

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 ODEGARD RESOURCES, INC. FOR *
AN ORDER EXTENDING THIS BOARD'S *
ORDER ENTERED IN CAUSE NO. 149-1 *
ESTABLISHING DRILLING AND SPACING *
UNITS FOR THE CASTLEGATE MEMBER *
OF THE MESA VERDE FORMATION, THE *
MORRISON, DAKOTA, CEDAR MOUNTAIN, *
ENTRADA AND BUCKHORN FORMATIONS *
UNDERLYING SECTION 35 OF TOWNSHIP *
15-1/2 SOUTH, RANGE 24 EAST, *
S.L.M., GRAND COUNTY, UTAH *

O R D E R

Cause No. 149-11

Pursuant to the application of Odegard Resources, Inc., this cause came on for hearing before the Board of Oil, Gas and Mining, Department of Natural Resources, State of Utah, on Thursday, August 27, 1981, at 10:00 A.M., in the Wildlife Resources Auditorium, 1598 West North Temple, Salt Lake City, Utah. The following Board members were present:

Charles R. Henderson, Chairman, presiding
Herm Olsen
Margaret Bird
John L. Bell
E. Steele McIntyre

Appearances were made as follows: For Odegard Resources, Inc. (the applicant), Hugh C. Garner, Esq., 1100 Kennecott Building, Salt Lake City, Utah, 84133-1193.

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:

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 this Board.

2. The Board has jurisdiction over the matter covered by said Application and over all interested parties and has jurisdiction to make and promulgate the Order hereinafter set forth.

3. 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.

4. 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.

5. The Applicant has applied for an Order extendind drilling and spacing untis established under this Board's Order in said Cause No. 149-1 for said formations underlying Section 35 of Township 15-1/2 South, Range 24 East, S.L.M., Grand County, Utah

6. The Applicant, on its own motion, has requested that its application be modified to recite that the lands which are the subject of this application be located in Grand County, Utah rather than in Uintah County, Utah.

Sufficient evidence now being available upon which to reach a decision, the Board issued the following:

ORDER

IT IS HEREBY ORDERED BY THIS BOARD AS FOLLOWS:

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, the Board hereby extends its Order heretofore entered in Cause No. 149-1 and orders and decrees as follows;

As to Section 35, Township 15-1/2 South, Range 24 East, S.L.M., wells shall be permitted for drilling in said Section to provide for two drilling and spacing units running in a North-South direction as follows: Unit No. 1, comprising Lots 3 and 4 and the SW1/4 of said Section 35, totaling 227.06 acres, more or less, and Unit No. 2, comprising Lots 1 and 2 and the SE1/4 of said Section 35, totaling 227.18 acres, more or less, for the Dakota, Cedar Mountain,

Morrison, Salt Wash, Entrada and Buckhorn Formations and the Casetlegate Member of the Mesa Verde Group underlying said drilling and spacing units.

The permitted well for each drilling unit shall be located no closer than 500 feet from the drilling units boundary and no closer than 2,000 feet from any other gas well which is producible from the same sand interval or zone, provided that an exception to said location may be granted without a hearing, where topographical exception is deemed necessary.

That well presently drilling in the SE1/4 of said Section 35, denominated as the No. 1 Arco Federal is hereby designated as the unit well for that drilling spacing unit.

Subject to an Order to Show Cause relating to the location of the spaced lands in Grand County, Utah, this Order shall become final September 24, 1971.

DATED this 27th day of August, 1981.

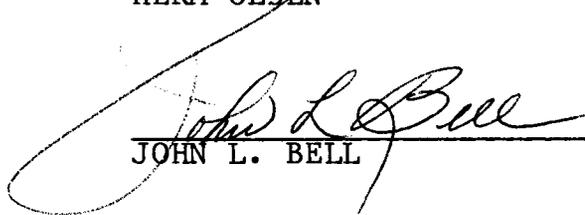
BOARD OF OIL, GAS AND MINING
STATE OF UTAH



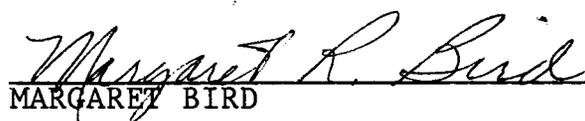
CHARLES R. HENDERSON, Chairman



HERM OLSEN



JOHN L. BELL



MARGARET BIRD



E. STEELE McINTYRE