

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
DEPARTMENT OF NATURAL RESOURCES
in and for the STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF)
G.W. ANDERSON FOR AN ORDER)
ESTABLISHING DRILLING UNITS FOR)
CERTAIN LANDS IN GRAND COUNTY, UTAH)

ORDER
CAUSE NO. 149-1

Pursuant to the Application of G.W. Anderson, this cause came on for hearing before the Board of Oil and Gas Conservation, Department of Natural Resources of the State of Utah, at 10:00 A.M., on Wednesday, March 14, 1973, in the Governor's Board Room, Second Floor-State Capitol Building, Salt Lake City, Utah. The following Board Members were present:

Guy N. Cardon, Chairman, Presiding

Charles R. Henderson

Robert R. Norman

James P. Cowley

Appearances were made as follows:

For the Applicant:

Max D. Lewis, Esq.
Salt Lake City, Utah

For Mobil Oil Corporation:

Frank J. Allen, Esq.
Salt Lake City, Utah

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 matter covered by said Application and over all parties interested therein and has jurisdiction to make and promulgate the Order hereinafter set forth.
3. That there are six or possibly 7 producing gas sand intervals or zones underlying the area under consideration; to-wit:
 - a. the Castlegate member of the Mesaverde Formation; b. the Dakota Formation, c. the Cedar Mountain Formation, d. the Buckhorn Formation, e. the Brushy Basin member of the Morrison Formation, f. the Salt Wash member of the Morrison Formation, and g. the Entrada Formation.
4. That all available geological and engineering data concerning

said area indicates that, except for the Entrada Formation, the other producing sands are relatively lenticular, of low pressure, are channel or bar type, and are extremely narrow and thin compared to other gas producing areas in Utah.

5. That said described sands underly the following described lands in Grand County, Utah, to-wit:

Township 15 1/2 South, Range 24 East

Sec. 36: All

Township 15 1/2 South, Range 25 East

Sec. 31: All

Sec. 32: All

Sec. 33: All

Sec. 34: All

Sec. 35: All

Sec. 36: All

Township 16 South, Range 24 East

Sec. 1: All

Sec. 2: All

Sec. 11: All

Sec. 12: All

Sec. 13: All

Sec. 14: All

Sec. 23: All

Sec. 24: All

Township 16 South, Range 25 East

Sec. 1: All

Sec. 2: All

Sec. 3: All

Sec. 4: All

Sec. 5: All

Sec. 6: All

Sec. 7: All

Sec. 8: All

Sec. 9: All

Sec. 10: All

Sec. 17: All

Sec. 18: 19-20 All *all*

Sec. 21: S 1/2

Sec. 27: S 1/2

Sec. 28: E 1/2

6. That one well will adequately drain all recoverable gas from each sand interval or zone underlying approximately 320 surface acres in the above described area and that approximately 320 surface acres is the maximum area that may be drained efficiently and economically by one well.

7. That, because of the San Arroyo Unit, the irregular surveyed sections in Township 15 1/2 South, Range 24 and 25 East, and the odd participating unit areas in the East Canyon Field, it is impracticable as well as impossible to establish drilling units of exactly 320 acres in all cases which will satisfy the statutory requirements of uniform size and shape.

8. That drilling units of between 280 and 320 surface acres can be

established which will fulfill the said statutory requirements.

9. That the permitted well for each drilling unit should be located not less than 500 feet in any direction from the unit boundary; provided that an exception to said location may be granted without a hearing where a topographical exception is deemed necessary; and provided further that the existing well in the SW 1/4 SE 1/4, Section 2, Township 16 South, Range 25 East, SLBM, should be allowed as an exception to said footage limitation, and said well should be considered the drilling unit well for the drilling unit comprising the S 1/2 of Section 2.

10. That in order to avoid the drilling of unnecessary wells, to protect correlative rights of all parties concerned, to insure proper and efficient development, and to promote conservation of the gas resources of the state, an order shall be made establishing drilling units for the production of gas from each of the heretofore mentioned sources of supply underlying said land as defined herein.

IT IS THEREFORE ORDERED:

1. That drilling units are hereby established for the production of gas and associated hydrocarbons from the Dakota, Morrison, Salt Wash, Cedar Mt., Entrada, Buckhorn Formations and the Castlegate member of the Mesaverde group, underlying the lands described above in paragraph 5 of the findings.

2. That the area as herein described is hereby divided into 3 zones and drilling units are hereby established for each zone, as follows to-wit:

ZONE I

| | |
|---------------------|---------------------------------------|
| Drilling Unit No. 1 | W 1/2, Sec. 36, T. 15 1/2 S, R. 24 E, |
| " 2 | E 1/2 " |
| " 3 | W 1/2, Sec. 31, T. 15 1/2 S, R. 25 E, |
| " 4 | E 1/2 " |
| " 5 | W 1/2, Sec. 32, T. 15 1/2 S, R. 25 E, |
| " 6 | E 1/2 " |
| " 7 | W 1/2, Sec. 33, T. 15 1/2 S, R. 25 E, |
| " 8 | E 1/2 " |
| " 9 | W 1/2, Sec. 34, T. 15 1/2 S, R. 25 E, |
| " 10 | E 1/2 " |
| " 11 | W 1/2, Sec. 35, T. 15 1/2 S, R. 25 E, |
| " 12 | E 1/2 " |

| | |
|----------------------|---------------------------------------|
| Drilling Unit No. 13 | W 1/2, Sec. 36, T. 15 1/2 S, R. 25 E, |
| " 14 | E 1/2 " |

