

BEFORE THE BOARD OF OIL, GAS AND MINING  
DEPARTMENT OF NATURAL RESOURCES AND ENERGY  
in and for the STATE OF UTAH

IN THE APPLICATION OF DAVIS )  
OIL COMPANY FOR AN ORDER )  
ESTABLISHING 80-ACRE DRILLING) )  
AND SPACING UNITS FOR THE )  
NORTH PINEVIEW FIELD OF )  
SUMMIT COUNTY, UTAH )

Cause No. 203-1

ORDER DENYING MODIFICATION

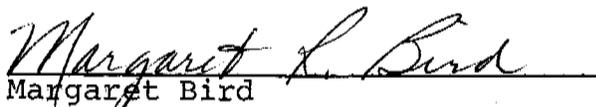
On December 30, 1982, this Board heard the Application by Davis Oil Company to modify the Amended Order in Cause No. 203-1 entered on November 30, 1982. Having considered the arguments and statements of counsel of all parties concerned, the Board hereby denies the Application of Davis Oil Company to modify or further amend the Amended Order.

Entered this 30th day of December, 1982.

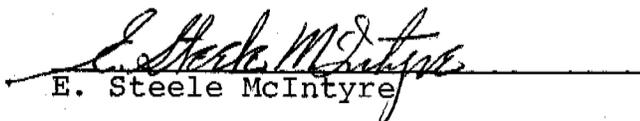
BOARD OF OIL, GAS AND MINING

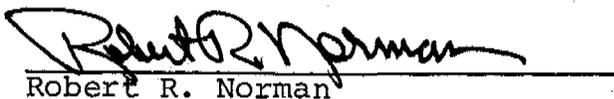
Edward T. Beck

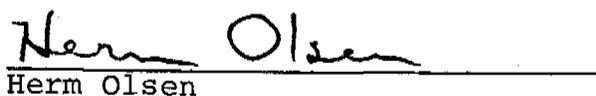
  
John L. Bell

  
Margaret Bird

  
Charles R. Henderson

  
E. Steele McIntyre

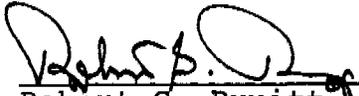
  
Robert R. Norman

  
Herm Olsen

APPROVED AS TO FORM:



Frank Douglass  
Attorney for American Quasar  
Petroleum Company



Robert G. Pruitt, Jr.  
Attorney for Davis Oil Company

Staff:



Cleon B. Feight

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

IN THE APPLICATION OF  
DAVIS OIL COMPANY FOR AN ORDER  
ESTABLISHING 80-ACRE DRILLING  
AND SPACING UNITS FOR THE NORTH  
PINEVIEW FIELD OF SUMMIT COUNTY,  
UTAH

AMENDED  
FINDINGS OF FACT,  
CONCLUSIONS OF LAW  
AND ORDER

Cause No. 203-1

This matter was heard before the Utah Board of Oil, Gas and Mining at 8:30 a.m. on Friday, October 29, 1982, in Room 303 of the State Capitol Building at Salt Lake City, Utah. The following Board members (constituting a quorum of the Board) were present and in accordance with law participated in the hearing and the decision resulting in this Order:

Herm Olsen, Presiding  
Robert R. Norman  
John L. Bell  
E. Steele McIntyre  
Edward T. Beck

Also present and participating on behalf of the Division of Oil, Gas and Mining were:

Cleon B. Feight, Director of the Division  
Ron J. Firth, Chief Petroleum Engineer  
Carolyn Driscoll, Attorney

Present and participating on behalf of the Minerals Management Service (formerly U.S. Geological Survey) was Ed W. Guynn, District Petroleum Engineer.

