

CAUSE NO. 194-2 / DOCKET NO. 94-032

IN THE MATTER OF THE REQUEST
FOR AGENCY ACTION OF WILLIAM
G. BUSH FOR 10-ACRE AND SPACING
UNITS FOR THE FRACTURED
MANCOS SHALE IN SECTION 5,
TOWNSHIP 18 SOUTH, RANGE 24
EAST, S.L.M., GRAND COUNTY, UTAH

ORDERS

<u>ORDER #</u>	<u>DATE SIGNED</u>	<u>DESCRIPTION</u>
#1	5/8/95	ORDER GRANTING MOTION FOR DEVIATION FROM THE RULES FOR FILING REQUEST FOR AGENCY ACTION
#2	6/9/95	FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

June 26, 1995

BEFORE THE BOARD OF OIL, GAS AND MINING

DEPARTMENT OF NATURAL RESOURCES

STATE OF UTAH

IN THE MATTER OF THE AMENDED	)	FINDINGS OF FACT,
REQUEST FOR AGENCY ACTION OF	)	CONCLUSIONS OF LAW,
WILLIAM G. BUSH FOR 10-ACRE	)	AND ORDER
SPACING UNITS FOR THE)	
FRACTURED MANCOS SHALE IN	)	Docket No. 94-032
SECTION 5, TOWNSHIP 18 SOUTH,	)	Cause No. 194-2A
RANGE 24 EAST, SLM, GRAND)	
COUNTY, UTAH)	
)	

This matter came on regularly for hearing before the Board of Oil, Gas and Mining (the "Board") on Wednesday, May 24, 1995, at 10:00 a.m., in the Hearing Room of the Division of Oil, Gas and Mining at 355 West North Temple, 3 Triad Center, Suite 520, Salt Lake City, Utah, to consider William G. Bush's request for 10-acre spacing units for the fractured Mancos Shale Formation in the S1/2 of Section 5, Township 18 South, Range 24 East, Salt Lake Meridian, Grand County, Utah. Members of the Board present at the hearing were:

Dave D. Lauriski, Chairman
Judy F. Lever
Jay L. Christensen
Kent G. Stringham
Thomas B. Faddies

Staff members of the Division of Oil, Gas and Mining (the "Division") present and participating in the hearing included James W. Carter, Director; Ronald J. Firth, Associate Director; Brad Hill, Geologist; and Frank Matthews, Petroleum Engineer. The Board was represented by Thomas A. Mitchell, Esq., Assistant Attorney General.

Galen Helmke, Geologist, appeared as a witness for William G. Bush. Mr. Bush was also present at the hearing.

Assad Raffoul, Petroleum Engineer; Al McKee, Petroleum Engineer; and Howard B. Cleavinger, Assistant District Manager, appeared for the United States Department of the Interior, Bureau of Land Management.

NOW THEREFORE, the Board, having fully considered Petitioner's Amended Request for Agency Action ("Petition"), and the testimony and evidence received at the hearing, and good cause appearing, the Board hereby makes and enters the following Findings of Fact, Conclusions of Law, and Order:

FINDINGS OF FACT

1. That the area involved in this cause lies within Grand County and is described as follows:

Township 18 South, Range 24 East, SLM

Section 5: S1/2

2. That the subject area contains a common accumulation of oil, gas and associated hydrocarbons in the Mancos Shale Formation. This common accumulation of oil exists in a pool or pools and constitutes a common source of supply.

3. That the petitioner owns working interests in certain oil and gas leases covering the subject area.

4. That one well located on each 10 acres, more or less, will effectively and economically drain the reservoirs found in and underlying the subject area.

5. That approximately 10-acre drilling and spacing units for the subject area should be established in order to prevent waste, to avoid the drilling of unnecessary wells and to protect the correlative rights of interested parties.

CONCLUSIONS OF LAW

Based on the foregoing Findings of the Board, the Board makes the following conclusions of law:

1. That the Board has jurisdiction over the subject matter of this cause, the petitioner, lessee, and operations in the area involved.
2. That notice of hearing in this cause was duly given in all respects as required by law.
3. That the Petition of William G. Bush should be granted.

ORDER

IT IS THEREFORE ORDERED, by the Board as follows:

1. That 10-acre drilling and spacing units be and the same are hereby established for the development and production of oil, gas, and associated hydrocarbons from the Mancos Shale Formation underlying the following described area:

Township 18 South, Range 24 East, SLM


Section 5: S1/2

2. That no more than one well shall be drilled in each 10-acre drilling and spacing unit.
3. That the permitted well for each drilling and spacing unit shall be located not closer than 200 feet from the exterior boundaries of lease a or legal subdivision boundary.

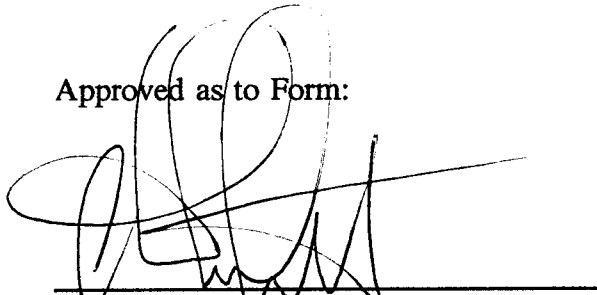
4. That no well shall be drilled within 300 feet of an existing oil well or permitted well.
5. That this Order shall be effective forthwith; and
6. That the Board retains continuing jurisdiction over all matters covered by this Order.

