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

IN THE MATTER OF THE REQUEST FOR AGENCY ACTION OF ENEFIT AMERICAN OIL FOR AN ORDER ENLARGING THE DESIGNATED OIL SHALE AREA CREATED BY CAUSE NOS. 190-3 AND 190-13 TO INCLUDE LANDS LOCATED IN TOWNSHIPS 9 AND 10 SOUTH, RANGES 24 AND 25 EAST, SLM, UINTAH COUNTY, UTAH

Docket No. 2015-017 Cause No. 190-14

#### **INDEX OF CORRESPONDENCE**

NO.	<u>DATE</u>	<u>DESCRIPTION</u>
1.	06/24/2015	Order Granting Petitioners' Motion for Leave to File Late Amended
		Request for Agency Action for the SITLA Lands
2.	08/24/2015	Findings of Fact, Conclusions of Law, and Order for Federal and Fee
		Lands
3.	08/24/2015	Findings of Fact, Conclusions of Law, and Order for State of Utah Lands



AUG 2 4 2015

SECRETARY, BOARD OF

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

IN THE MATTER OF THE REQUEST FOR AGENCY ACTION OF ENEFIT AMERICAN OIL FOR AN ORDER ENLARGING THE DESIGNATED OIL SHALE AREA CREATED BY CAUSE NOS. 190-3 AND 190-13 TO INCLUDE LANDS LOCATED IN TOWNSHIPS 9 AND 10 SOUTH, RANGES 24 AND 25 EAST, SLM, UINTAH COUNTY, UTAH.

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER FOR STATE OF UTAH LANDS

Docket No. 2015-017

Cause No. 190-14

Enefit American Oil ("Enefit") originally filed the Request for Agency Action in this matter on April 8, 2015, requesting that the Board of Oil, Gas and Mining (the "Board") enter an order enlarging the Designated Oil Shale Area created by Cause Nos. 190-3 and 190-13 to certain federal, state, and fee lands. This matter came before the Board on Wednesday, May 27, 2015, and the Board entered an order approving the Request as to the federal and fee lands. This matter was continued as to the lands owned by the State of Utah, identified in the Request as the "SITLA Leases."

Enefit filed an Amended Request for Agency Action for the SITLA Leases on June 11, 2015 (the "Amended Request"). The hearing on the Amended Request came before the Board on June 24, 2015, at approximately 9:00 a.m. in the auditorium of the Utah Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah. The following Board members were present and participated in the hearing: Ruland J. Gill, Jr., Chairman, Susan S. Davis, Gordon L.

Moon, Chris Hansen, Richard Borden, Carl F. Kendell, and Michael Brown. The Board was represented by Michael S. Johnson, Assistant Attorney General.

Testifying on behalf of Enefit was Rikki Hrenko-Browning, CEO. Enefit was represented by Mark L. Burghardt of Holland & Hart, LLP.

Also participating in the hearing was Respondent T-K Production Company ("T-K"), an oil and gas lessee in the majority of the State of Utah lands. Testifying on behalf of T-K was Tom Hauptman, President, and Thomas K. Hohn, Senior Registered Petroleum Engineer at Hohn Engineering, PLLC. The Board recognized Mr. Hohn as an expert in petroleum engineering for purposes of this Cause. T-K was represented by Frederick M. MacDonald of MacDonald & Miller Mineral Legal Services, PLLC.

Testifying on behalf of the Division of Oil, Gas and Mining (the "Division") was Dustin Doucet, Petroleum Engineer. The Division was represented by Steven F. Alder, Assistant Attorney General.

