

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

MAY 6 1981

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IN THE MATTER OF THE APPLICATION OF	*	
TEXAS OIL AND GAS CORPORATION FOR	*	
AN ORDER EXTENDING THE 320 ACRE	*	ORDER
DRILLING AND SPACING UNITS ADOPTED	*	
IN CAUSE NO. 107-1 TO INCLUDE CERTAIN	*	Cause No. 107-2
LANDS IN GRAND COUNTY, UTAH.	*	
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Pursuant to the application of Texas Oil and Gas Corporation this Cause came on for hearing before the Board of Oil, Gas and Mining, Department of Natural Resources, State of Utah, on Thursday, April 30, 1981 at 9:00 A.M. in the Airport Holiday Inn - Executive Conference Room, 1659 West North Temple, Salt Lake City, Utah.

The following Board members were present:

Charles R. Henderson, Chairman, Presiding

Edward T. Beck

Steele McIntyre

John L. Bell

Margaret Bird

Robert R. Norman

The following Staff members were present:

Cleon B. Feight, Director

Mike Minder, Geological Engineer

Appearances were made as follows: for Texas Oil and Gas Corp. (Applicant) Hugh C. Garner, Esq. 100 Kennecott Building, Salt Lake City, Utah 84133.

#### FINDINGS

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

1. In pursuance of the application of Sinclair Oil and Gas Company this Board issued its Findings of Fact in Order in Cause 107-1

under date of February 11, 1965 establishing drilling units of uniform size and shape with respect to certain lands therein more particularly described as being situate in Township 16 South, Range 25 East, S.L.M., and Township 16 South, Range 26 East, S.L.M.

2. Said Order provided for drilling units of 320 surface acres, according to the Government Survey, for said lands and included in said lands the Dakota Sands Group and Morrison Sand Formation underlying said spacing units.

3. The Applicant has applied for an Order extending drilling and spacing units as established under this Board's Order in said Cause No. 107-1 for such formations underlying Sections 4, 5 and 6, Township 16 South, Range 26 East, S.L.M., Grand County, Utah.

4. 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 extends its Order heretofore entered in Cause No. 107-1 and Orders and Decrees as follows:

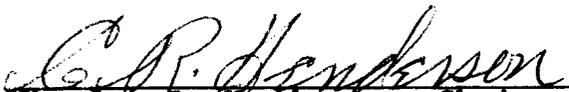
With respect to Section 4, Township 16 South, Range 26 East, S.L.M., said section, comprising Lots 1, 2, 3, 4, 5, SWNW $\frac{1}{4}$ , W $\frac{1}{2}$ SW $\frac{1}{4}$  (all) containing 172,52 acres, more or less, shall comprise the spacing unit for said section; the proposed well, designated as the Moxa Federal "A" No. 1 is hereby designated as the drilling unit well for that spacing unit/zone comprising the entirety of said Section 4.

With respect to Sections 5 and 6, Township 16 South, Range 26 East, S.L.M., a well shall be permitted for drilling in each section to provide for two 320-acre, more or less, spacing units in each section running north-south or east-west comprising the equivalent of the N $\frac{1}{2}$  and S $\frac{1}{2}$  or E $\frac{1}{2}$  and W $\frac{1}{2}$  of each of said sections, as the case may be, for the development of gas production from the Dakota and Morrison Formations underlying said drilling and spacing units.

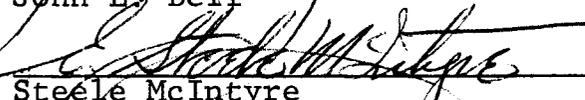
A well shall be permitted on each of said units (as to which there is not presently a well drilled, or a unit well designated as herein) to be located not nearer than 1,000 feet from the spacing unit boundary with a 500-foot tolerance, to be granted administratively, for geological and/or topographical exceptions; and no closer than 2,500 feet from a producing well in the adjacent area, and that a 500-foot tolerance is hereby permitted in the footage between wells in the event surface obstructions or undue hazards are encountered.

DATED this 30th day of April, 1981.

BOARD OF OIL, GAS AND MINING OF  
THE STATE OF UTAH

  
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Charles R. Henderson, Chairman

  
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