, and that a governmental section drilling unit is not larger than the maximum area that can be efficiently and economically drained by one well.

6. The Orders entered in Consolidated Causes No. 139-3 and No. 139-4, Cause No. 139-5 and Cause No. 139-8 provide that the permitted well for each drilling unit shall be located in the center of the NE $\frac{1}{4}$ of the governmental section comprising such drilling unit with a tolerance of 660 feet in any direction; provided that an exception to said tolerance may be granted without a hearing where a topographical exception is deemed necessary. Such provisions in said prior orders should continue to apply, provided further that exceptions to such permitted well location and tolerance allowance should be allowed where needed for wells presently drilling or producing oil, gas and associated hydrocarbons from the common source of supply in the Altamont Area.

7. The Board approves as exception wells the two locations already permitted and currently being drilled in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 10 and the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 11, due to topographic conditions.

ORDER

IT IS THEREFORE ORDERED:

A. That 640 acre drilling units be, and the same are hereby established, comprising each governmental section for the development and production of oil, gas and associated hydrocarbons from the interval described in paragraph 4(a) in Cause No. 139-8, underlying the additional lands described in paragraph 4 of this Order.

B. That no more than one well shall be drilled on any such unit for the production of oil, gas and associated hydrocarbons from the common source of supply, and that the permitted well for each drilling unit shall be located in the center of the NE $\frac{1}{4}$ of the governmental section comprising such unit, with a tolerance of 660 feet in any direction; provided that an exception to said


tolerance may be granted administratively without a hearing where a topographical exception is deemed necessary; and provided that exceptions to the permitted well location and tolerance allowance are hereby allowed where needed for all wells presently drilling or producing oil, gas and associated hydrocarbons from the common source of supply in the Altamont Area, as hereby enlarged, and such exception wells shall be the permitted wells for the drilling units on which they are located.

C. That this Order is a temporary order and the Board, on its own motion or the motion of any interested party, may file an application requesting a hearing to present new evidence covering the matters set forth herein.

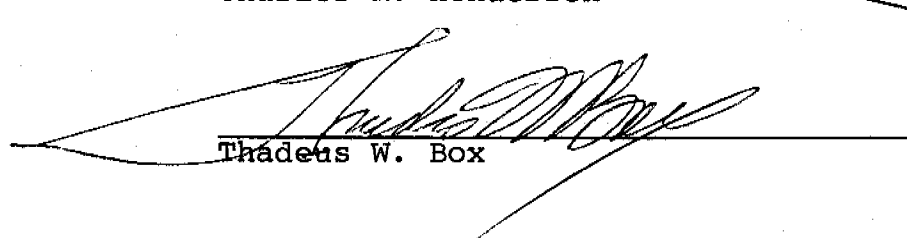
D. That the Board retains continuing jurisdiction of all matters covered by this Order and particularly retains continuing jurisdiction to make further orders as appropriate and authorized by statute and applicable regulations.

ENTERED AND EFFECTIVE this 27th day of September, 1978.

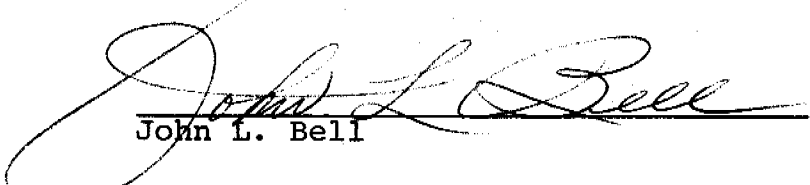
BOARD OF OIL, GAS AND MINING
OF THE STATE OF UTAH


I. Daniel Stewart, Chairman


Charles R. Henderson


Thadeus W. Box

Glen M. Hatch


John L. Bell


E. Steele McIntyre