

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

-----ooOoo-----  
IN THE MATTER OF THE PETITION OF : ORDER  
AMERICAN QUASAR PETROLEUM CO. OF  
NEW MEXICO FOR AN ORDER TO PERMIT : DOCKET NO. 84-044  
THE PLUGBACK OF ITS 3-9 UP RR CO. : CAUSE NO. 160-25  
WELL AS AN EXCEPTION LOCATION, :  
PINEVIEW TWIN CREEK RESERVOIR  
FIELD, SUMMIT COUNTY, UTAH :  
-----ooOoo-----

This Cause came on for hearing before the Board of Oil, Gas and Mining, Department of Natural Resources, State of Utah, on July 26, 1984, in the Auditorium of the Department of Natural Resources, 1636 West North Temple, Salt Lake City, Utah.

The following members of the Board were present and participating:

Gregory P. Williams, Chairman  
John M. Garr  
Charles R. Henderson  
Richard B. Larsen  
Constance K. Lundberg

Also present representing the Division:

Dianne R. Nielson, Director  
Ronald J. Firth, Associate Director, Oil and Gas  
John R. Baza, Petroleum Engineer

Also present:

Barbara W. Roberts, Assistant Attorney General

Appearances on behalf of American Quasar Petroleum Co. by:

Connie L. Wilson, Chief Engineer  
Frank Douglass, Counsel

NOW, THEREFORE, the Board having fully considered the testimony and evidence presented at the hearing, and being fully advised in the premises, now makes and enters the following:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

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 matters covered by the Petition and all parties interested therein and has jurisdiction to make and promulgate the Order hereinafter set forth.

3. American Quasar Petroleum Co. (Petitioner) of New Mexico owns an oil and gas lease on the N/2 of SE/4 of Section 3, Township 2 North, Range 7 East, SLM, Summit County, Utah. Petitioner also owns an oil and gas lease on the S/2 and the N/2 of the SW/4 of Section 2, Township 2 North, Range 7 East, SLM, Summit County, Utah, the east offset to the well in question. Champlin Petroleum is the offset operator to the north of the #3-9 UPRR Co. Well, and Petitioner owns the leases to the west and south of the #3-9 UPRR Co. Well.

4. Petitioner proposes to recomplete and plugback the #3-9 UPRR Co. Well located on the N/2 of the SE/4 of Section 3, Township 2 North, Range 7 East, SLM, Summit County, Utah, into the Twin Creek Reservoir Pineview Field and produce such well at the same location.

5. There is sufficient evidence to show that the #3-9 UPRR Co. Well has essentially watered out in the Nugget Reservoir of the Pineview Field.

6. The #3-9 UPRR Co. Well has an exception location granted by this Board in Cause No. 160-19 by Order dated September 25, 1980.

7. There is sufficient evidence to show that the Twin Creek Reservoir is the only viable recompletion possibility in the #3-9 UPRR Co. Well, and it should be the highest structurally located Twin Creek producer and because of its structural position, the #3-9 UPRR Co. Well should produce oil from the Twin Creek Reservoir that no other existing Twin Creek well can produce.

8. The only other operator in the Twin Creek Reservoir other than the Petitioner is Champlin Petroleum Company, and Champlin has submitted a waiver to the plugback of the 3-9 UPRR Co. Well into the Twin Creek.

9. Petitioner seeks an exception location for its #3-9 UPRR Co. Well as now located. Applicant requests permission to produce the #3-9 UPRR Co. Well and the 3-3 UPRR Co. Well also located in the N/2 of the SE/4 of Section 3, Township 2 North, Range 7 East, SLM, Summit County, Utah, from the Twin Creek Reservoir Pineview Field on the same laydown 80-acre spacing unit.

#### ORDER


NOW THEREFORE, the Board, in accordance with the Findings and Conclusions, and upon the evidence and testimony received at the hearing, and being fully advised in the premises, now makes and enters the following Order:

1. That an exception location to recomplete and plugback the #3-9 UPRR Co. Well in the N/2 of the SE/4 of Section 3, Township 2 North, Range 7 East, SLM, Summit County, Utah, from the Nugget Reservoir Pineview Field to the Town Creek Reservoir Pineview Field is hereby granted.

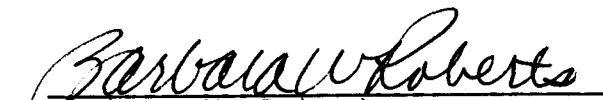
The Board retains continuing jurisdiction over the matter and the parties hereto.

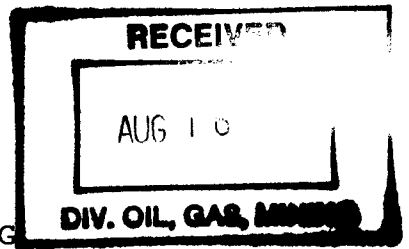
ENTERED THIS 23rd day of August, 1984.