The Board, having fully considered the testimony and exhibits in this matter, being fully advised, and for good cause shown, hereby enters the following findings of fact, conclusions of law, and order:

### **FINDINGS OF FACT**

- 1. Enefit is a Delaware Corporation in good standing, with its principal place of business in Salt Lake City, Utah. Enefit is qualified to do business in Utah and is fully and appropriately bonded with all Federal and State of Utah agencies.
  - 2. The Amended Request covered the following State of Utah lands:

## a. SITLA Leases ML-49104, ML-49105, ML-49106:

## Township 9 South, Range 25 East, SLM

Section 19: S½

Section 30: Lots 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15, N½NE¼, SE¼NE¼

Section 31: Lots 1,2,3, SW<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>, NW<sup>1</sup>/<sub>4</sub>, S<sup>1</sup>/<sub>2</sub>

Section 28: S½

Section 33: Lots 1,2,3,4,5, NE<sup>1</sup>/<sub>4</sub>, N<sup>1</sup>/<sub>2</sub>NW<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>

## Township 10 South, Range 24 East, SLM

Section 1: Lots 1,2,3,4,5, SE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>, N<sup>1</sup>/<sub>2</sub>S<sup>1</sup>/<sub>2</sub>, N<sup>1</sup>/<sub>2</sub>SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>, SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>

(the "Subject Lands").

- 3. Enefit is currently in the process of developing a commercial oil shale project in Uintah County, Utah.
- 4. The oil shale underlying the Subject Lands is leased 100% by Enefit's subsidiary, EAO State Leases, LLC. The oil and gas underlying all of the Subject Lands except the above described Section 1 lands are leased 100% to T-K. As to the oil and gas underlying the Sec. 1 lands, T-K has a right of first leasing if and when the current lease covering such lands expires.
- 5. Evidence presented by Enefit confirmed the presence of a substantial and valuable oil shale resource underlying the Subject Lands. This oil shale resource varies by depth throughout the Subject Lands.
- 6. A copy of the Request and the Amended Request was mailed to the last known addresses of record for all persons having a legally protected interest in the Subject Lands, return receipt requested.

- 7. Notice of the filing of the Request and of the hearing was duly published in the Salt Lake Tribune and the Deseret Morning News on May 3, 2015, and the Uintah Basin Standard and the Vernal Express on May 5, 2015.
- 8. The vote of the Board members present at the hearing was unanimous in favor of partially granting the Amended Request to establish a Designated Oil Shale Area pursuant to Utah Admin. Code R649-3-31 for the Subject Lands. The Board also clarified that Paragraph 8 of Utah Admin. Code R649-3-31 does not impose an obligation to cement surface casing through the entire oil shale zone, but whatever casing that does penetrate the oil shale zone, whether surface, intermediate or production string, must be cemented through the entire oil shale zone. The Amended Request was partially denied insofar as Enefit sought to apply any additional standards beyond the general requirements in Utah Admin. Code R649-3-31 as so clarified.

### **CONCLUSIONS OF LAW**

- 9. Due and regular notice of the time, place, and purpose of the hearing was properly given in the form and manner as required by law and the rules and regulations of the Board and Division to all parties whose legally protected interests are affected by the Amended Request.
- 10. The Board has jurisdiction of the parties and of the subject matter pursuant to Utah Code Ann. § 40-6-1. et seq. and Utah Admin. Code R649-3-31.
- 11. Enefit has sustained its burden of proof, demonstrated good cause, and satisfied all legal requirements for granting the Amended Request insofar as they relate to declaring the Subject Lands as a "Designated Oil Shale Area" pursuant to Utah Admin. Code R649-3-31. As a consequence, the provisions of said Rule shall apply to the Subject Lands with the clarification outlined in Findings of Fact No. 8 above.

### **ORDER**

Based upon these findings of fact and conclusions of law, the Amended Request and T-K's Response, and testimony and exhibits admitted into evidence, the Board hereby orders:

- 1. The Amended Request in this matter is granted as follows as to the Subject Lands.
- a. The Subject Lands are established as a Designated Oil Shale Area in accordance with Utah Admin Code R649-3-31.
- b. Oil and gas operators must comply with the provisions of Utah Admin. Code R649-3-31, with the understanding that Paragraph 8 of Utah Admin. Code R649-3-31 does not impose an obligation to cement surface casing through the entire oil shale zone, but whatever casing that does penetrate the oil shale zone, whether surface, intermediate or production string, must be cemented completely through the oil shale zone.
- 2. The Board has considered and decided this matter as a formal adjudication, pursuant to the Utah Administrative Procedures Act, Utah Code Ann. §§ 63G-4-204 through 208, and of the Rules of Practice and Procedure before the Board of Oil, Gas and Mining, Utah Admin. Code R641.
- 3. This order is based exclusively upon evidence of record in this proceeding or on facts officially noted, and constitutes the signed written order stating the Board's decision and the reasons for the decision, as required by the Utah Administrative Procedures Act, Utah Code Ann. § 63G-4-208, and the Rules of Practice and Procedure before the Board of Oil, Gas and Mining, Utah Admin. Code R641–109; and constitutes a final agency action as defined in the Utah Administrative Procedures Act and Board rules.

