

BEFORE THE BOARD OF OIL, GAS AND MINING  
DIVISION 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 : O R D E R  
OF CONTINENTAL OIL COMPANY FOR AN :  
ORDER ESTABLISHING TEMPORARY DRILL- :  
ING UNITS FOR CERTAIN LANDS SITUATE : Cause No. 174-1  
IN UINTAH COUNTY, UTAH :  
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Pursuant to due notice by the Board of Oil, Gas and Mining dated February 3, 1978, this cause came on regularly for hearing before the Board of Oil, Gas and Mining, Department of Natural Resources of the State of Utah at 10:00 A.M., on Wednesday, February 22, 1978, in the Executive Conference Room of the Holiday Inn, 1659 West North Temple, Salt Lake City, Utah. The following Board members were present:

I. Daniel Stewart, Chairman, Presiding  
Charles R. Henderson  
C. Ray Juvelin

Also present:

Cleon B. Feight, Director & Secretary

Appearances were made as follows:

For Continental Oil Company: Sheridan L. McGarry, Esq.

U.S.G.S.: William Martins

Belco Petroleum Corporation: John Dunwald

Gas Producing Enterprises, Inc.: Gene Hoeflin

NOW, THEREFORE, the Board having fully considered all motions, the testimony adduced, and the Exhibits received at said hearing, and being fully advised in the premises, now makes and enters the following

FINDINGS

1. That 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 the Rules and Regulations of the Division.

2. That the Division has jurisdiction over all matters covered by said notices and over all parties interested therein and has the power and authority to make and promulgate the Order hereinafter set forth.

3. That one well within a 320 acre drilling unit will efficiently and economically drain the recoverable gas and associated hydrocarbons from the hereinafter described lands, and that a 320 acre drilling unit is not larger than the maximum area that can be efficiently and economically drained by one well.

4. That in order to prevent waste of gas and associated hydrocarbons, to avoid drilling unnecessary wells and to protect correlative rights, the interval to be spaced should include the Wasatch-Mesaverde formations defined as that interval below the stratigraphic equivalent of 4,397 feet down to and including the stratigraphic equivalent of 8,568 feet, as shown on the dual induction-laterlog of the Chorney Oil Company and Pacific Gas Transmission Company South Redwash Federal 1-18 located in the NW $\frac{1}{4}$ NE $\frac{1}{4}$  of Sec. 18, T. 9 S., R. 24 E., S.L.M., Uintah County, Utah, underlying the lands described hereinafter.

5. That horizontal drilling units should be established comprising each governmental one-half section, or governmental lots corresponding thereto, i.e., 320 acres, more or less, for the interval described above in paragraph 4 covering the lands hereinafter described.

6. That the location for each permitted well within the north half of each section should be in the center of the NW $\frac{1}{4}$ , and that the location for each permitted well within the south half of each section should be in the center of the SE $\frac{1}{4}$ , with a tolerance of 660 feet in any direction, and with not less than 2640 feet between wells.

7. That the establishment of said horizontal 320 acre drilling units should be for a temporary period of one year from entry

of this Order.

Pursuant to the foregoing Findings of Fact, the Board hereby makes the following

O R D E R

1. The lands in Uintah County, State of Utah, known and believed to be underlain by gas and associated hydrocarbons that can be produced from the designated interval of the Wasatch-Mesaverde formations are as follows:

T. 9 S., R. 23 E., S.L.M.

Sec. 13: All

Sec. 14: All

Sec. 15: All

2. The 320 horizontal drilling units be and the same are hereby established covering the lands described above in paragraph 1 for the development and production of gas and associated hydrocarbons from the Wasatch-Mesaverde formation is hereby defined as that interval below the stratigraphic equivalent of 4,397 feet down to and including the stratigraphic equivalent of 8,568 feet, as shown on the dual induction-laterlog of Chorney Oil Company and Pacific Gas Transmission Company South Redwash Federal 1-18 located in the NW $\frac{1}{4}$ NE $\frac{1}{4}$  of Sec. 18, T. 9 S., R. 24 E., S.L.M., Uintah County, Utah.

3. That the location for each permitted well within the north half of each section shall be in the center of the NW $\frac{1}{4}$ , and that the location for each permitted well within the south half of each section shall be in the center of the SE $\frac{1}{4}$ , with a tolerance of 660 feet in any direction and with not less than 2640 feet between wells.

4. That the establishment of said horizontal 320 acre drilling units shall be for a temporary period of one year from the entry of this order.

IT IS FURTHER ORDERED:

A. That during the said one-year temporary period, the Division, on its own motion, may call a hearing to hear any new evidence as to any matter herein set forth.

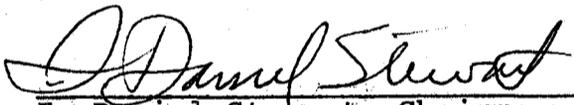
B. That during the said temporary one-year period, any interested party may file an application requesting a hearing to present any new evidence concerning any matter herein set forth.

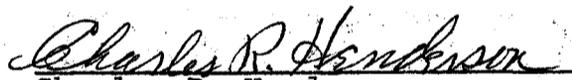
C. That the Division desires ultimate uniform well spacing within the area spaced herein.

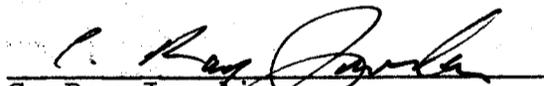
D. That the Division retains continuing jurisdiction over all matters covered by this Order and all other applicable orders and over all parties affected thereby and particularly that the Division retains and reserves continuing jurisdiction to make further orders as it may deem appropriate and as authorized by statute and applicable regulations.

ENTERED this 22 day of February, 1978.

BOARD OF OIL, GAS AND MINING

  
I. Daniel Stewart, Chairman

  
Charles R. Henderson

  
C. Ray Juvelin