STATE OF UTAH  
BOARD OF OIL, GAS AND MINING

  
\_\_\_\_\_  
Gregory P. Williams  
Chairman

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Barbara W. Roberts  
Assistant Attorney General



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 X  
OF AMERICAN QUASAR PETROLEUM CO. X  
OF NEW MEXICO, PETITIONER, FOR X  
AN ORDER TO PERMIT THE PLUGBACK X  
OF ITS 3-9 UP RR CO. WELL AS AN X  
EXCEPTION LOCATION, PINEVIEW X  
TWIN CREEK RESERVOIR FIELD, X  
SUMMIT COUNTY, UTAH X

DOCKET NO. 84-044

CAUSE NO. 160-25

ORDER

This cause came on 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 July 26, 1984, in the Auditorium of the Department of Natural Resources, 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 consideration of all matters and the decision resulting in this order:

- Gregory P. Williams, Chairman
- John M. Garr
- Charles R. Henderson
- Richard B. Larsen
- Constance R. Lundberg

Appearances of Counsel were made as follows:

Frank Douglass, Austin, Texas

NOW, THEREFORE, the Board having fully considered the testimony of the witness, statement of counsel, and all exhibits 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. American Quasar Petroleum Co. of New Mexico (Applicant) owns an oil and gas lease on the N/2 of SE/4 of Sec. 3, T2N, Range 7-E, SLM, Summit County, Utah. Applicant also owns an oil and gas lease on the S/2 and the N/2 of the SW/4 of Sec. 2, T2N, Range 7-E, SLM, Summit County, Utah, the east offset to the well in question. Champlin Petroleum is the offset operator to the north of the #3-9 UPRR Co. well, and Applicant owns the leases to the west and south of the #3-9 UPRR Co. well.

2. Applicant proposes to recomplete and plugback the 3-9 UPRR Co. well located on the N/2 of the SE/4 of Sec. 3, T2N, Range 7-E, SLM, Summit County, Utah, into the Twin Creek Reservoir Pineview Field and produce such well at the same location.

3. There is sufficient evidence to show that the 3-9 UPRR Co. well has essentially watered out in the Nuggett Reservoir of the Pineview Field.

4. The 3-9 UPRR Co. well has an exception location granted by this Board in Cause No. 160-19 by order dated September 25, 1980.

5. There is sufficient evidence to show that the Twin Creek reservoir is the only viable recompletion possibility in the 3-9 UPRR Co. well, and it should be the highest structurally located Twin Creek producer and because of its structural position, the 3-9 UPRR Co. well should produce oil from the Twin Creek reservoir that no other existing Twin Creek well can produce.

6. The only other operator in the Twin Creek reservoir other than the applicant is Champlin Petroleum Company, and Champlin has submitted a waiver to the plugback of the 3-9 UPRR Co. well into the Twin Creek.

7. Applicant seeks an exception location for its 3-9 UPRR Co. well as now located. Applicant requests permission to produce the 3-9 UPRR Co. well and the 3-7 UPRR Co. well also located in the N/2 of the SE/4 of Sec. 3, T2N, Range 7-E, SLM, Summit County, Utah, from the Twin Creek Reservoir Pineview Field on the same laydown 80-acre spacing unit.

#### CONCLUSIONS OF LAW

1. The Board has jurisdictions over all matters covered by the Application of American Quasar Petroleum Company of New Mexico ("Application") for an order to permit the recompletion and plugback of the 3-9 UPRR Co. well as an exception location in the Twin Creek Reservoir Pineview Field, Summit County, Utah. The Board also has jurisdiction over all matters covered by the Notice of Hearing and over the subject lands and mineral leases

covered by the Application, and all parties interest in said subject lands as their respective interests appear. Further, the Board has the authority under applicable law to make and enter the order set forth herein.

2. The Application is in the form as provided by the applicable statutes and the rules and regulations governing proceedings before the Board.

3. 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.

That, pursuant to the foregoing Findings of Fact and Conclusions of Law, the Board hereby makes and adopts the following:

#### CONCLUSIONS

1. In accordance with Section 40-6-6, Utah Code Annotated, 1953, as amended, and S.B. No. 157, 1983 General Session Laws, the exception location for the #3-9 UPRR Co. well requested by the Applicant is necessary in the Twin Creek Reservoir Pineview Field to prevent waste and adequately develop Applicant's lease.

2. In accordance with Section 40-6-6, Utah Code Annotated, 1953, as amended, and S.B. No. 157, 1983 General Session Laws, the exception location for the #3-9 UPRR Co. well requested by Applicant is necessary to increase ultimate recovery in the Twin Creek Reservoir Pineview Field.

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

ORDER

1. IT IS HEREBY ORDERED that the application of American Quasar Petroleum Company of New Mexico for an exception location to recomplete and plugback the #3-9 UPRR Co. well in the N/2 of the SE/4 of Sec. 3, T2N, Range 7-E, SLM, Summit County, Utah, from the Nugget Reservoir Pineview Field to the Twin Creek Reservoir Pineview Field should be and hereby is granted.

ENTERED THIS \_\_\_\_\_ day of August , 1984.

BOARD OF OIL, GAS AND MINING

\_\_\_\_\_  
Chairman

APPROVED AS TO FORM:

\_\_\_\_\_  
Staff

SCOTT, DOUGLASS & LUTON  
12th Floor First City Bank Bldg.  
Austin, Texas 78701  
(512) 476-6337

By

  
\_\_\_\_\_  
Frank Douglass

ATTORNEY FOR APPLICANT