

BEFORE THE BOARD OF OIL, GAS AND MINING

DEPARTMENT OF NATURAL RESOURCES

IN AND FOR THE STATE OF UTAH

RECEIVED

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DIVISION OF OIL, GAS & MINING

IN THE MATTER OF THE APPLICATION *
OF TEXAS OIL & GAS CORPORATION *
FOR AN ORDER ESTABLISHING *
SPACING UNITS FOR THE WASATCH *
FORMATION UNDERLYING SECTION 10, *
TOWNSHIP 12 SOUTH, RANGE 24 EAST, *
S.L.M., UNITAH COUNTY, UTAH *

O R D E R

Cause No. 193-1

Pursuant to the application of Texas Oil & Gas Corporation, this cause came on for hearing before the Board of Oil, Gas and Mining, Department of Natural Resources, State of Utah, on Wednesday, July 22, 1981, at 9:00 A.M., in the Wildlife Resources Auditorium, 1598 West North Temple, Salt Lake City, Utah. The following Board members were present:

Charles R. Henderson, Chairman, presiding
John L. Bell
Robert R. Norman
Margaret Bird
Herm Olsen

Appearances were made as follows: For Texas Oil and Gas Corporation (the applicant): Hugh C. Garner, Esq., 1100 Kennecott Building, Salt Lake City, Utah 84133

NOW THEREFORE, the Board having considered the testimony aduced and the exhibits reviewed in said hearing and being fully advised in the premises, now makes and enters the following findings:

FINDINGS

1. Due and regular notice of the time, place and purpose of the hearing 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 matter covered by said application and over all parties interested therein and has jurisdiction to make and promulgate the order hereinafter set forth.
3. The Wasatch Formation is believed to underlie the above-described lands and to constitute a source of supply of natural gas.

4. All available geologic and engineering data concerning the area indicates that one well will adequately drain all recoverable gas from each sand interval or zone underlying 320 surface acres in the above-described area and that 320 surface acres is the maximum area that may be drained efficiently and economically by one well.

5. That, due to topographic and geological considerations, the best practical locations for wells located in the E1/2 and W1/2 of said Section 10, would be at locations 2100 feet from the East sideline and 2300 feet from the North line of said section, and 800 feet from the West sideline and 2300 feet from the North line of said section, respectively.

6. That in order to avoid the drilling of unnecessary wells, to protect correlative rights of all parties concerned, to insure proper and efficient development and to promote conservation of the gas resources of the state, an Order shall be made establishing drilling units for the production of gas from the Wasatch Formation underlying Section 10, Township 12 South, Range 24 East, S.L.M.

Sufficient evidence now being available upon which to reach a decision, the Board issues the following:

ORDER

IT IS HEREBY ORDERED BY THIS BOARD AS FOLLOWS:

To prevent waste of oil, gas and associated hydrocarbons, to avoid the drilling of unnecessary wells, to protect correlative rights and to establish drilling units of uniform size and shape, the Board hereby establishes drilling units of 320 acres, running in a North/South direction, comprising the E1/2 and W1/2 of Section 10, Township 12 South, Range 24 East, S.L.M.

On each drilling unit, one well may be completed and produced, and applicant's proposed wells, located 2100 feet from the East sideline and 2300 feet from the North line of said Section 10, and 800 feet from the West sideline and 2300 feet from the North line of said Section 10, are designated the unit wells for the two drilling units comprising the E1/2 of said Section 10 and the W1/2 of said Section 10, respectively.

DATED this 22nd day of July, 1981.

BOARD OF OIL, GAS AND MINING
STATE OF UTAH

Charles R. Henderson
CHARLES R. HENDERSON, Chairman

John L. Bell
JOHN L. BELL

ROBERT R. NORMAN

Margaret R. Bird
MARGARET BIRD

Herm Olsen
HERM OLSEN