- 4. Notice of Right of Judicial Review by the Supreme Court of the State of Utah. As required by Utah Code Ann. § 63-G-4-208(e) through (g), the Board hereby notifies all parties to this proceeding that they have the right to seek judicial review of this order by filing an appeal with the Supreme Court of the State of Utah within 30 days after the date this order is entered. Utah Code Ann. § 63G-4-401(3)(a) and 403.
- 5. **Notice of Right to Petition for Reconsideration.** As an alternative, but not as a prerequisite to judicial review, the Board hereby notifies all parties to this proceeding that they may apply for reconsideration of this order. Utah Code Ann. § 63G-4-302. The Utah Administrative Procedures Act provides:
  - (1) (a) Within 20 days after the date that an order is issued for which review by the agency or by a superior agency under Section 63–46b–12 is unavailable, and if the order would otherwise constitute final agency action, any party may file a written request for reconsideration with the agency, stating the specific grounds upon which relief is requested.
  - (b) Unless otherwise provided by statute, the filing of the request is not a prerequisite for seeking judicial review of the order.
  - (2) The request for reconsideration shall be filed with the agency and one copy shall be sent by mail to each party by the person making the request.
  - (3)(a) The agency head, or a person designated for that purpose, shall issue a written order granting the request or denying the request.
  - (b) If the agency head or the person designated for that purpose does not issue an order within 20 days after the filing of the request, the request for reconsideration shall be considered to be denied. *Id.*

The Rules of Practice and Procedure before the Board of Oil, Gas and Mining entitled "Rehearing and Modification of Existing Orders" state:

Any person affected by a final order or decision of the Board may file a petition for rehearing. Unless otherwise provided, a petition for rehearing must be filed no later than the 10th day of the month following the date of signing of the final order or decision for which the rehearing is sought. A copy of such petition will be served on each other party to the proceeding no later than the 15th day of that

month. Utah Admin. Code R641-110-100.

The Board hereby rules that should there be any conflict between the deadlines provided

in the Utah Administrative Procedures Act and the Rules of Practice and Procedure before the

Board of Oil, Gas and Mining, the later of the two deadlines shall be available to any party moving

to rehear this matter. If the Board later denies a timely petition for rehearing, the aggrieved party

may seek judicial review of the order by perfecting an appeal with the Utah Supreme Court within

30 days thereafter.

6. The Board retains exclusive and continuing jurisdiction of all matters covered by

this order and of all parties affected thereby; and specifically, the Board retains and reserves

exclusive and continuing jurisdiction to make further orders as appropriate and authorized by

statute and applicable regulations.

7. The Chairman's signature on a facsimile copy of this order shall be deemed the

equivalent of a signed original for all purposes.

DATED this 24th day of August, 2015.

STATE OF UTAH

BOARD OF OIL, GAS, AND MINING

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## **CERTIFICATE OF SERVICE**

I hereby certify that on this 24th day of August, 2015, I caused a true and correct copy of the foregoing FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER FOR STATE OF UTAH LANDS for Docket No. 2015-017, Cause No. 190-

14, to be mailed by Email or via First Class Mail with postage prepaid, to the following:

Mark L. Burghardt William E. Ward HOLLAND & HART, LLP 222 South Main Street, Suite 2200 Salt Lake City, UT 84101 Enefit American Oil Attention: Rikki Hrenko-Browning, CEO 307 W 200 S, Suite 4005 Salt Lake City UT 84101

