

BEFORE THE BOARD OF OIL, GAS AND MINING

DEPARTMENT OF NATURAL RESOURCES

IN AND FOR THE STATE OF UTAH

RECEIVED

MAY 6 1981

IN THE MATTER OF THE APPLICATION *
OF TEXAS OIL AND GAS CORP. FOR AN *
ORDER EXTENDING DRILLING AND *
SPACING UNITS AS ESTABLISHED *
UNDER THIS BOARD'S ORDER IN CAUSE *
NO. 149-1 FOR THE CASTLEGATE *
MEMBER OF THE MESA VERDE *
FORMATION, THE BRUSHY BASIN *
MEMBER OF THE MORRISON FORMATION, *
THE SALT WASH MEMBER OF THE *
MORRISON FORMATION, THE DAKOTA, *
CEDAR MOUNTAIN AND ENTRADA *
FORMATIONS, UNDERLYING SECTION 31 *
OF TOWNSHIP 15 SOUTH, RANGE *
23 EAST, S.L.M., UINTAH COUNTY, *
UTAH *

DIVISION OF
OIL, GAS & MINING
ORDER

Cause No. 149-8

Pursuant to an application of Texas Oil and Gas Corp., 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 o'clock 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., 1100 Kennecott Building, Salt Lake City, Utah, 84133; for Texaco, Inc., Lou Amich.

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 G. W. Anderson this Board issued its Order in Cause No. 149-1 under date of March 14, 1973 establishing drilling units of uniform size and shape with respect to certain lands therein more particularly described as being situate in Townships 15-1/2 and 16 South, Ranges 24 and 25 East, S.L.M.

2. Said Order provided for drilling units of between 280 and 320 surface acres, according to the Government survey for said lands, and included in said lands the Dakota, Morrison, Salt Wash, Cedar Mountain, Entrada and Buckhorn Formations and the Castlegate Member of the Mesa Verde Group.

3. The Applicant has applied for an Order extending drilling and spacing units as established under this Board's Order in said Cause No. 149-1 for said formations underlying Section 31, Township 15-1/2 South, Range 23 East, S.L.M., Uintah County, Utah, and the spacing units applied for being more particularly described as follows:

Drilling Unit No. 1:

Section 31: Lots 1 and 2, E1/2NW1/4
NE1/4

(Containing 319.93 acres, more or less)

Drilling Unit No. 2

Section 31: SE1/4, NE1/4SW1/4

(Containing 200 acres, more or less)

4. Sufficient evidence now being available upon which to reach a decision, with the concurrence of Texaco, Inc. in the applied for spacing units, and in the absence of objection, the Board issues the following:

ORDER

IT IS HEREBY ORDERED by this Board as follows:

To prevent the waste of oil, gas and associated hydrocarbons, to avoid the drilling of unnecessary wells, to protect correlative rights and to establish drilling units/zones of uniform size and shape, the Board hereby extends its Order heretofore entered in Cause No. 149-1 and Orders and Decrees as follows:

With respect to said Section 31 a well shall be permitted for drilling in said section in the following spacing unit as more particularly described as follows, to wit:

Township 15 South, Range 23 East, S.L.M.

Drilling Unit No. 1

Section 31: Lots 1 and 2, E1/2NW1/4, NE1/4
(Containing 319.93 acres, more or less)

Drilling Unit No. 2

Section 31: SE1/4, NE1/4SW1/4
(Containing 200 acres, more or less)

for the Dakota, Cedar Mountain, Castlegate and Morrison Formations underlying said drilling and spacing units.

A well shall be permitted on said units (as to which there is not presently a well drilled or a well proposed to be drilled as herein designated) 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.

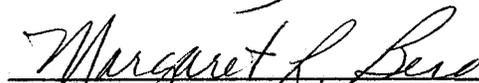
BOARD OF OIL, GAS AND MINING
OF THE STATE OF UTAH


CHARLES R. HENDERSON, Chairman


JOHN L. BELL


STEELE MCINTYRE


EDWARD T. BECK


MARGARET L. BIRD

ROBERT R. NORMAN