

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

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IN THE MATTER OF THE PETITION :  
OF LINMAR ENERGY CORPORATION :  
FOR AN EXCEPTION TO THE ORDER : FINDINGS OF FACT, CONCLUSIONS  
OF CAUSE NO. 139-8 FOR SECTION : OF LAW, AND ORDER  
11, TOWNSHIP 1 SOUTH, RANGE 4 :  
WEST, USM, DUCHESNE COUNTY, : Docket No. 85-015  
UTAH : Cause No. 139-43

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Pursuant to the Notice of Hearing, this Cause came on for hearing before the Board of Oil, Gas and Mining on Friday, April 26, 1985, in the Four Seasons Convention Center, 747 East St. George Boulevard, Suite 2, St. George, Utah, and then moved to the Regency Inn, Room 201, St. George, Utah. The following Board members constituting a quorum were present and participated in the hearing and the decision and Order embodied herein:

Gregory P. Williams, Chairman  
John M. Garr  
Charles R. Henderson  
Richard B. Larsen  
E. Steele McIntyre  
James W. Carter, having recused himself, did not participate

Mark C. Moench, Assistant Attorney General of the State of Utah, was present and participated on behalf of the Board.

Members of the staff of the Division of Oil, Gas and Mining ("Division") present and participating in the hearing included:

Dr. Dianne R. Nielson, Director  
Ronald J. Firth, Associate Director, Oil and Gas

Barbara W. Roberts, Assistant Attorney General of the State of Utah, was present and participated on behalf of the Division.

Appearances were made as follows:

Petitioner Linmar Energy Corporation ("Linmar" or "Petitioner") by Robert W. Adkins, Esq.

Respondent Bow Valley Petroleum, Inc. ("Bow Valley" or "Respondent") by Jeffrey R. Young, Esq.

Testimony was received from, and an exhibit was introduced on behalf of, Petitioner by Ed Whicker, Manager of Engineering, and by Evan Gentile, Right-of-way Agent.

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

FINDINGS OF FACT  
AND CONCLUSIONS OF LAW

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 of the Board, including personal service of a Notice of Hearing upon all parties having an interest in the matter.

2. The Board has jurisdiction over the subject matter of said Petition and over all parties therein and has jurisdiction to make and promulgate the Order hereinafter set forth.

3. The Board, by Order entered in Cause No. 139-8 dated September 20, 1972, established drilling units comprising

each governmental section or governmental lots corresponding thereto for the production of oil, gas, and associated hydrocarbons from the interval described in Paragraph 4 thereof, underlying the lands described and referred to in said Cause No. 139-8.

4. The Board's Order in Cause No. 139-8 provided that no more than one well be drilled in such drilling unit and that the permitted well for each drilling unit be located in the center of the NE $\frac{1}{4}$  of the governmental section comprising such unit, with a tolerance of 660 feet in any direction.

5. No well has ever been drilled in Section 11, Township 1 South, Range 4 West, USM.

6. Pursuant to Section 40-6-6(2), Utah Code Annotated, 1953, as amended, the Board is authorized to modify its previous orders to permit an exception to the authorized location of a well when the Board finds such a modification to be reasonably necessary.

7. It is not economically feasible to drill a well in the NE $\frac{1}{4}$  of Section 11, Township 1 South, Range 4 West, USM, and the Board finds that the exception required by Linmar Energy Corporation is reasonably necessary in order to drill an economically feasible well in Section 11.

8. The granting of the exception location in Section 11, Township 1 South, Range 4 West, USM, will avoid the drilling of unnecessary and uneconomic wells and will protect correlative rights.

ORDER

IT IS THEREFORE ORDERED:

1. To prevent waste of oil, gas, and associated hydrocarbons, to avoid the drilling of unnecessary wells and to protect correlative rights, the Petition of Linmar Energy Corporation for an exception to the provisions of the Order of Cause No. 139-8 is granted so as to permit the drilling of a well at the following location: Section 11, Township 1 South, Range 4 West, USM; 1520 feet from the South line and 1100 feet from the East line of Section 11.

2. That no well can be drilled in the SW $\frac{1}{4}$  of Section 11, Township 1 South, Range 4 West, USM, without further order of the Board.

