

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 NATURAL GAS CORPORATION OF :
CALIFORNIA, FOR AN ORDER AMENDING : O R D E R
THE ORDER ISSUING CAUSE NO. 149-1, :
WITH RESPECT TO THE 320 ACRE : CAUSE NO. 149-2
DRILLING AND SPACING UNIT FOR :
SECTION 20, TOWNSHIP 16 S, RANGE :
25 E, S.L.B.M., GRAND COUNTY, UTAH

Pursuant to the Application of Natural Gas Corporation of California, this Cause came on for hearing before the Board of Oil, Gas and Mining, Department of Natural Resources of the State of Utah, at 9:00 A.M. on Wednesday, August 23, 1978, in the Executive Conference Room--Holiday Inn, 1659 West North Temple, Salt Lake City, Utah. The following Board members were present:

I. Daniel Stewart, Chairman, presiding
John Bell
Thadis Box
C. R. Henderson
E. Steele McIntyre
Glen Hatch

Also present were:

Cleon B. Feight, Director--Division of Oil, Gas & Mining
Patrick L. Driscoll, Chief Petroleum Engineer--
Division of Oil, Gas & Mining
Scheree Wilcox, Administrative Assistant--Division
of Oil, Gas & Mining
E. W. Guynn, District Oil & Gas Engineer--U.S.
Geological Survey

For the Applicant: Alan A. Enke, Esquire, Salt Lake City,
Utah.

Now, therefore, the Board, having considered the testimony adduced and the exhibits received at said hearing, and being fully advised in the premises, 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 in the form and manner and within the time required by law and by the rules and regulations of the Board.

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. By Order in Cause No. 149-1, the Board issued an Order with respect to Zone II Drilling Unit No. 37 and 38, wherein said drilling units are comprised of the Western 1/2 and the Eastern 1/2 of said Section 20, Township 16 South, Range 25 East, S.L.M.

4. Applicant is the owner of the entire working interest under certain federal oil and gas leases covering the following described lands, in Grand County, Utah:

Township 16 South, Range 25 East, S.L.M.

Section 20: E 1/2, NW 1/4

5. Anschutz Corporation is the owner of the entire working interest in and under certain federal oil and gas leases covering the following described land in Grand County, Utah:

Township 16 South, Range 25 East, S.L.M.

Section 20: SW 1/4

6. By letter dated August 22, 1978, Anschutz Corporation acknowledged receipt of the Notice of Hearing on Cause No. 149-2 and stated that "The Anschutz Corporation has objection to the request as set forth in the Application."

7. Exhibit A was introduced showing the location of an existing shut-in gas well known as the No. 41-20 Well, 611 feet from the East line of the section and 1,155 feet from the North line of the section in the NE 1/4 of Section 20. Exhibit A also showed the location of proposed Federal No. 1-20 Well located in the SE 1/4 of this section approximately 1,921 feet from the East line and 2,264 from the South line.

8. Exhibits B and C indicated that a fault separates the existing 41-20 Well from the proposed Federal 1-20 Well preventing the 41-20 Well from draining lands in the S 1/2 of Section 20.

ORDER

IT IS HEREBY ORDERED that Applicant's request to establish a 320 acre drilling and spacing unit in an East-West direction is denied.

IT IS FURTHER ORDERED that the Applicant is granted an exception from the Order in Cause No. 149-1 and is permitted to drill the proposed Federal No. 1-20 Well in the SE 1/4 of Section 20 1,921 feet from the East line and 2,264 feet from the South line as indicated on Exhibit A introduced into evidence.

ORDERED this 23rd day of August, 1978.

STATE OF UTAH, BOARD OF OIL,
GAS AND MINING

By *F. Daniel Stewart*
F. Daniel Stewart

By *John Bell*
John Bell

By *Thadis Box*
Thadis Box

By *C. R. Henderson*
C. R. Henderson

By *E. Steele McIntyre*
E. Steele McIntyre

By _____
Glen Hatch