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

IN THE MATTER OF THE APPLICATION )  
OF FLYING DIAMOND OIL CORPORATION )  
FOR AN ORDER EXTENDING AND MODIFY- )  
ING PRIOR ORDERS OF THE BOARD IN )  
CAUSE NO. 131-24, TO COVER ADDI- )  
TIONAL LANDS OUTSIDE OF THE )  
BLUEBELL FIELD, UINTAH COUNTY, )  
UTAH )

ORDER  
CAUSE NO. 131-32

Pursuant to Notice of Hearing dated November 3, 1977, of the Board of Oil, Gas and Mining, Department of Natural Resources of the State of Utah, said cause came on for hearing on Wednesday, November 23, 1977 at 9:00 a.m., in the Wildlife Resources Auditorium, 1596 West North Temple, Salt Lake City, Utah.

The following members of the Board were present:

- I. Daniel Stewart, Chairman, Presiding
- Charles R. Henderson
- John L. Bell
- C. Ray Juvelin
- Thadis W. Box

Also present:

- Cleon B. Feight, Director, Division of Oil, Gas and Mining
- Patrick L. Driscoll, Chief Petroleum Engineer, Division of Oil, Gas and Mining
- E. W. Guynn, District Engineer, United States Geological Survey
- Adelyn Logan, Realty Officer, Bureau of Indian Affairs, Fort Duchesne, Utah.

Appearances were made as follows:

- |                                    |   |
|------------------------------------|---|
| For Flying Diamond Oil Corporation | Thomas H. Galey, Esq.<br>Denver, Colorado |
| For D. & J. Oil Company            | Don Johnson                               |
| For Himself                        | Calvin Hackford,<br>Royalty Owner         |

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

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 matters covered by said Notice and over all parties interested therein and has jurisdiction to make and promulgate and Orders hereinafter set forth.

3. By Order designated Cause No. 131-24, dated January 16, 1974, the Board extended the Bluebell Field, Uintah County, Utah, originally established by Order in Cause No. 131-14, dated August 11, 1971, to include the lands applied for therein and established drilling units comprising governmental sections for the production of oil, gas and associated hydrocarbons from the interval described therein, underlying the lands described in Cause No. 131-24.

4. Further drilling and development operations and the information obtained therefrom, subsequent to the date of Order in said Cause No. 131-24, indicate that the Orders of the Board contained therein should now be extended as follows:

- (a) That the lands known and believed to be underlain by the common source of supply from which oil, gas and associated hydrocarbons can be produced include all of the lands described and referred to in said Cause Nos. 131-14 and 131-24, and the following lands situated in Uintah County, Utah, to-wit:

TOWNSHIP 1 SOUTH, RANGE 1 EAST, U.S.M.

Sec. 22: All	Sec. 25: All
Sec. 23: All	Sec. 26: All
Sec. 24: All	Sec. 27: All, except the $W\frac{1}{2}NW\frac{1}{2}$ and $NW\frac{1}{2}SW\frac{1}{2}$ , said 120 acres being a part of the Roosevelt Unit.

- (b) That the spaced interval underlying the lands described in Paragraph 4(a) above, should be that interval referred to and described in Paragraph 4(b) of Cause No. 131-14.

5. The lands described in Paragraph 4(a) above should be divided into two zones, which contain the acreage indicated therein, to-wit:

Zone 1

TOWNSHIP 1 SOUTH, RANGE 1 EAST, U.S.M.

Sec. 22: All                      Sec. 25: All  
Sec. 23: All                      Sec. 26: All  
Sec. 24: All

Zone 2

TOWNSHIP 1 SOUTH, RANGE 1 EAST, U.S.M.

Sec. 27: All except the  $W\frac{1}{2}NW\frac{1}{4}$  and  $NW\frac{1}{4}SW\frac{1}{4}$ ,  
containing 120 acres, more or less.

6. That the permitted well, as to acreage in Zone 1, should be located no closer than 1,320 feet from the exterior boundary of any governmental section line, and that the permitted well, as to acreage in Zone 2, should be located no closer than 1,320 feet from the north, south and east exterior boundaries, and no closer than 2,640 feet from the west exterior boundary, of any governmental section line; provided that an exception to said limitations may be granted administratively without a hearing where a topographical exception is deemed necessary.

7. That for the protection of correlative rights, this Order should be made effective as of August 26, 1977, that being the date of completion of the C. J. Hackford Well, located in the  $SE\frac{1}{2}NW\frac{1}{4}$  of Section 23, Township 1 South, Range 1 East, U.S.M., Uintah County, Utah, as a producer of oil, gas and associated hydrocarbons from the spaced interval.

O R D E R

IT IS THEREFORE ORDERED:

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 for the promotion of more orderly development of the Bluebell Area, including the extension thereof herein, the subject of this application, the following Orders are hereby promulgated to govern operations in said area effective August 26, 1977:

- (a) That upon said effective date any and all Orders of the Board heretofore promulgated which are inconsistent with the Orders herein set forth shall be and are hereby vacated.
- (b) That drilling units with respect to Zones 1 and 2 as described in Paragraph 5 above are hereby established for the development and production of oil, gas and associated hydrocarbons from the interval referred to in Paragraph 3 above, underlying the lands described in Paragraph 4(a) above.

- (c) That permitted wells with respect to Zones 1 and 2, within each drilling unit shall be located as set forth in Paragraph 6 above.
- (d) That as hereby modified the Orders of the Board in said Cause No. 131-24 shall continue in effect and are hereby extended to cover the lands described in Paragraph 4(a) above.
- (e) That this Order is a temporary Order and the Board, on its own motion, or any interested party may file an application requesting a hearing to present new evidence concerning the matters set forth herein.
- (f) That the Board retains exclusive continuing jurisdiction of all matters covered by this Order and of all parties affected thereby and particularly that the Board retains and reserves exclusive and continuing jurisdiction to make further orders as appropriate as authorized by statute and applicable regulations.

ENTERED THIS 23 DAY OF November, 1977 ~~JANUARY, 1978~~.

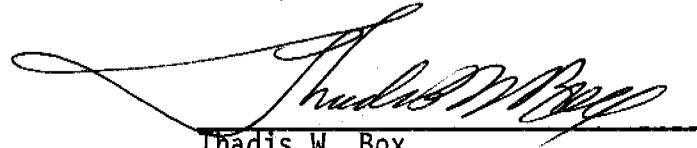
BOARD OF OIL, GAS AND MINING  
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