Appearances were made as follows:

For Davis Oil Company:

Robert G. Pruitt, Jr., Esq.  
Pruitt, Gushee & Fletcher  
Salt Lake City, Utah

and

William F. Drew, Esq.  
Brown, Drew, Apostolos,  
Massey & Sullivan  
Casper, Wyoming

For Amoco Production Co.:

Gary L. Paulsen, Esq.  
Amoco Production Company  
Denver, Colorado

For American Quasar Petroleum  
Company of New Mexico:

Frank Douglass, Esq.  
Scott, Douglass & Keaton  
Austin, Texas

For The Anschutz Corporation:

Ted P. Stockmar, Esq.  
Holme, Roberts & Owen  
Denver, Colorado

NOW, THEREFORE, having considered the testimony presented, the evidence and exhibits introduced and the statements made by all parties participating in the hearing, and being fully advised in the premises, the Board now makes and enters the following:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Due and regular notice of the time, place and purpose of the hearing in Cause No. 203-1 was given to all interested parties as required by law and the rules and regulation of the Board.

2. The Board has jurisdiction over the matters covered by Cause No. 203-1 and over the parties therein, and the Board has jurisdiction to make and promulgate the Order herein-after set forth.

3. The application of Davis Oil Company in Cause No. 203-1 complies in all respects with the rules and regulations of the Board.

4. It is necessary, in order to prevent waste and to protect correlative rights, that drilling and spacing units for the production of oil, gas and related hydrocarbons from the Nugget formation shall be established for the following described lands in Summit County, Utah:

Township 3 North, Range 7 East, SLM

Section 25: W 1/2  
Section 26: All  
Section 35: N 1/2  
Section 36: NW 1/4

5. The Nugget formation beneath the above described lands constitutes a "pool" and one well producing oil, gas and associated hydrocarbons from the Nugget formation underlying the above described lands will efficiently and economically drain the recoverable oil, gas

and associated hydrocarbons underlying 80 surface acres, and 80 surface acres is not smaller, nor greater, than the maximum area that can be efficiently and economically drained by one well.

6. The discovery well for the North Pineview Field is designated as the Logan Federal No. 1 well drilled by Davis Oil Company in the SE 1/4 NE 1/4 of Section 26, and the initial drilling unit for said discovery well should be the E 1/2 NE 1/4 of said Section 26.

7. Permitted wells within the spaced area should be drilled and completed in the Nugget formation on an orderly pattern, approximately equidistant from each other, so that the completion zone in the Nugget formation for the permitted well locations shall be in the NW 1/4 and the SE 1/4 of each quarter section, nor more than 200 feet from the center of the quarter-quarter section.

8. The designated drilling and spacing unit for each permitted well should be the E 1/2 and the W 1/2 of each quarter section in order to conform to the initial drilling unit for the discovery well. However, upon the application of the operator of a new well, the drilling and spacing unit for such well may be established as either the S 1/2 or the N 1/2 of such quarter section by the operator.

9. The reservoir underlying the subject lands is a retrograde system having a dew point currently measured at 4731 psi.

IN ACCORDANCE with the above Findings of Fact and Conclusions of Law, the Board hereby makes the following:

ORDER

1. Drilling and spacing units for the production of oil, gas and related hydrocarbons from the Nugget formation shall be 80 acres in size for the following described lands:

Township 3 North, Range 7 East, SLM

Section 25: W 1/2  
Section 26: All  
Section 35: N 1/2  
Section 36: NW 1/4

2. The completion zone in the Nugget formation of the permitted wells within the spaced area shall be in the NW 1/4 and the SE 1/4 of each quarter section, with the completion zone for the permitted well no more than 200 feet from the center of the quarter-quarter section.

3. The drilling and spacing unit for the Logan Federal No. 1 well shall be the E 1/2 NE 1/4 of Section 26 and other drilling and spacing units for the subject lands shall be comprised of the E 1/2 and the W 1/2 of each surveyed quarter section or the operator of a new well may designate the S 1/2 or the N 1/2 of a quarter section as the drilling and spacing unit for such well.

4. The operator of each well shall be required to take a bottom hole pressure test for each well every thirty (30) days and promptly report the results to the Division of Oil, Gas and Mining until further Order of this Board.