Attorneys for Enefit American Oil

Steven F. Alder, Esq. Assistant Attorney General 1594 West North Temple #300 Salt Lake City, Utah 84116 [Via Email] Michael S. Johnson Assistant Attorney General 1594 West North Temple #300 Salt Lake City, Utah 84116 [Via Email]

Attorney for Division of Oil, Gas and Mining

Attorney for Board or Oil, Gas and Mining

United States of America Bureau of Land Management Utah State Office 440 West 200 South, Suite 500 Salt Lake City, UT 84101-1345 School and Institutional Trust Lands Administration 675 East 500 South, Suite 500 Salt Lake City, UT 84102-2818

Ziff Investors Partnership 350 Park Avenue, 11th Floor New York, NY 10022 Bonanza Royalties 350 Cambridge Ave. Palo Alto, CA 94306 [Undeliverable]

Anadarko E&P 1099 18th Street, Suite 1800 Denver, CO 80202 Baseline 1801 Broadway, Suite 400 Denver, CO 80202 Enduring 475 17th Street, Suite 1500 Denver, CO 80202 [Undeliverable]

Orion Reserves, Inc. 311 Crescent Drive Bryan, TX 77801-4542

Phillips Petroleum c/o Bill Hastings 8055 E. Tuffs Ave. Parkway Denver, CO 80237 [Undeliverable]

Utah Tribe P.O. Box 100 Ft. Duchesne, UT 84026

Washington University c/o Mineral Services Inc. P.O. Box 8915 St. Louis, MO 63101-8915 [Undeliverable]

Paul Dowding 197 Canyon Breeze Dr. Centreville, UT 84014 [Undeliverable]

Eleanor Fernald 1237 NE 69th St. Seattle, WA 98115

Lawrence Deshayes 98-703 Iho Place, #1203 Aiea, HI 96701 [Undeliverable]

Spindletop Exploration P.O. Box 25504 Dallas, TX 75225-5504 Wallace Family Trust 304 S. State Street, Apt. 3702 Roosevelt, UT 84066 [Undeliverable]

Larry & Cheryl Murray 637 South 100 East (13-1) Roosevelt, UT 84066 [Undeliverable]

Bonnie Lee Sather Estate P.O. Box 608 Roosevelt, UT 84066 [Undeliverable]

Shriners Hospitals for Children 2900 Rocky Point Dr. Tampa, FL 33607

Florence Streeper & Nedene Jacobsen Family Trust P.O. Box 751 Clearfield, UT 84015 [Undeliverable]

Suzanne Deshayes 1175 Westview Dr. Sterling, CO 80751

Chestnut Hill Benevolent Assoc. 910 Boylston St. Chestnut Hill, MA 02467

David Herbaly 1420 W. Canal Court, #150 Littleton, CO 80120

John Colton 1581 Keswick Rd. Sandy, UT 84093 Julie Brigham 2741 W. 134th Circle Broomfield, CO 80020

Elizabeth Beard P.O. Box 309 Cardiff, CA 92007

Ralph Preece 722 South 2300 West Vernal, UT 84078

Kathleen A. Braun Revocable Living Trust 916 Palm Drive St. Charles, MS 63301

Joan Stuckenberg P.O. Box 636 Minocqua, WI 54548

Texian Oil P.O. Box 3528 Beaumont, TX 77704

Edward Koenigsmark 1744 Cecilia St. Cape Giradieu, MO 63701 [Undeliverable]

James Beard Dixon *et al.* P.O. Box 309 Cardiff, CA 92007

Nick Theos Family Trust P.O. Box 282 Meeker, CO 81641 Lee Edelen Reeves 4311 Bayou Blvd., Apt. G-81 Pensacola, FL 32503

George Hoover 1365 Delphie Way Pocatello, ID 83201 [Undeliverable]

Karen Summerhays P.O. Box 544 Kalaheo, HI 96741

Richard H. Palmer Revocable Trust 10093 Midland Blvd. Overland, MS 63114

T-K Production P.O. Box 2235 Billings, MT 59103

Gary & Marilyn Baker 3879 East 480 North Rigby, ID 83442

American Gilsonite HC 73 Box 28 Vernal, UT 84078-9284

Forest Oil Corp. 1415 Louisiana Street, Ste 1600 Houston, TX 77002-7490 [Address updated 5/11/2015]

