

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

APPLICATION OF BELCO DEVELOP-)	
MENT CORPORATION FOR EXCEPTION)	
LOCATIONS TO THE DRILLING AND)	FINDINGS OF FACT,
SPACING UNITS ESTABLISHED IN)	CONCLUSIONS OF LAW
CAUSE NO. 187-2, FOR CERTAIN)	AND ORDER
LANDS SITUATED IN UINTAH)	
COUNTY, UTAH.)	Docket No. 84-012
)	Cause No. 187-4

This matter was heard before the Board of Oil, Gas and Mining on Thursday, January 26, 1984, in the auditorium of the Division of Wildlife Resources, 1596 W. North Temple, at Salt Lake City, Utah. The following Board members (constituting a quorum of the Board) were present and in accordance with law participated in the hearing and the decision resulting in this Order:

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

Also present and participating on behalf of the Division of Oil, Gas and Mining were:

Dr. Dianne Nielson, Director
Harold Balthrop, Associate Director
Ron J. Firth, Chief Petroleum Engineer
Carl Brown, Petroleum Geologist
Barbara W. Roberts, Assistant Attorney General

Belco Development Corporation was represented by Robert G. Pruitt, Jr., attorney at law, and testimony was received

from Donald J. McKenna, area geologist for Belco Development Corporation. No other appearances or communications regarding this application were made.

NOW, THEREFORE, having considered the testimony presented, the evidence and exhibits introduced, and being fully advised in the premises, the Board 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 in Cause No. 187-4 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 matters covered by Cause No. 187-4 and over the parties therein, and the Board has jurisdiction to make and promulgate the Order hereinafter set forth.

3. The application of Belco Development Corporation in Cause No. 187-4 complies in all respects with the rules and regulations of the Board.

4. In the prior Order of this Board in Cause No. 187-2, dated August 20, 1980, the Board established 320-acre drilling and spacing units for the Wasatch formation, and specified that the permitted drill site for each unit should be within the NW $\frac{1}{4}$ and the SE $\frac{1}{4}$ of each governmental section. These permitted drill site locations do not conform with the existing pattern of producing wells from the Wasatch formation in said Sections 10 and 11.

5. In order to maintain an even well pattern and to achieve essentially equal distance between producing wells, and to efficiently and economically produce gas from the reservoir in the Wasatch formation, the Order in Cause No. 187-2 should be modified and amended to provide that the permitted drill site locations should be in the NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of said Sections 10 and 11.

IN ACCORDANCE with the above Findings of Fact and Conclusions of Law, the Board hereby makes the following:

ORDER

1. The permitted drill site locations for Sections ^{10 and 11} ~~9 and 10~~, Township 9 South, Range 20 East, SLM, shall be in the NE $\frac{1}{4}$ and the SW $\frac{1}{4}$ of said governmental sections.

} Corrected
per hearing
record

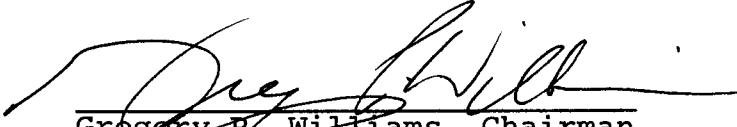
2. Existing producing gas wells in the SW $\frac{1}{4}$ of said Section 10 and the SW $\frac{1}{4}$ of said Section 11 shall constitute the permitted wells for said 320-acre drilling and spacing units.


3. In accordance with the terms and provisions of the original Order in Cause No. 187-2, no wells drilled in the future shall be located closer than 660 feet from the lease line or the spacing unit line, and the 320-acre drilling unit may be either vertical or horizontal at the operator's option.

4. The Board maintains continuing jurisdiction with respect to the parties and all matters covered by this Order.

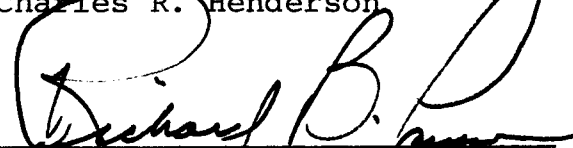
DATED this 26th day of January, 1984.

BOARD OF OIL, GAS AND MINING

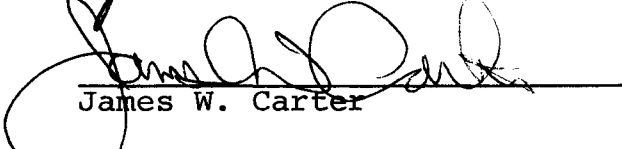

Gregory P. Williams, Chairman


Constance K. Lundberg


Charles R. Henderson

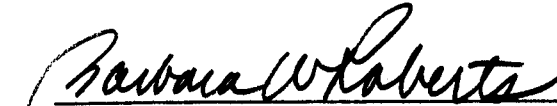

Richard B. Larsen


John M. Gari


James W. Carter


E. Steele McIntyre

APPROVED AS TO FORM:


Barbara W. Roberts
Assistant Attorney General