

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)
ST. CROIX EXPLORATION COMPANY FOR)
AN EXCEPTION TO THE REQUIREMENTS OF)
RULE C-3, GENERAL RULES AND)
REGULATIONS AND RULES OF PRACTICE)
AND PROCEDURE.)

ORDER
Cause No. 170-1

Pursuant to the Application of St. Croix Exploration Company,
this Cause came on for hearing before the Board of Oil, Gas, and Mining,
Department of Natural Resources, State of Utah, at 9:00 a.m., on Wednesday,
August 24, 1977, in the Executive Conference Room - Holiday Inn, 1659
West North Temple, Salt Lake City, Utah.

The following members of the Board were present:

I. Daniel Stewart, Chairman, presiding
Charles R. Henderson
John L. Bell
Thadis W. Box
C. Ray Juvelin

NOW THEREFORE, the Board having fully considered the testimony
of all witnesses, statements of others 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 Order:

FINDINGS OF FACT

1. That due notice of the time, place and purpose of the hearing
has been given in all respects as required by law.

2. That the Board has jurisdiction over the subject matter
embraced in said notice and over the parties interested therein, and
jurisdiction to promulgate the hereinafter prescribed order.

3. That Section 36 in Township 24 South, Range 11 East, and
Section 32, in Township 24 South, Range ¹² East, SLBM, Emery County, Utah,
are located in a narrow canyon leading to the Temple Mountain Mining area.

4. That two core holes were drilled in said section 36 which
encountered an oil sand at approximately 250 feet.

5. That the applicants have drilled a well in Section 36,
Township 24 South, Range 11 East, SLBM, and one well in Section 32, Township

24 South, Range 12 East, SLBM. Both wells have encountered said oil sands at approximately the sand depth as encountered by the core holes.

6. That the applicants desire to drill additional wells.

7. That because of the narrow canyon, and the lack of an efficient driving mechanism, the shallowness of the oil sands, etc., it is impossible as well as impracticable to adhere to the 40-acre well spacing pattern as established by Rule C-3, General Rules and Regulations and Rules of Practice and Procedure, Division of Oil, Gas, and Mining.

ORDER

It is therefore ORDERED:

To prevent the waste of oil and associated hydrocarbons; to allow greater flexibility of exploration and to encourage development of a much needed energy source, the Board hereby orders and decrees as follows:

1. The application for an exception to Rule C-3, General Rules and Regulations is approved.


2. The staff is authorized to issue permits for any additional wells they feel are essential to determine optimum spacing for these oil sands.

3. This order shall become effective as of the date hereof.

4. This Board retains continuing jurisdiction over all matters covered by this Order and over all parties affected thereby.

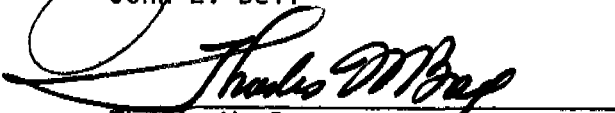
ENTERED this 24th day of August, 1977.

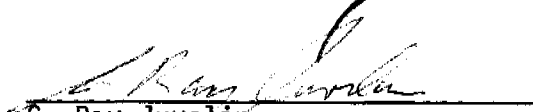
BOARD OF OIL, GAS, AND MINING


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