Uintah County Commissioners 152 East 100 North Vernal, UT 84078 Theos Swallow Fork Ranch c/o Angelo Theos P.O. Box 195 Meeker, CO 81641

Rosemary Ermann Trust c/o John E. Russell 34 N. Grove Ave. Webster Groves, MO 63119-1033

Mary K. Henricksen Revocable Trust 300 E. Crescent St. Marquette, MI 49855 [Undeliverable]

John Wehmiller 612 Ogden Ave. Swarthmore, PA 19801

Lucian Michael Sprague 124 Duncan Way Oakland, CA 94611

Louise Atwood 26816 149th Ave. SE Kent, WA 08042

Bernie Braun 5002 Vera Cruz Drive Garland, TX 75043

Steven Tedesco 14190 East Temple Drive, APT 012 Aurora, CO 80015-3963 [Address updated 8/3/2015] Regents of the University of California c/o Farmers National Agent P.O. Box 24000 Oakland, CA 94623-1000 [Undeliverable]

Peter Sinz 1518 Baracuda St. Bahia Vistamar Carolina, PR 00630 [Undeliverable]

Shale Technologies LLC 1354 County Road 246 Rifle, CO 81650

Robert Hanft 26681 County Rd. 32 Elberta, AL 36530

Denise Deshayes Mackinnon 201 High Gables Dr., #308 Gaithersberg, MD 20878 [Undeliverable]

Karl Wallace 1035 East 5625 South Ogden, UT 84405 [Undeliverable]

James Deshayes 6910 Hager Lane Klamath Falls, OR 97603 [Undeliverable]

Ursula Braun 2404 Indian River Dr. Cocoa, FL 32922 David Barton 2915 Coventry Lane Greenwood, IL 46143

William Edelen 3927 Rincon Ridge Santa Rosa, CA 95404

Dai Edelen Tanner 2320 Amelia Ln. Pensacola, FL 32503

Retamco Operating Co. P.O. Box 790 Red Lodge, MT 59068-0790

Heather Conrad [no address of record]

Keith Bryan [no address of record]

Kristin Rodriguez 1 Mink Hollow Land Millstone Township, NJ 08510

Charles F. Betz, III 1301 Rancho Rd. Arcadia, CA 91006 [Undeliverable]

John Wehmiller 15 Wellington Rd. Wilmington, DE 19803

Jean Stogner [no address of record]

Matthew Coleman [no address of record]

Jordan Griffin [no address of record]

Julie Am CarTer



AUG 2 4 2015

SECRETARY, BOARD OF

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

IN THE MATTER OF THE REQUEST FOR AGENCY ACTION OF ENEFIT AMERICAN OIL FOR AN ORDER ENLARGING THE DESIGNATED OIL SHALE AREA CREATED BY CAUSE NOS. 190-3 AND 190-13 TO INCLUDE LANDS LOCATED IN TOWNSHIPS 9 AND 10 SOUTH, RANGES 24 AND 25 EAST, SLM, UINTAH COUNTY, UTAH.

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER FOR FEDERAL AND FEE LANDS

Docket No. 2015-017

Cause No. 190-14

This matter came before the Board on Wednesday, May 27, 2015, at approximately 9:30 a.m. in the auditorium of the Utah Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah. The following Board members were present and participated in the hearing: Ruland J. Gill, Jr., Chairman, Susan S. Davis, Gordon L. Moon, Chris Hansen, Richard Borden, Carl F. Kendell, and Michael Brown. The Board was represented by Michael S. Johnson, Assistant Attorney General.

Testifying on behalf of Petitioner, Enefit American Oil ("Enefit"), was Rikki Hrenko-Browning, CEO, and Michael D. Vanden Berg, Geologist, Utah Geological Survey. Enefit was represented by Mark L. Burghardt of Holland & Hart, LLP.

Attending on behalf of the Division of Oil, Gas and Mining (the "Division") was John Rogers, Associate Director, Oil and Gas, Dustin Doucet, Petroleum Engineer, and Brad Hill, Oil and Gas Permitting Manager. Dustin Doucet testified on behalf of the Division. The Division was represented by Steven F. Alder, Assistant Attorney General.