ZONE II

| | |
|---------------------|-----------------------------------|
| Drilling Unit No. 1 | W 1/2, Sec. 1, T. 16 S, R. 24 E, |
| " 2 | E 1/2 " |
| " 3 | W 1/2, Sec. 2, T. 16 S, R. 24 E, |
| " 4 | E 1/2 " |
| " 5 | W 1/2, Sec. 11, T. 16 S, R. 24 E, |
| " 6 | E 1/2 " |
| " 7 | W 1/2, Sec. 12, T. 16 S, R. 24 E, |
| " 8 | W 1/2, Sec. 13, T. 16 S, R. 24 E, |
| " 9 | W 1/2, Sec. 14, T. 16 S, R. 24 E, |
| " 10 | E 1/2 " |
| " 11 | W 1/2, Sec. 23, T. 16 S, R. 24 E, |
| " 12 | E 1/2 " |
| " 13 | W 1/2, Sec. 24, T. 16 S, R. 24 E, |
| " 14 | E 1/2 " |
| " 15 | W 1/2, Sec. 1, T. 16 S, R. 25 E, |
| " 16 | E 1/2, Sec. 1, " |
| " 17 | N 1/2, Sec. 2, T. 16 S, R. 25 E, |
| " 18 | S 1/2 " |
| " 19 | W 1/2, Sec. 3, T. 16 S, R. 25 E, |
| " 20 | E 1/2 " |
| " 21 | W 1/2, Sec. 4, T. 16 S, R. 25 E, |
| " 22 | E 1/2 " |
| " 23 | W 1/2, Sec. 5, T. 16 S, R. 25 E, |
| " 24 | E 1/2 " |
| " 25 | W 1/2, Sec. 6, T. 16 S, R. 25 E, |
| " 26 | E 1/2, " |
| " 27 | E 1/2, Sec. 7, T. 16 S, R. 25 E, |
| " 28 | W 1/2, Sec. 8, T. 16 S, R. 25 E, |
| " 29 | E 1/2 " |
| " 30 | W 1/2, Sec. 9, T. 16 S, R. 25 E, |
| " 31 | E 1/2 " |
| " 32 | W 1/2, Sec. 10, T. 16 S, R. 25 E, |
| " 33 | E 1/2 " |

| | | |
|-------------------|----|-----------------------------------|
| Drilling Unit No. | 34 | E 1/2, Sec. 18, T. 16 S, R. 25 E, |
| " | 35 | W 1/2, Sec. 19, T. 16 S, R. 25 E, |
| " | 36 | E 1/2 " |
| " | 37 | W 1/2, Sec. 20, T. 16 S, R. 25 E, |
| " | 38 | E 1/2 " |
| " | 39 | S 1/2, Sec. 21, T. 16 S, R. 25 E, |
| " | 40 | S 1/2, Sec. 27, T. 16 S, R. 25 E, |
| " | 41 | E 1/2, Sec. 28, T. 16 S, R. 25 E, |

ZONE III

| | | |
|-------------------|---|---|
| Drilling Unit No. | 1 | N 1/2 NE 1/4, Sec. 12, T. 16 S, R. 24 E; E 1/2 W 1/2, NW 1/4 NW 1/4, Sec. 7, T. 16 S, R. 25 E, |
| " | 2 | E 1/2 E 1/2, SW 1/4 SE 1/4, S 1/2 SW 1/4, Sec. 17, T. 16 S, R. 25 E, |
| " | 3 | S 1/2 SE 1/4, Sec. 13, T. 16 S, R. 24 E; E 1/2 W 1/2, SW 1/4 SW 1/4, Sec. 18, T. 16 S, R. 25 E, |

3. On each drilling unit, as heretofore described, one well may be completed or recompleted into two or more of the producing sand intervals or zones as a multiple completion, subject to administrative approval, or as an alternative, one well may be completed or recompleted into any one of the producing sand intervals or zones as a single completion, provided, no more than one well shall produce from the same sand interval or zone in each drilling unit.

4. The Atlantic Richfield well no. Bitter Creek State #1, located 395 feet from the South Line and 2530 feet from the East Line, of Section 2, Township 16 South, Range 25 East, SLBM, is hereby designated the drilling unit well for Drilling Unit #18 of Zone No. 2, for the said intervals or zones into which it is presently completed.

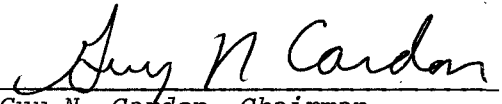
5. The permitted well for each drilling unit shall be located no closer than 500 feet from the drilling unit boundary and no closer than 2000 feet from any other gas well which is producible from the same sand interval or zone, provided that an exception to said location may be granted without a hearing, where a topographical exception is deemed necessary.

6. This order shall be effective forthwith.

7. The Board retains continuing jurisdiction over all matters covered by this Order.

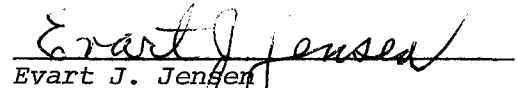
DATED this 14th day of March, 1973.

BOARD OF OIL & GAS CONSERVATION
DEPARTMENT OF NATURAL RESOURCES


Guy N. Cardon, Chairman


Charles R. Henderson


Robert R. Norman


Evart J. Jensen

James P. Cowley