ENTERED this 9th day of June, 1995.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING

By 
Thomas B. Faddies, Acting Chairman

Approved as to Form:



Thomas A. Mitchell, Esq.
Assistant Attorney
Board of Oil, Gas and Mining

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER for Docket No. 94-032, Cause No. 194-2A to be mailed by certified mail, postage prepaid, on the 15th day of June, 1995, to the following:

WILLIAM G BUSH ✓
619 VIEWPOINT DRIVE
GRAND JUNCTION CO 81501

Mailed First-Class, Postage Prepaid to:

HAROLD E BOWMAN
9693 AKRON CHAPEL ROAD
GREAT FALLS VA 22066

BUREAU OF LAND MANAGEMENT
UTAH STATE OFFICE
324 S STATE ST STE 301
SALT LAKE CITY UT 84111-2303

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1640 M ROAD
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SYCAMORE FARM ROUTE 4
VERSAILLES KY 40383

JOHN D HALEY
561 EAST CALEY DRIVE
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9015 WEST 4TH AVE
DENVER CO 80226

JOHN R HOOVER
6229 SOUTH COVENTRY LANE EAST
LITTLETON CO 80123

MINERALS MANAGEMENT SERVICE
ROYALTY MGMT PROG
PO BOX 5810
DENVER CO 80217

R K O'CONNEL
PO BOX 2003
CASPER WY 82602

R E PUCKETT
7800 E UNION AVE #130
DENVER CO 80237

ROCKY MOUNTAIN PROPERTIES
PO BOX 20557
BILLINGS MT 59104

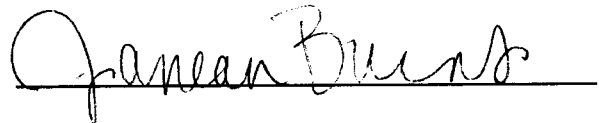
STEVEN L ROSE
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LOS ANGELES CA 90013

STEPHEN SMITH
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W W WAKEFIELD
300 COOK ST
DENVER CO 80206

MILES A WILLIAMS
5838 SOUTH STANIDA CIRCLE
SALT LAKE CITY UT 84121

YATES PETROLEUM CORPORATION
105 SOUTH FOURTH STREET
ARTESIA NM 88210



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

IN THE MATTER OF THE)	
AMENDED REQUEST FOR)	
AGENCY ACTION OF WILLIAM G.	)	ORDER GRANTING
BUSH FOR 10-ACRE SPACING	)	MOTION FOR DEVIATION FROM
UNITS FOR THE FRACTURED	)	THE RULES FOR FILING REQUEST
MANCOS SHALE IN SECTION 5,	)	FOR AGENCY ACTION
TOWNSHIP 18 SOUTH, RANGE 24)	
EAST, SLM, GRAND COUNTY,	)	DOCKET NO. 94-032
UTAH	)	CAUSE NO. 194-2A

William G. Bush ("Petitioner") made a Motion before the Board under Utah Administrative Code R641-100-400 for an order permitting a deviation of the requirements under Utah Administrative Code R641-105-100 to extend the time for filing a request for agency action. Concurrently with its Motion, Petitioner filed the Amended Request for Agency Action.

Good cause having been shown by Petitioner for the filing of the Amended Request for Agency Action at this time, and the Board having the authority to issue an order allowing deviation from the requirements of Utah Administrative Code R641-105-100 and permitting this matter to be heard at the hearing on May 24, 1995,

IT IS THEREFORE ORDERED that:

1. The Motion for Deviation from the Rules is granted;
2. The Amended Request for Agency Action filed by Petitioner is timely filed; and
3. This matter may be heard at the next regularly scheduled meeting of the Board on May 24, 1995.

DATED this 8th day of May 1995.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING

A handwritten signature in black ink, appearing to read "Dave D. Lauriski". The signature is written in a cursive style with a horizontal line underneath the name.

Dave D. Lauriski, Chairman

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF HEARING and ORDER GRANTING MOTION FOR DEVIATION FROM THE RULES FOR FILING REQUEST FOR AGENCY ACTION for Docket No. 94-032, Cause No. 194-2A to be mailed by certified mail, postage prepaid, on the 10th day of May, 1995, to the following:

WILLIAM G BUSH
619 VIEWPOINT DRIVE
GRAND JUNCTION CO 81501

Mailed First-Class, Postage Prepaid to:

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GREAT FALLS VA 22066

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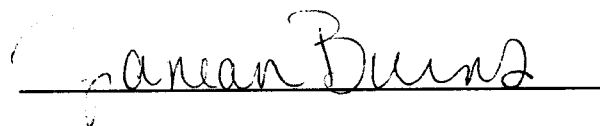
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Canyon Burns