The Board, having fully considered the testimony and exhibits in this matter, being fully advised, and for good cause shown, hereby enters the following findings of fact, conclusions of law, and order:

### FINDINGS OF FACT

- 1. Enefit is a Delaware Corporation in good standing, with its principal place of business in Salt Lake City, Utah. Enefit is qualified to do business in Utah and is fully and appropriately bonded with all Federal and State of Utah agencies.
- 2. The Request for Agency Action included federal, state, and fee properties. This matter was continued as to the lands owned by the State of Utah, identified in the Request for Agency Action as the "SITLA Leases." The May 27, 2015 Hearing in this matter proceeded as to the federal and fee lands, described as follows:

### a. BLM Lease UTU-84087:

### Township 10 South, Range 24 East, SLM

Section 22: E½SE¼SE¼SW¼, NE¼NE¼SE¼, S½NE¼SE¼, S½NW¼SE¼,

SW1/4SE1/4, W1/2SE1/4SE1/4, NE1/4NE1/4, S1/2NE1/4, SE1/4NW1/4, NE1/4SW1/4,

NE'4SE'4SW'4, W'2SE'4SW'4, W'2SE'4SE'4SW'4, E'2SE'4SE'4,

NW'4NE'4SE'4, N'2NW'4SE'4

Section 27: NW1/4NE1/4, E1/2NE1/4NW1/4, E1/2NE1/4, SW1/4NE1/4,

W½NE¼NE¼NW¼, W½NE¼NW¼, SE¼NW¼, SE¼NE¼NW¼

Section 13: S½N½, S½

Section 14: S½N½, S½

Section 23: All

Section 24: All

Section 25: W<sup>1</sup>/<sub>2</sub>W<sup>1</sup>/<sub>2</sub>

Section 26: All

Section 35: N½N½

Township 10 South, Range 25 East, SLM

Section 18: All Section 19: All

b. Orion Reserves Limited Partnership (Purchase Option) [Parcel Nos. 09.113.0001, 09.114.0001, 09.112.0002, 09.115.0002, 09.116.0002, 09.117.0002, 09.118.00020]:

## Township 10 South, Range 25 East, SLM

Section 8: NW1/4, S1/2

Section 9: E½

Section 10: W½, NE¼, NE¼SE¼, NW¼SE¼

Section 16: NW1/4, SW1/4, SE1/4

Section 17: All Section 20: N½ Section 21: N½

(the "Subject Lands").

- 3. Enefit is currently in the process of developing a commercial oil shale project in Uintah County, Utah.
- 4. As of June 8, 2001, the Board adopted specific standards for individual oil shale areas by Orders in Cause Nos. 190-3 and 190-13. In particular, the order in Cause No. 190-13 enlarged the Designated Oil Shale Area created by Cause No. 190-3.
- 5. Since 2001, when the previous Board orders were issued, Enefit has acquired additional lands in Uintah County, including the Subject Lands.
- 6. Evidence presented by Enefit confirmed the presence of a substantial and valuable oil shale resource underlying the Subject Lands. This oil shale resource varies by depth throughout the Subject Lands, sometimes existing at a depth in excess of 1,100 feet.

- 7. A copy of the Request was mailed to the last known addresses of record for all persons having a legally protected interest in the Subject Lands and those owners within a one-half mile radius of the Subject Lands by certified mail, return receipt requested.
- 8. Notice of the filing of the Request and of the hearing was duly published in the Salt Lake Tribune and the Deseret Morning News on May 3, 2015, and the Uintah Basin Standard and the Vernal Express on May 5, 2015.
- 9. The vote of the Board members present at the hearing was unanimous in favor of granting the Request.

## **CONCLUSIONS OF LAW**

- 10. Due and regular notice of the time, place, and purpose of the hearing was properly given in the form and manner as required by law and the rules and regulations of the Board and Division to all parties whose legally protected interests are affected by the Request.
- 11. The Board has jurisdiction of the parties and of the subject matter pursuant to Utah Code Ann. § 40-6-1. et seq. and Utah Admin. Code R649-3-31.
- 12. Enefit has sustained its burden of proof, demonstrated good cause, and satisfied all legal requirements for granting the Request.