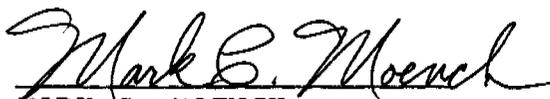
3. The Board retains continuing jurisdiction over all matters covered by this order and over all parties affected thereby. In addition, the Board retains continuing jurisdiction to make further orders as appropriate.

DATED this 24<sup>th</sup> day of May, 1985.

STATE OF UTAH  
BOARD OF OIL, GAS, AND MINING

  
GREGORY P. WILLIAMS, Chairman

APPROVED AS TO FORM:

  
MARK C. MOENCH  
Assistant Attorney General

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

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IN THE MATTER OF THE PETITION OF LINMAR )	ORDER GRANTING LEAVE
ENERGY CORPORATION FOR AN EXCEPTION TO )	TO FILE RESPONSE
THE ORDER OF CAUSE 139-8 FOR SECTION )	
11, TOWNSHIP 1 SOUTH, RANGE 4 WEST, )	Docket No.: 85-015
USM, DUCHESNE COUNTY, UTAH. )	Cause No.: 139-43

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The Motion For Leave to File Response made by Bow Valley Petroleum Inc. pursuant to Rule 6(b)(1), Procedural Rules of the Utah Board of Oil, Gas and Mining, having been duly considered and the Board having been fully advised in the premises;

IT IS HEREBY ORDERED that Bow Valley Petroleum Inc. be and hereby is granted leave to file its Response as requested.

Dated this 26th day of April, 1985.

BOARD OF OIL, GAS AND MINING  
STATE OF UTAH

  
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Gregory P. Williams, Chairman

Approved as to Form:

  
\_\_\_\_\_  
Mark C. Moench,  
Assistant Attorney General

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

---

IN THE MATTER OF THE PETITION : OF LINMAR ENERGY CORPORATION : FOR AN EXCEPTION TO THE ORDER : OF CAUSE NO. 139-8 FOR SECTION : 11, TOWNSHIP 1 SOUTH, RANGE 4 : WEST, USM, DUCHESNE COUNTY, : UTAH. :	FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER  Docket No. 85-015 Cause No. 139-43
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Gregory P. Williams, Chairman  
 John M. Garr  
 Charles R. Henderson  
 Richard B. Larsen  
 E. Steele McIntyre

Mark C. Moench, Assistant Attorney General of the State of Utah, was present and participated on behalf of the Board.

Appearances were made as follows:

Petitioner Linmar Energy Corporation ("Linmar" or "Petitioner") by Robert W. Adkins, Esq.

Respondent Bow Valley Petroleum, Inc. ("Bow Valley" or "Respondent") by Jeffrey R. Young, Esq.

Testimony was received from, and an exhibit was introduced on behalf of, Petitioner by Ed Whicker, Manager of Engineering, and by Evan Gentile, Right-of-Way Agent.

A statement on behalf of Bow Valley was made by Jeffrey R. Young, Esq.

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

FINDINGS OF FACT  
AND CONCLUSIONS OF LAW

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, including personal service of a Notice of Hearing upon all parties having an interest in the matter.

2. The Board has jurisdiction over the subject matter of said Petition and over all parties therein and has jurisdiction to make and promulgate the Order hereinafter set forth.

3. The Board, by Order entered in Cause No. 139-8 dated September 20, 1972, established drilling units comprising each governmental section or governmental lots corresponding thereto for the production of oil, gas, and associated hydrocarbons from the interval described in Paragraph 4 thereof, underlying the lands described and referred to in said Cause No. 139-8.

4. The Board's Order in Cause No. 139-8 provided that no more than one well be drilled in such drilling unit and that the permitted well for each drilling unit be located in the center of the NE $\frac{1}{4}$  of the governmental section comprising such unit, with a tolerance of 660 feet in any direction.

5. No well has ever been drilled in Section 11, Township 1 South, Range 4 West, USM.

6. It is not economically feasible to drill a well in the NE $\frac{1}{4}$  of Section 11, Township 1 South, Range 4 West, USM, and the Board finds that the exception requested by Linmar Energy Corporation is reasonably necessary in order to drill an economically successful well in Section 11.

7. The granting of the exception location in Section 11, Township 1 South, Range 4 West, USM, will avoid the drilling of unnecessary and uneconomic wells and will protect correlative rights.

