

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

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IN THE MATTER OF THE APPLICATION OF	)	
CHAMPLIN PETROLEUM COMPANY FOR AN	)	
ORDER AMENDING THE WELL PERMIT	)	ORDER
GRANTED FOR THE CHAMPLIN PETROLEUM	)	
COMPANY ADKINS NO. 1 32E-3 (2-7)	)	CAUSE NO. 160-20
WELL, SW/4 NE/4 SECTION 3, TOWNSHIP	)	
2 NORTH, RANGE 7 EAST, SUMMIT COUNTY,	)	
UTAH.	)	

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This cause came to be heard regularly before the Board of Oil, Gas and Mining ("Board"), and was heard, pursuant to due and proper Application and Notice of Hearing, on September 25, 1980, in the Executive Conference Room, Holiday Inn, 1659 West North Temple, Salt Lake City, Utah.

The following members of the Board (constituting a quorum of the Board) were present and in accordance with the law participated in the hearing upon all matters and the decision resulting in this Order:

Charles R. Henderson, Chairman

John L. Bell

Edward T. Beck

E. Steele McIntyre

Max A. Farbman

The following members of the Board's staff were also present and participating:

Michael T. Minder, Geological Engineer

Denise A. Dragoo, Special Assistant Attorney General

Appearances of counsel were made as follows:

E. Scott Savage, Salt Lake City, Utah

Joe Henry, Denver, Colorado

R. C. McGinnis, Austin, Texas

Attorneys representing applicant, Champlin Petroleum Company

Frank Gustin, Salt Lake City, Utah

Frank Douglass, Austin, Texas

Attorneys representing American Quasar Petroleum Company of New Mexico, the only other operator in the subject field and an interested party herein

NOW, THEREFORE, the Board having fully considered the testimony of all witnesses, statements of others and all exhibits, statements introduced and received in the course of said hearing, and in all respects being fully advised in the premises, makes and enters the following Findings of Fact and Conclusions of Law and renders its permanent and final Order as follows:

FINDINGS OF FACT

1. The Champlin Petroleum Company Adkins No. 1 32E-3 (2-7) Well SW/4 NE/4 Section 3, Township 2 North, Range 7 East, Summit County, Utah, was drilled as an approved exception to the Board's Order in Cause No. 160-6, dated July 28, 1976.

2. The granting of the exception by the Board to drill the Adkins Well as a second well on the 80-acre drilling unit consisting of the S/2 of the NE/4 of Section 3, Township 2 North, Range 7 East, Salt Lake City Base and Meridian was and is subject to production limitations as follows:

(a) During the flow life of the Adkins Well, its completion in the Twin Creek Reservoir is limited to an allowed production of 50 percent of its tested potential, or 250 barrels of oil per day, whichever is greater. After installation of artificial lift equipment, the allowed production from the Adkins Well is not to exceed 250 barrels of oil per day.

(b) After completion of tests in the Nugget Reservoir in the Adkins Well, applicant will abandon the Nugget interval in said well.

3. By agreement dated August 8, 1980, American Quasar Petroleum Company of New Mexico, the only other operator in the Pineview field, has consented to the removal of all of the production restrictions to which the Adkins Well is subject. All other working interest owners in the Pineview field have given the same consent.

4. There is sufficient evidence that removal of the production restrictions with respect to the Nugget Reservoir will increase ultimate recovery of oil and thus, prevent waste.

5. There is sufficient evidence that removal of the production restrictions with respect to the Nugget Reservoir is necessary to protect correlative rights.

6. There is sufficient evidence that removal of the production limitation restrictions with respect to the Twin Creek Reservoir is necessary to protect correlative rights.

7. There is sufficient evidence that removal of the production restrictions with respect to the Twin Creek Reservoir will increase the ultimate recovery of oil and thus, prevent waste.

8- There is sufficient evidence that the Adkins well is necessary to effectively and efficiently drain a portion of the reservoir covered by the 80 acre drilling unit which cannot be effectively and efficiently drained by the first well on the drilling unit.

CONCLUSIONS OF LAW

1. The Application is in the form as provided by the applicable statutes and the rules and regulations governing proceedings before the Board.
2. Due, proper, 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 prescribed by the applicable statutes and the rules and regulations of the Board.
3. The Board has jurisdiction over all matters covered by the Application. The Board also has jurisdiction over all matters covered by the Notice of Hearing and over the Adkins Well and over all parties interested in this proceeding. Further, the Board also has the authority under applicable law to make and enter the Order set forth herein.

Pursuant to the foregoing Findings of Fact and Conclusions of Law, the Board hereby makes the following:

ORDER

It is hereby ordered that the Application of Champlin Petroleum Company for an Order amending the well permit for the Champlin Petroleum Company Adkins No. 1 32E-3 (2-7) well, SW/4 NE/4 Section 3, Township 2 North, Range 7 East, Summit County, Utah, by removing all production restrictions therefrom should be, and hereby is, in all things granted.

ENTERED this 25th day of September, 1980.

STATE OF UTAH  
BOARD OF OIL, GAS AND MINING

  
E. Steele McIntyre

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Max A. Farbman

  
Charles R. Henderson

  
John L. Bell

  
Edward T. Beck