

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 APPLICATION	*	ORDER
OF TXO PRODUCTION CORPORATION	*	
FOR AN ORDER DESIGNATING THE	*	CAUSE NO. 149-21
NICOR FEDERAL NO. 2 WELL AS THE	*	
DRILLING UNIT WELL FOR THE	*	
DRILLING UNIT COMPRISING THE	*	
E/2 OF SECTION 28, TOWNSHIP	*	
16 SOUTH, RANGE 25 EAST, S.L.M.,	*	
GRAND COUNTY, UTAH	*	

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Pursuant to the Application of TXO Production Corporation, this Cause came on for hearing before the Board of Oil, Gas and Mining, Department of Natural Resources, State of Utah, on Thursday, April 28, 1983 at 10:00 A.M. in Room 320 of the State Capitol Building, Salt Lake City, Utah. The following Board members were present:

Charles R. Henderson, Chairman  
Margaret Bird  
E. Steele McIntyre  
John L. Bell  
Robert R. Norman

Appearances were made as follows: for TXO Production Corporation (Applicant), James W. Carter, Esq., 310 South Main Street, Suite 1400, Salt Lake City, Utah, 84101.

NOW THEREFORE, the Board having considered the testimony adduced 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 the Board.

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

3. This Board has previously entered its Order in Cause No. 149-1 establishing 320-acre drilling and spacing units for the Dakota and Morrison Formations underlying Section 28 and others of Township 16 South, Range 25 East, S.L.M., Grand County, Utah.

4. This Board has also entered its Order in Cause No. 149-15 authorizing the drilling and testing of the Nicor Federal No. 2 Well located in the SE1/4 of Section 28, Township 16 South, Range 25 East, S.L.M., Grand County, Utah.

5. The drilling unit well for the drilling unit comprising the E1/2 of Section 28, Township 16 South, Range 25 East, S.L.M., Grand County, Utah, is currently the Nicor Federal No. 1 Well.

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

ORDER

IT IS HEREBY ORDERED by this Board as follows:

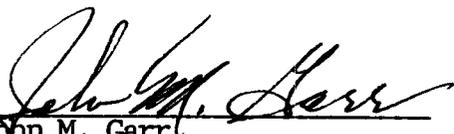
1. In the interest of the prevention of physical waste of oil, gas and associated hydrocarbons, and the achievement of the greatest ultimate recovery thereof, the Board hereby designates the Nicor Federal No. 2 Well located in the SE1/4 of Section 28, Township 16 South, Range 26 East, as the designated drilling unit well for the drilling and spacing unit comprising the E1/2 of Section 28, Township 16 South, Range 25 East, S.L.M., Grand County, Utah.

2. The Nicor Federal No. 1 Well shall be shut-in and not produced without further order of this Board.

3. Completion of and production from the Nicor Federal No. 2 Well shall be in compliance with the Orders of this Board and all applicable state and federal regulations.

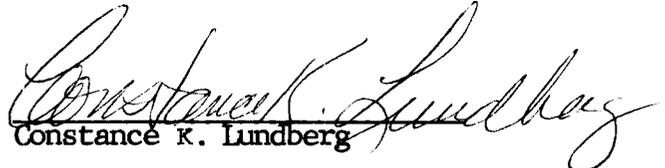
DATED this 23rd day of June, 1983.

STATE OF UTAH  
BOARD OF OIL, GAS AND MINING

  
\_\_\_\_\_  
John M. Garr

\_\_\_\_\_  
Charles R. Henderson

  
Richard B. Larsen

  
Constance K. Lundberg

  
E. Steele McIntyre

  
Dianne R. Nielson

  
Gregory P. Williams