### **ORDER**

Based upon these findings of fact and conclusions of law, the Request, and testimony and other evidence submitted by Enefit, the Board hereby orders:

1. The Request in this matter is granted as to the Subject Lands.

- 2. The previously created Designated Oil Shale Area from Cause Nos. 190-3 and 190-13 is enlarged to include the Subject Lands, which are established as a Designated Oil Shale Area in accordance with Utah Admin Code R649-3-31.
- 3. The specific standards identified in the Order in Cause No. 190-13 are imposed on the Subject Lands.
- Oil and gas operators must comply with the provisions of Utah Admin. Code R649 3-31.
- 5. The Board has considered and decided this matter as a formal adjudication, pursuant to the Utah Administrative Procedures Act, Utah Code Ann. §§ 63G-4-204 through 208, and of the Rules of Practice and Procedure before the Board of Oil, Gas and Mining, Utah Admin. Code R641.
- 6. This order is based exclusively upon evidence of record in this proceeding or on facts officially noted, and constitutes the signed written order stating the Board's decision and the reasons for the decision, as required by the Utah Administrative Procedures Act, Utah Code Ann. § 63G-4-208, and the Rules of Practice and Procedure before the Board of Oil, Gas and Mining, Utah Admin. Code R641–109; and constitutes a final agency action as defined in the Utah Administrative Procedures Act and Board rules.
- 7. Notice of Right of Judicial Review by the Supreme Court of the State of Utah. As required by Utah Code Ann. § 63-G-4-208(e) through (g), the Board hereby notifies all parties to this proceeding that they have the right to seek judicial review of this order by filing an appeal with the Supreme Court of the State of Utah within 30 days after the date this order is entered. Utah Code Ann. § 63G-4-401(3)(a) and 403.

- 8. **Notice of Right to Petition for Reconsideration.** As an alternative, but not as a prerequisite to judicial review, the Board hereby notifies all parties to this proceeding that they may apply for reconsideration of this order. Utah Code Ann. § 63G-4-302. The Utah Administrative Procedures Act provides:
  - (1) (a) Within 20 days after the date that an order is issued for which review by the agency or by a superior agency under Section 63–46b–12 is unavailable, and if the order would otherwise constitute final agency action, any party may file a written request for reconsideration with the agency, stating the specific grounds upon which relief is requested.
  - (b) Unless otherwise provided by statute, the filing of the request is not a prerequisite for seeking judicial review of the order.
  - (2) The request for reconsideration shall be filed with the agency and one copy shall be sent by mail to each party by the person making the request.
  - (3)(a) The agency head, or a person designated for that purpose, shall issue a written order granting the request or denying the request.
  - (b) If the agency head or the person designated for that purpose does not issue an order within 20 days after the filing of the request, the request for reconsideration shall be considered to be denied. *Id.*

The Rules of Practice and Procedure before the Board of Oil, Gas and Mining entitled "Rehearing and Modification of Existing Orders" state:

Any person affected by a final order or decision of the Board may file a petition for rehearing. Unless otherwise provided, a petition for rehearing must be filed no later than the 10th day of the month following the date of signing of the final order or decision for which the rehearing is sought. A copy of such petition will be served on each other party to the proceeding no later than the 15th day of that month. Utah Admin. Code R641–110–100.

The Board hereby rules that should there be any conflict between the deadlines provided in the Utah Administrative Procedures Act and the Rules of Practice and Procedure before the Board of Oil, Gas and Mining, the later of the two deadlines shall be available to any party moving

to rehear this matter. If the Board later denies a timely petition for rehearing, the aggrieved party may seek judicial review of the order by perfecting an appeal with the Utah Supreme Court within

30 days thereafter.

9. The Board retains exclusive and continuing jurisdiction of all matters covered by this order and of all parties affected thereby; and specifically, the Board retains and reserves

exclusive and continuing jurisdiction to make further orders as appropriate and authorized by

statute and applicable regulations.