ORDER

IT IS THEREFORE ORDERED:

To prevent waste of oil, gas, and associated hydrocarbons, to avoid the drilling of unnecessary wells and to protect correlative rights, the Petition of Linmar Energy Corporation for an exception to the provisions of the Order of Cause No. 139-8 is granted so as to permit the drilling of a well at the following

location: Section 11, Township 1 South, Range 4 West, USM;  
1520 feet from the South line and 1100 feet from the East  
line of Section 11.

IT IS FURTHER ORDERED:

That no well can be drilled in the SW $\frac{1}{4}$  of Section 11,  
Township 1 South, Range 4 West, USM, without further order of  
the Board.

DATED this 26th day of April, 1985.

STATE OF UTAH  
BOARD OF OIL, GAS, AND MINING

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Gregory P. Williams, Chairman

APPROVED AS TO FORM:

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Mark C. Moench  
Assistant Attorney General

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

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IN THE MATTER OF THE PETITION OF LINMAR )  
ENERGY CORPORATION FOR AN EXCEPTION TO ) PROPOSED ORDER  
THE ORDER OF CAUSE 139-8 FOR SECTION )  
11, TOWNSHIP 1 SOUTH, RANGE 4 WEST, ) Docket No.: 85-015  
USM, DUCHESNE COUNTY, UTAH. ) Cause No.: 139-43

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Pursuant to the Notice of Hearing dated April 3, 1985, this Cause came on for hearing before the Board of Oil, Gas and Mining, Department of Natural Resources, State of Utah, at 10:00 A.M. on Friday, April 26, 1985, in the Four Seasons Convention Center, 747 East St. George Boulevard, Suite 2, St. George, Utah.

The following members of the Board were present:

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

Also present representing the Board:

Mark C. Moench, Assistant Attorney General

Also present representing the Division:

Dianne R. Nielson, Director  
Ronald J. Firth, Associate Director, Oil & Gas  
John Bazer, Petroleum Engineer  
Barbara W. Roberts, Assistant Attorney General

Appearances were made as follows:

Robert W. Adkins, Attorney for Linmar Energy Corporation  
Ed Wieker, for Linmar Energy Corporation  
Jeffrey R. Young, Attorney for Bow Valley Petroleum Inc.  
Mark Wagner, for Bow Valley Petroleum Inc.

Now, therefore, the Board having considered the pleadings, the testimony adduced and the exhibits received in said hearing and being fully advised in the premises makes and enters the following:

FINDINGS OF FACT

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 the Petition and all parties interested therein and has jurisdiction to make and promulgate the order hereinafter set forth.
3. The Board has previously entered Cause Order 139-8 covering, among other sections, Section 11, Township 1 South, Range 4 West, Duchesne County, Utah. Pursuant to Cause Order 139-8, the initial test well for the drilling unit shall be located in the center of the NE/4 of the governmental section comprising such unit, with a tolerance of 660 feet in any direction.
4. No well has ever been drilled in Section 11.
5. Linmar Energy is a working interest owner in Section 11, Township 1 South, Range 4 West and has proposed that the initial test well be drilled at a location in Section 11 that is beyond the established tolerances authorized by the Board for permitted locations.

6. Bow Valley Petroleum Inc. is a working interest owner and lessee of record covering offsetting mineral interests in Sections 1, 3, 14 and 15 of Township 1 South, Range 4 West, all of which are contiguous to Section 11.

#### CONCLUSIONS OF LAW

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 the Petition and all parties interested therein and has jurisdiction to make and promulgate the order hereinafter set forth.
3. The permitted locations for initial test wells delineated in Cause Order 139-8 were established to provide orderly development in the field, prevent the waste of hydrocarbons, prevent the drilling of unnecessary wells and protect correlative rights.

#### ORDER

IT IS THEREFORE ORDERED:

1. This order is rendered to provide orderly development in the field, to prevent waste of oil, gas and associated hydrocarbons, to avoid the drilling of unnecessary wells and to protect correlative rights.
2. Upon the effective date hereof any and all orders of the Board heretofore promulgated which are inconsistent with the order herein set forth shall be and are hereby vacated to the extent inconsistent herewith.

