

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) AMENDED
PETRODYNE PRODUCTION COMPANY FOR AN) ORDER
EXCEPTION TO THE WILDCAT WELL SPACING)
PATTERN ESTABLISHED BY RULE C-3, OF THE) CAUSE NO. 187-1
GENERAL RULES AND REGULATIONS OF THE)
OIL AND GAS CONSERVATION DIVISION)

Pursuant to the Application of Petrodyne Production Company, this Cause came on for Hearing before the Board of Oil, Gas and Mining, Department of Natural Resources, State of Utah on Wednesday, May 28, 1980, at 10:00 a.m., in the Wildlife Resources Auditorium, 1596 West North Temple, Salt Lake City, Utah.

The following Board members were present:

Ray C. Juvelin, Steele McIntyre, Edward T. Beck.

Appointed by the Board as Hearing Examiner and sitting with the Board in this matter was Cleon B. Feight.

The following Staff members of the Board were present:

Mike Minder, Geological Engineer; Denise Dragoo, Special Assistant Attorney General.

Appearances were made as follows: for Petrodyne Production Company ("the Applicant"), Don Reitz.

NOW THEREFORE, the Board, having heard the testimony of the witnesses and having considered the evidence and being advised in the premises, now makes and enters the following:

FINDINGS OF FACT:

The Board finds as follows:

1. That due notice of the time, place, and purpose of the hearing has been given in all respects as required by law.
2. That the Board has jurisdiction over the subject matter embraced in said notice and of the parties interested therein, and jurisdiction to promulgate the hereinafter prescribed order.
3. That there is one producing sand interval or zone in this area,
to-wit:

Morrison Formation
4. That the geological strata in this area is a northwesterly plunging anticlinal nose which is a subtle extension of the split mountain anticline immediately to the East.

5. That there has been no development in the Jensen area.

6. That all available geological and engineering data concerning the Jensen area indicates that this is primarily a gas producing area of fairly shallow sands and low pressure.

7. That most of the development has taken place in:

Township 5 South, Range 23 East
Section: 21

8. That all available geological and engineering data concerning the said Jensen area indicates that the producing sands are relatively shallow, of low pressure Lenticular and are Channel or Bar type and extremely narrow and thin compared to other producing areas in Utah.

9. That the only operator in the Jensen Area is of the opinion, that to insure proper and efficient development and to promote conservation of the gas resources of the State, an order should be made establishing 160-acre spacing for the drilling of wildcat wells in this area.

CONCLUSION

IT IS THEREFORE FOUND BY THE BOARD that:

1. It is feasible at this time to establish a special area spacing rule for the Jensen area.

2. That there has been sufficient showing that the conservation of gas and the prevention of waste would be best served by establishing a special area spacing rule for the Jensen area.

ORDER

NOW, THEREFORE, IT IS ORDERED that the following rule shall hereafter apply to the drilling of wells in the Jensen area, Uintah County, Utah, more particularly described as follows:

Township 5 South, Range 23 East
Section: 21

in addition to other applicable rules, regulations and orders of the Board, if any, heretofore adopted and not in conflict herewith.

RULE 1. All wells drilled into the Morrison Formation sand underlying the following described acreage to-wit:

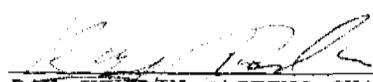
Township 5 South, Range 23 East
Section: 21

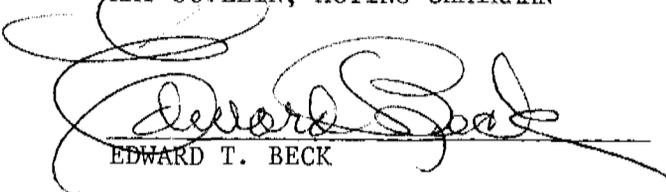
and to a depth not to exceed 1500', shall be drilled on 160-acre spacing within 660 feet from the center of any legal subdivision comprising a governmental quarter section or equivalent lot or lots

of comparable size and location and not less than 1320 feet from any
producible gas well, unless otherwise specifically permitted by order
of the Board after notice and hearing.

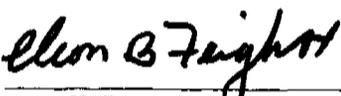
ORDERED this 28th day of May, 1980.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
BOARD OF OIL, GAS, AND MINING


RAY JUVELIN, ACTING CHAIRMAN

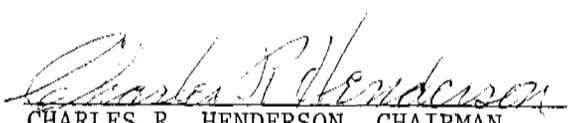

EDWARD T. BECK

APPROVED


CLEON B. FEIGHT
HEARING EXAMINER


E. STEEL MCINTYRE

Charles R. Henderson, Chairman of the Board, reviewed the transcripts and
exhibits of the proceeding and being fully advised in the premises, is in
accord with the action herein taken.


CHARLES R. HENDERSON, CHAIRMAN

PETRODYNE PRODUCTION COMPANY
3489 WEST 72ND AVENUE - SUITE 109 428-8713
WESTMINSTER, COLORADO 80030

July 25, 1980

RECEIVED
JUL 26 1980

DIVISION OF
OIL, GAS & MINING

Mr. Jack Feight
Utah Department of Oil, Gas and Mining
1588 West, North Temple
Salt Lake City, Utah 84116

RE: Cause #187-1
Gas Well Spacing
Section 21-T5S-R23E
Uintah County, Utah

Dear Mr. Feight:

This is to inform you of an error on Cause #187-1 Ordered May 28, 1980. To wit the particularly described area reads as follows:

Township 5 South, Range 21 East
Section: 21

should read:

Township 5 South, Range 23 East
Section: 21

Apparently the above mentioned constitutes a typographical error and does not otherwise change any substantive points of the Order.

Would you please notify us of whatever is necessary to correct the above mentioned.

Yours very truly,

PETRODYNE PRODUCTION COMPANY



Wm. E. Freeman
Exploration Manager

WEF/cv
Enc.

JUL 25 1980

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Section: 21

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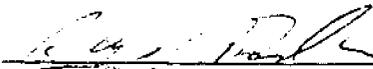
Township 5 South, Range 21 East
Section: 21

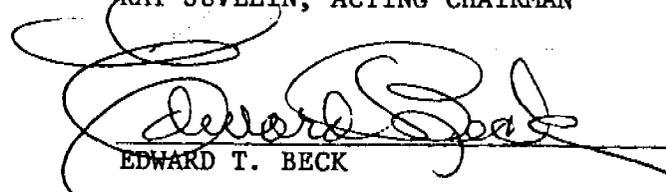
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of comparable size and location and not less than 1320 feet from any
producible gas well, unless otherwise specifically permitted by order
of the Board after notice and hearing.

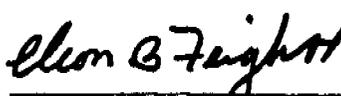
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BOARD OF OIL, GAS, AND MINING


RAY JUVELIN, ACTING CHAIRMAN

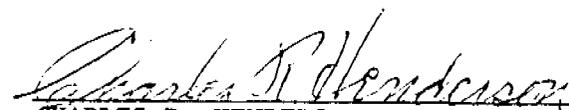

EDWARD T. BECK

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CLEON B. FEIGHT
HEARING EXAMINER


E. STEEL MCINTYRE

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CHARLES R. HENDERSON, CHAIRMAN