

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

IN THE MATTER OF THE PETITION)	
OF W. C. INVESTMENTS, LTD.,)	
FOR AN AMENDMENT TO THE)	FINDINGS OF FACT,
ORDERS ISSUED IN CAUSES)	
NOS. 173-1 AND 173-2 TO)	CONCLUSIONS OF LAW
PERMIT THE ESTABLISHMENT)	
OF 160-ACRE DRILLING AND)	AND ORDER
SPACING UNITS FOR GAS AND)	
RELATED HYDROCARBONS FROM)	CAUSE NO. 173-7
THE WASATCH FORMATION IN)	
SECTION 30, T-8-S, R-21-E,)	DOCKET NO. 84-055
S.L.M., IN THE NORTH DUCK)	
CREEK FIELD OF UINTAH COUNTY,)	
UTAH.)	

This cause was heard before the Board of Oil, Gas & Mining pursuant to due and proper Petition and Notice at the Board's regular meeting held at 10:00 a.m. on September 27, 1984 in the Price City Municipal Building at Price, Utah. The following Board members were present and participated in the Hearing:

Gregory P. Williams, Presiding
E. Steele McIntyre
Charles R. Henderson
Constance K. Lundberg
James W. Carter
John M. Garr
Richard B. Larsen

Also present were Dr. Dianne Nielsen, Director, Ronald J. Firth, Assistant Director for Oil and Gas, John R. Baza, Petroleum Engineer for the Utah Division of Oil, Gas & Mining, and Barbara W. Roberts, Assistant Attorney General. Representing the Petitioner was Robert G. Pruitt, Jr., and Donald Coombs, Petroleum Engineer, testified as a witness. Ron Beamer, of Conoco, Inc. in Casper, Wyoming, made a statement to the Board regarding this cause.

Based upon the testimony and statements made at the Hearing, the Board makes and enters the following:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Due and proper notice was given to all interested parties, and the Board has jurisdiction to hear this matter and to enter the Order set forth herein.

2. On February 22, 1978 the Board established 320 drilling and spacing units for the production of gas and associated hydrocarbons from the Wasatch and Mesa Verde formations underlying subject Section 30, together with 26 other sections in the vicinity. This Order was made permanent by the Board's Order in Cause No. 173-2 on April 25, 1979.

3. The Wasatch formation underlying Section 30 consists of lenticular, disconnected sands, and Section 30 is underlain by a zone of the spaced pool that is distinct geologically from the rest of the pool.

4. Due to the geologic character of the zone of the spaced pool underlying Section 30, one well will not economically and efficiently drain the gas contained in 320 acres within the Wasatch formation underlying Section 30.

5. Due to the geologic character of the zone of the spaced pool of gas and associated hydrocarbons underlying Section 30, one well will economically and efficiently drain 160 acres within the Wasatch formation. A 160-acre drilling unit is no larger than the maximum area that can be efficiently and economically drained by one well.

6. Drilling units of 160 acres, comprising each governmental quarter section, should be established as separate drilling units for Section 30 to prevent waste of gas and associated hydrocarbons, to avoid the drilling of unnecessary wells, and to protect the correlative rights of all parties holding interest in the area.

7. The permitted well for each governmental quarter section should be in the center of the quarter section, with a tolerance of 660 feet in any direction, so long as there is less than 1,320 feet between wells producing gas and associated hydrocarbons from the Wasatch formation.

8. The mineral ownerships within Section 30 are uniform and diversity of mineral ownership does not present a barrier to downspacing within Section 30.

Pursuant to the foregoing Findings of Fact and Conclusions of Law, the Board makes the following:

ORDER

1. The Orders in Cause Nos. 173-1 and 173-2 are hereby vacated with respect to Section 30, Township 8 South, Range 21 East, SLM.

2. Drilling units of 160 acres, comprising each governmental quarter section, are hereby established for the development and production of gas and associated hydrocarbons from the Wasatch formation underlying Section 30, Township 8 South, Range 21 East, SLM.

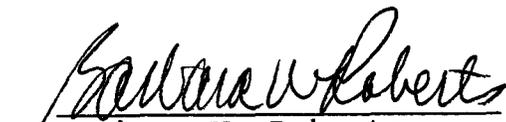
3. The location of each permitted well shall be in the center of the governmental quarter section, with a tolerance of 660 feet in any direction, so long as there is not less than 1,320 feet between wells producing gas and associated hydrocarbons from the Wasatch formation. The Division is given authority to permit exception location for topographical reasons by administrative approval, without the necessity of a full hearing before the Board.

4. The Board retains continuing jurisdiction over all matters covered by this Order, and over all parties affected thereby.

Entered this 27th day of September, 1984.


Gregory P. Williams, Chairman
Board of Oil, Gas & Mining

APPROVED AS TO FORM:


Barbara W. Roberts,
Assistant Attorney General