3. The initial test well in Section 11, Township 1 South, Range 4 West, shall be drilled within the NE/4 of Section 11, so long as the initial well location is no closer than 660' from the exterior boundary of the drilling unit. The exact location for the initial well in the NE/4 of Section 11 may be selected by the operator and may be granted administratively without a hearing.
4. The Board retains continuing jurisdiction over all matters covered by this order, over all other applicable orders and over all parties affected thereby. In addition, the Board retains continuing jurisdiction to make further orders as appropriate and authorized by statute and applicable rule or regulation.

Entered and effective this 26th day of April, 1985.

BOARD OF OIL, GAS AND MINING  
STATE OF UTAH

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Gregory P. Williams, Chairman

Approval as to Form:

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Mark C. Moench,  
Assistant Attorney General

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

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IN THE MATTER OF THE PETITION OF LINMAR )  
ENERGY CORPORATION FOR AN EXCEPTION TO ) PROPOSED ORDER  
THE ORDER OF CAUSE 139-8 FOR SECTION )  
11, TOWNSHIP 1 SOUTH, RANGE 4 WEST, ) Docket No.: 85-015  
USM, DUCHESNE COUNTY, UTAH. ) Cause No.: 139-43

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The following members of the Board were present:

Gregory P. Williams, Chairman  
Charles R. Henderson  
John M. Garr  
Richard B. Larsen  
E. Steel McIntyre

Also present representing the Board:

Mark C. Moench, Assistant Attorney General

Also present representing the Division:

Dianne R. Nielson, Director  
Ronald J. Firth, Associate Director, Oil & Gas  
Barbara W. Roberts, Assistant Attorney General

Appearances were made as follows:

Robert W. Adkins, Attorney for Linmar Energy Corporation  
Ed Whicker, for Linmar Energy Corporation  
Evan Gentile, for Linmar Energy Corporation  
Jeffrey R. Young, Attorney for Bow Valley Petroleum Inc.  
Mark Wagner, for Bow Valley Petroleum Inc.

Now, therefore, the Board having considered the pleadings, the testimony adduced and the exhibits received in said hearing and being fully advised in the premises makes and enters the following:

FINDINGS OF FACT

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 the Petition and all parties interested therein and has jurisdiction to make and promulgate the order hereinafter set forth.
3. The Board has previously entered Cause Order 139-8 covering, among other sections, Section 11, Township 1 South, Range 4 West, Duchesne County, Utah. Pursuant to Cause Order 139-8, the initial test well for the drilling unit shall be located in the center of the NE/4 of the governmental section comprising such unit, with a tolerance of 660 feet in any direction.
4. No well has ever ben drilled in Section 11.
5. In order to encourage and promote the development and production of oil and gas in Section 11, it is reasonably necessary for the initial well in Section 11 to be drilled at the exception location proposed by Petitioners.

CONCLUSIONS OF LAW

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 the Petition and all parties interested therein and has jurisdiction to make and promulgate the order hereinafter set forth.
3. Pursuant to Section 40-6-6(2), Utah Code Annotated, 1953, as amended, the Board is authorized to modify its previous orders to permit an exception to the authorized location of a well when the Board finds such a modification to be reasonably necessary.

ORDER

IT IS THEREFORE ORDERED:

1. This order is rendered to provide orderly development in the field, to prevent waste of oil, gas and associated hydrocarbons, to avoid the drilling of unnecessary wells and to protect correlative rights.
2. Upon the effective date hereof any and all orders of the Board heretofore promulgated which are inconsistent with the order herein set forth shall be and are hereby vacated to the extent inconsistent herewith.

3. The Petition of Linmar Energy Corporation for an exception to the provisions of Cause No. 139-8 is granted so as to permit the drilling of the initial well in Section 11, Township 1 South, Range 4 West at a location 1520 feet from the South line and 1100 feet from the East line of Section 11.
4. No well shall be drilled in the SW/4 of Section 11, Township 1 South, Range 4 West, without further order of the Board.
5. The Board retains continuing jurisdiction over all matters covered by this order, over all other applicable orders and over all parties affected thereby. In addition, the Board retains continuing jurisdiction to make further orders as appropriate and authorized by statute and applicable rule or regulation.

Entered and effective this 26th day of April, 1985.

BOARD OF OIL, GAS AND MINING  
STATE OF UTAH

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Gregory P. Williams, Chairman

Approval as to Form:

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Mark C. Moench,  
Assistant Attorney General