5. Until a pressure maintenance system is approved by this Board and placed in operation for any well, production of gas and condensate from each such well within the spaced area may not exceed 350 barrels of condensate per day and 4 million cubic feet of gas per day, as long as the reservoir pressure is 150 psi or more above the retrograde dew point. If any bottom hole pressure test referred to above shows that the reservoir pressure is less than 150 psi above the retrograde dew point, all production from such well shall forthwith cease and said well shall be shut-in until the pressure in the well separately measured can be maintained

at least 150 psi above the dew point, or until further Order of this Board.

6. The operator of the Logan Federal No. 1 discovery well is ordered to obtain a further sample of the reservoir fluid and have the same tested to measure and confirm the actual dew point of the retrograde reservoir.

7. The Board retains continuing jurisdiction over all matters covered by this Order and over all parties affected thereby, for the purpose of making further Orders as it may deem appropriate and as may be authorized by statute and applicable regulations.

Entered this 29th day of October, 1982.

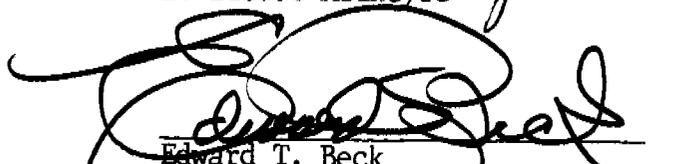
BOARD OF OIL, GAS AND MINING

  
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DEPARTMENT OF NATURAL RESOURCES  
STATE OF UTAH

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ESTABLISHING 80-ACRE DRILLING )	FINDINGS OF FACT,
AND SPACING UNITS FOR THE NORTH )	CONCLUSIONS OF LAW
PINEVIEW FIELD OF SUMMIT COUNTY,) )	AND ORDER
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1. Due and regular notice of the time, place and purpose of the hearing in Cause No. 203-1 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 matters covered by Cause No. 203-1 and over the parties therein, and the Board has jurisdiction to make and promulgate the Order hereinafter set forth.

3. The application of Davis Oil Company in Cause No. 203-1 complies in all respects with the rules and regulations of the Board.

4. It is necessary, in order to prevent waste and to protect correlative rights, that drilling and spacing units for the production of oil, gas and related hydrocarbons from the Nugget formation shall be established for the following described lands in Summit County, Utah:

Township 3 North, Range 7 East, SLM

Section 25: W $\frac{1}{2}$   
Section 26: All  
Section 35: N $\frac{1}{2}$   
Section 36: NW $\frac{1}{4}$

5. The Nugget formation beneath the above described lands constitutes a "pool" and one well producing oil, gas and associated hydrocarbons from the Nugget formation underlying the above described lands will efficiently and economically

drain the recoverable oil, gas and associated hydrocarbons underlying 80 surface acres, and 80 surface acres is not smaller, nor greater, than the maximum area that can be efficiently and economically drained by one well.

6. The discovery well for the North Pineview Field is designated as the Logan Federal No. 1 well drilled by Davis Oil Company in the SE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 26, and the initial drilling unit for said discovery well should be the E $\frac{1}{2}$ NE $\frac{1}{4}$  of said Section 26.

7. Permitted wells within the spaced area should be drilled and completed in the Nugget formation on an orderly pattern, approximately equidistant from each other, so that the completion zone in the Nugget formation for the permitted well locations shall be in the NW $\frac{1}{4}$  and the SE $\frac{1}{4}$  of each quarter section, nor more than 200 feet from the center of the quarter-quarter section.

8. The designated drilling and spacing unit for each permitted well should be the E $\frac{1}{2}$  and the W $\frac{1}{2}$  of each quarter section in order to conform to the initial drilling unit for the discovery well. However, upon the application of the operator of a new well, if all affected working interest owners within a quarter section consent thereto in writing, the drilling and spacing unit for such well may be established as either the S $\frac{1}{2}$  or the N $\frac{1}{2}$  of such quarter section by administrative action of the Director.