10. The Chairman's signature on a facsimile copy of this order shall be deemed the

equivalent of a signed original for all purposes.

DATED this 24th day of August, 2015.

STATE OF UTAH

BOARD OF OIL, GAS, AND MINING

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## **CERTIFICATE OF SERVICE**

I hereby certify that on this 24th day of August, 2015, I caused a true and correct copy of the foregoing FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER FOR FEDERAL AND FEE LANDS for Docket No. 2015-017, Cause No. 190-14, to be mailed by Email or via First Class Mail with postage prepaid, to the following:

Mark L. Burghardt William E. Ward HOLLAND & HART, LLP 222 South Main Street, Suite 2200 Salt Lake City, UT 84101 Enefit American Oil Attention: Rikki Hrenko-Browning, CEO 307 W 200 S, Suite 4005 Salt Lake City UT 84101

Attorneys for Enefit American Oil

Steven F. Alder, Esq. Assistant Attorney General 1594 West North Temple #300 Salt Lake City, Utah 84116 [Via Email]

Attorney for Division of Oil, Gas and Mining

United States of America Bureau of Land Management Utah State Office 440 West 200 South, Suite 500 Salt Lake City, UT 84101-1345

Ziff Investors Partnership 350 Park Avenue, 11th Floor New York, NY 10022

Anadarko E&P 1099 18th Street, Suite 1800 Denver, CO 80202 Michael S. Johnson Assistant Attorney General 1594 West North Temple #300 Salt Lake City, Utah 84116 [Via Email]

Attorney for Board or Oil, Gas and Mining

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Gary & Marilyn Baker 3879 East 480 North Rigby, ID 83442

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Uintah County Commissioners 152 East 100 North Vernal, UT 84078 Theos Swallow Fork Ranch c/o Angelo Theos P.O. Box 195 Meeker, CO 81641

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Keith Bryan [no address of record]

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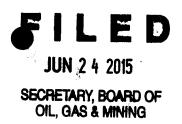
John Wehmiller 15 Wellington Rd. Wilmington, DE 19803

Jean Stogner [no address of record]

Matthew Coleman [no address of record]

Jordan Griffin [no address of record]

Julie Am Carter



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

IN THE MATTER OF THE REQUEST FOR AGENCY ACTION OF ENEFIT AMERICAN OIL FOR AN ORDER ENLARGING THE DESIGNATED OIL SHALE AREA CREATED BY CAUSE NOS. 190-3 AND 190-13 TO INCLUDE LANDS LOCATED IN TOWNSHIPS 9 AND 10 SOUTH, RANGES 24 AND 25 EAST, SLM, UINTAH COUNTY, UTAH.

ORDER GRANTING PETITIONERS' MOTION FOR LEAVE TO FILE LATE AMENDED REQUEST FOR AGENCY ACTION FOR THE SITLA LANDS

**Docket No. 2015-017** 

Cause No. 190-14

The Board of Oil, Gas and Mining (the "Board") having fully considered Enefit American Oil's Motion to File Late Amended Request for Agency Action for the SITLA Lands on the grounds and reasons provided therefore, and good cause appearing, hereby enters its Order Granting Petitioner's Motion and permitting the late filing of the Amended Request for Agency Action for the SITLA Lands in accordance with Rule R641-105-200 of the Utah Admin. Code.

ISSUED this 24th day of June, 2015.

STATE OF UTAH BOARD OF OIL, GAS AND MINING

Ruland J. Gill. 16.

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## **CERTIFICATE OF SERVICE**

I hereby certify that on this 23rd day of July, 2015, I caused a true and correct copy of the foregoing ORDER for Docket No. 2015-017, Cause No. 190-14, to be mailed by Email or via First Class Mail with postage prepaid, to the following:

Mark L. Burghardt William E. Ward HOLLAND & HART, LLP 222 South Main Street, Suite 2200 Salt Lake City, UT 84101 Enefit American Oil Attention: Rikki Hrenko-Browning, CEO 307 W 200 S, Suite 4005 Salt Lake City UT 84101

Attorneys for Enefit American Oil

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Attorney for Division of Oil, Gas and Mining

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