

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

IN THE MATTER OF THE APPLICATION	*	
OF TXO PRODUCTION CORP. FOR AN	*	
ORDER APPROVING THE LOCATIONS OF	*	
APPLICANT'S CISCO SPRINGS FEDERAL	*	FINDINGS AND ORDER
#2 WELL AND CISCO SPRINGS B NO. 2	*	
WELL AS EXCEPTIONS TO THE LOCATIONS	*	
PRESCRIBED BY THIS BOARD'S ORDER	*	Cause No. 102-54
ENTERED IN CAUSE NO. 102-16B,	*	
SEIBER-CISCO NOSE AREA, GRAND	*	
COUNTY, UTAH	*	
	*	

This Cause came on for hearing before the Board of Oil, Gas and Mining at 10:22 a.m. on Thursday, November 17, 1983, in the Sheraton Inn, 1684 West Highway 40, Vernal, Utah.

The following Board Members were present:

Gregory P. Williams, Chairman
John M. Garr, Member
Charles R. Henderson, Member
Constance K. Lundberg, Member
E. Steele McIntyre, Member

James W. Carter, Member (recused from this hearing.)

Appearances were made as follows:

Ronald W. Daniels, Deputy Director
Division of Oil, Gas & Mining
Marjorie Larson, Administrative Assistant
Ronald J. Firth, Chief Petroleum Engineer
James Smith, Coordinator of Mine Land Development
Keith M. Clem, Geologist, Utah Geological &
Minerals Survey
Hugh C. Garner, Esq., representing
TXO Production Corp., Applicant

NOW, THEREFORE, the Board having heard the testimony of the witnesses and having considered the evidence and being advised in the premises, now makes and orders the following:

FINDINGS

1. Due and regular notice of the time, place and purpose of the hearing was given to all interested parties in the form and manner and within the time required by law.
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 Board has previously entered its Order in Cause No. 102-16B amending Field Rule 2-2 for the Seiber-Cisco Nose Area, Grand County, Utah to provide that wells drilled for oil and/or gas shall be located not less than 500 feet from any property or lease line and not less than 200 feet from the boundary line of any legal subdivision comprising the governmental quarter-quarter section or equivalent lot or lots of comparable size and location, and not less

than 400 feet from any oil well, nor less than 1320 feet from any gas well, unless otherwise specifically authorized by the Board after notice and hearing.

4. Said Field Rule 2-2, as amended, governs well spacing and all of Section 15, T.20S., R.23E., S.L.M., and Section 23, T.20S. R.23E., S.L.M.

5. All geological data concerning the area indicates that the optimum location for a well in the NE1/4SE1/4 of said Section 15 is at a point 330 feet from the East line and 1,650 feet from the South line of said section.

6. Further, all geologic data concerning the area indicates that the optimum location for a well in the NW1/4NW1/4 of said Section 23 is at a point 365 feet from the North line and 1,000 feet from the West line of said section.

7. On oral motion made by Applicant's Counsel, the Application herein was amended to the extent of requesting this Board to grant an exception, in the case of both wells, to the lease line limitation, as well as an exception, in case of said well in Section 15, to the well spacing limitation on the condition that said well is completed in a formation different from that from which production

is had in the offsetting Cisco Spring #B-1 well, the latter well having been completed in the Morrison Formation. Said Motion to Amend was granted by the Board.

ORDER

IT IS HEREBY ORDERED by this Board as follows:

1. The permitted location for the Applicant's proposed well in the NE1/4SE1/4 of Section 15, T.20 S., R.23 E., S.L.M. shall be at a point 330 feet from the East line and 1,650 feet from the South line of said Section.

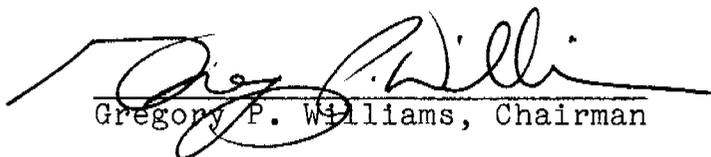
2. The permitted location for the Applicant's proposed well in the NW1/4NW1/4 of Section 23 T.20 S., R.23 E., S.L.M. shall be at a point 365 feet from the North line and 1,000 feet from the West line of said Section.

3. An exception to the lease line limitation prescribed in this Board's Order in Cause No. 102-16B amending Field Rule 2-2 is hereby granted for the purposes of said proposed wells; further, an exception to the well spacing prescribed in said Order is granted with respect to said well in Section 15 on the condition that said

wells be completed in a formation different from the producing formation in said Cisco Springs #B-1 well.

DATED this 17th day of November, 1983.

STATE OF UTAH BOARD OF OIL,
GAS & MINING


Gregory P. Williams, Chairman


Charles R. Henderson

John M. Garr


Constance K. Lundberg


E. Steel McIntyre