9. The reservoir underlying the subject lands is a retrograde system having a dew point currently measured at 4731 psi.

IN ACCORDANCE with the above Findings of Fact and Conclusions of Law, the Board hereby makes the following:

ORDER

1. Drilling and spacing units for the production of oil, gas and related hydrocarbons from the Nugget formation shall be 80 acres in size for the following described lands:

Township 3 North, Range 7 East, SLM

Section 25:  $W\frac{1}{2}$   
Section 26: All  
Section 35:  $N\frac{1}{2}$   
Section 36:  $NW\frac{1}{4}$

2. The completion zone in the Nugget formation of the permitted wells within the spaced area shall be in the  $NW\frac{1}{4}$  and the  $SE\frac{1}{4}$  of each quarter section, with the completion zone for the permitted well no more than 200 feet from the center of the quarter-quarter section.

3. The drilling and spacing unit for the Logan Federal No. 1 well shall be the  $E\frac{1}{2}NE\frac{1}{4}$  of Section 26 and other drilling and spacing units for the subject lands shall be comprised of the  $E\frac{1}{2}$  and the  $W\frac{1}{2}$  of each surveyed quarter section. The operator of a new well may apply to the Director to designate the  $S\frac{1}{2}$  or the  $N\frac{1}{2}$  of a quarter section as the drilling and spacing unit for such well and, if all affected working interest owners within the quarter section consent thereto in writing, such designation may be approved by administrative action of the Director.

4. The operator of each well shall be required to take a bottom hole pressure test for each well every thirty (30) days and promptly report the results to the Division of Oil, Gas and Mining until further Order of this Board.

5. Until a pressure maintenance system is approved by this Board and placed in operation for any well, production of gas and condensate from each such well within the spaced area may not exceed 350 barrels of condensate per day and 4 million cubic feet of gas per day, as long as the reservoir pressure is 150 psi or more above the retrograde dew point. If any bottom hole pressure test referred to above shows that the reservoir pressure is less than 150 psi above the retrograde dew point, all production from such well shall forthwith cease and said well shall be shut-in until the pressure in the well separately measured can be maintained

at least 150 psi above the dew point, or until further Order of this Board.

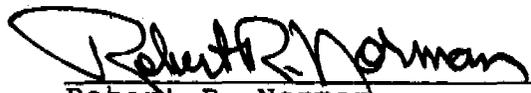
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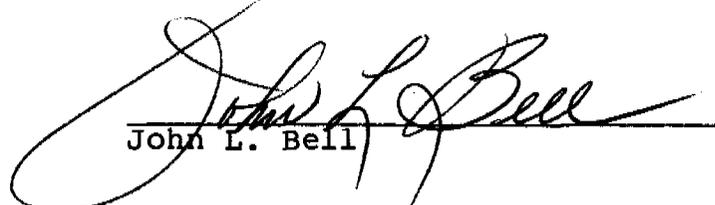
7. The Board retains continuing jurisdiction over all matters covered by this Order and over all parties affected thereby, for the purpose of making further Orders as it may deem appropriate and as may be authorized by statute and applicable regulations.

Entered this 29th day of October, 1982.

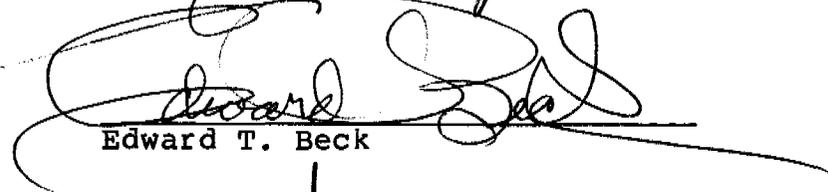
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Edward T. Beck

APPROVED AS TO FORM:

  
RONALD J. FIRTH,  
PETROLEUM ENGINEER

  
CLEON B. FEIGHT,  
DIRECTOR

DATE: 11/8/82