BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES

STATE OF UTAH

IN THE MATTER OF THE PETITION

OF AMERICAN PETROFINA CO. OF

TEXAS FOR AN ORDER EXTENDING

THE 320-ACRE DRILLING AND SPACING UNITS IN CAUSE NO.

145-2 TO SECTION 32, TOWNSHIP 6 SOUTH, RANGE 21 EAST, SLM,

UINTAH COUNTY, UTAH

FINDINGS AND ORDER

Docket No. 85-030

Cause No. 145-6

Pursuant to the Petition of American Petrofina Company of Texas, this cause came on for hearing before the Board of Oil, Gas & Mining, Department of Natural Resources, State of Utah, on Thursday, June 20, 1985, at 10 o'clock a.m. in the Board Room of the Board of Oil, Gas & Mining, 355 West North Temple, 3 Triad Center, Suite 301, Salt Lake City, Utah. The following Board members were present:

> Gregory P. Williams, Chairman James W. Carter Charles R. Henderson Richard B. Larsen John M. Garr E. Steele McIntyre

Also in attendance representing the Division of Oil, Gas & Mining were Dr. Dianne Nielson, Director, Ronald J. Firth, Associate Director, Oil & Gas, and John R. Baza, Petroleum

Engineer. Counsel to the Division was Barbara W. Roberts, Esq., Assistant Attorney General. Counsel to the Board was Mark C. Moench, Esq., Assistant Attorney General.

Appearing as counsel on behalf of Petitioner was Robert G. Pruitt, Jr., of Pruitt, Gushee & Fletcher. Leonard L. Hedberg, Rocky Mountain Exploration Manager, testified as an expert witness.

Mr. Assad M. Raffoul, Petroleum Engineer of the Utah State Office of the Bureau of Land Management was also present. No other persons appeared or participated in the hearing.

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

FINDINGS AND CONCLUSIONS

- 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 subject matter of the Petition and over all parties interested therein and has jurisdiction to make and promulgate the order hereinafter set forth.
- 3. In Cause No. 145-2, dated October 23, 1980, this Board previously ordered that 320-acre laydown drilling and spacing units be established for the production of gas from the Uinta formation underlying certain lands in Uintah County, particularly Sections 25 through 27 and Sections 34 through 36 of Township 6 South, Range 21 East, SLM, among other lands to the south and east.

- 4. In the Order in Cause No. 145-2 the permitted well for each drilling unit in the Uinta formation was specified as being in the NE% or SW% of the Section, not less than 1000 feet from the respective section lines, with a provision for administratively granting exceptions to well locations for topographical or other structure problems, pursuant to Rule C-3(c) of the Board's General Rules and Regulations. (Amended January 1, 1982.)
- 5. Geologic evidence shows that the Uinta formation underlying Section 32, Township 6 South, Range 21 East, is part of the same common source of supply for gas as was established in Cause No. 145-2, and that gas wells drilled in said Section 32 will efficiently and effectively drain 320 acres in the Uinta formation.

ORDER

IT IS HEREBY ORDERED by this Board as follows:

- 1. The 320-acre laydown drilling and spacing units for gas wells in the Uinta formation established by this Board in Cause No. 145-2 are hereby extended to include all of Section 32, Township 6 South, Range 21 East, SLM.
- 2. The permitted gas well for the N_2 of Section 32 shall be located in the NE½, and for the S_2 of Section 32 in the S_2 , not less than 1000 feet from the respective section lines, provided however that an exception to the well location may be

granted administratively for topographical or other structure problems, pursuant to Rule C-3(c) of the Board's <u>General Rules</u> and <u>Regulations</u>. (Amended January 1, 1982.)

3. This Board retains continuing jurisdiction over this matter and parties thereto.

DATED this 26th day of July, 1985.

STATE OF UTAH BOARD OF OIL, GAS & MINING

Gregory R. Williams, Chairma

Approved as to form:

MARK C. MOENCH

Assistant Attorney General