

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

IN THE MATTER OF THE PETITION)	
OF AMERICAN PETROFINA CO. OF)	FINDINGS AND ORDER
TEXAS FOR AN ORDER EXTENDING)	
THE 80-ACRE DRILLING AND)	
SPACING UNITS IN CAUSE NO.)	Docket No. 85-014
127-1 TO ADDITIONAL LANDS IN)	Cause No. 127-3
UINTAH COUNTY, UTAH)	

Pursuant to the Petition of American Petrofina Company of Texas, this cause came on for hearing before the Board of Oil, Gas & Mining, Department of Natural Resources, State of Utah, on Thursday, March 28, 1985, at 10 o'clock a.m. in the Board Room of the Board of Oil, Gas & Mining, 355 West North Temple, 3 Triad Center, Suite 301, Salt Lake City, Utah. The following Board members were present:

Gregory P. Williams, Chairman
James W. Carter
Charles R. Henderson
Richard B. Larsen
John M. Garr
E. Steele McIntyre

Also in attendance representing the Division of Oil, Gas & Mining were Dr. Dianne Nielson, Director, Ronald J. Firth, Associate Director, Oil & Gas, and John R. Baza, Petroleum Engineer. Counsel to the Division was Barbara W. Roberts, Esq., Assistant Attorney General. Counsel to the Board was Mark C. Moench, Esq., Assistant Attorney General.

Appearing as counsel on behalf of Petitioner was Robert G. Pruitt, Jr., of Pruitt, Gushee & Fletcher, and Leonard L. Hedberg, Rocky Mountain Exploration Manager, testified as an expert witness. Also present was John L. Davis, District Landman.

Mr. Assad M. Raffoul, Petroleum Engineer of the Utah State Office of the Bureau of Land Management was present and participated in questioning the witness and addressing the issues before the Board.

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

FINDINGS AND CONCLUSIONS

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 subject matter of the Petition and over all parties interested therein and has jurisdiction to make and promulgate the order hereinafter set forth.

3. In Cause Nos. 127-1 and 127-2, this Board has previously ordered that 80-acre stand-up drilling and spacing units be established for the production of oil from the Green River formation and the Green River-Wasatch Transition Zone at a stratigraphic depth of not greater than 7,727 feet underlying Sections 19 and 30, Township 6 South, Range 21 East, SLM

4. According to geologic evidence testified to by Mr. Hedberg, the upper Green River formation (above the Douglas Creek member) constitutes a separate reservoir and source of supply beneath Sections 28, 29 and 32, Township 6 South, Range 21 East, SLM, whereas the Douglas Creek member of the lower Green River formation (herein called the "lower Green River formation") and the Wasatch formation within said Sections 28, 29 and 32 constitute a single reservoir and source of supply as covered by the Orders in Cause Nos. 127-1 and 127-2.

5. Wells drilled to produce oil from the lower Green River and Wasatch formations will most efficiently drain 80 acres each, and wells drilled in the SE $\frac{1}{4}$ of each E $\frac{1}{2}$ of the quarter section and the NW $\frac{1}{4}$ of each W $\frac{1}{2}$ of the quarter section will conform to the existing 80-acre drilling and spacing well pattern for this interval. The existing wells of American Petrofina, Federal 28-1 (NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 28), Federal 29-2 (NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 29) and State 32-1 (NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 32), qualify in all respects as the permitted wells for their respective 80-acre drilling units.

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:

1. The 80-acre stand-up drilling and spacing units for the production of oil from the lower Green River formation and the Wasatch formation be, and hereby are, established

to cover Sections 28, 29 and 32, Township 6 South, Range 21 East, SLM, each unit comprising the E $\frac{1}{2}$ or the W $\frac{1}{2}$ respectively of each quarter section.

2. No more than one well shall be drilled on any such 80-acre drilling and spacing unit in said Sections 28, 29 and 32 for the production of oil from the lower Green River and Wasatch formations.

3. The permitted well sites in each such 80-acre drilling and spacing unit shall be the SE $\frac{1}{4}$ of the E $\frac{1}{2}$ and the NW $\frac{1}{4}$ of the W $\frac{1}{2}$ of each governmental quarter section.

4. All wells in the spaced area shall be located no closer than 500 feet from the exterior boundaries of each such 80-acre unit provided, however, that exceptions to the foregoing "500 foot rule" may be had without notice or hearing:

(a) Upon filing with the Board, of a petition showing the necessity for the proposed exception location which is based on topographical and/or geological conditions; and

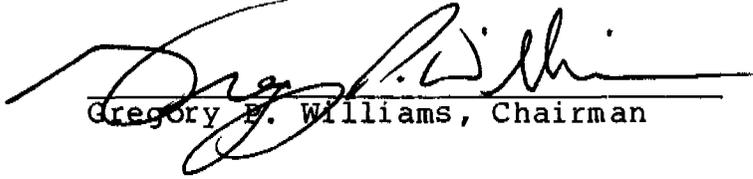
(b) (1) Where the ownership of all oil leases within a radius of 660 feet of the proposed exception location is common with the ownership of the oil leases under the proposed exception location; or

(2) All owners of the operating rights in oil leases within such 660 foot radius consent in writing to the proposed exception location.

5. The effective date of this Order shall be March 28, 1985, the date of hearing of this matter.

DATED this 26th day of April, 1985.

UTAH BOARD OF OIL, GAS & MINING


Gregory E. Williams, Chairman

Approved as to form:


Mark C. Moench
Assistant Attorney General