



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

IN THE MATTER OF THE APPLICATION :
OF HUSKY OIL COMPANY FOR AN :
ORDER ESTABLISHING DRILLING UNITS : O R D E R
IN THE HOOK AND LADDER GULCH AREA :
OF SAN JUAN COUNTY, UTAH, AS TO :
THE PRODUCING HORIZON OF THE : Cause No. 166-1
MISSISSIPPIAN FORMATION :

Pursuant to the Application of Husky Oil Company, this Cause came on hearing before the Board of Oil, Gas and Mining, Department of Natural Resources of the State of Utah, at 9:00 A.M., on Wednesday, May 25, 1977, in the auditorium, Division of Parks and Recreation, 1596 West North Temple, Salt Lake City, Utah.

The following members of the Board were present:

Guy N. Cardon, Chairman, presiding;

Robert R. Norman;

Hyrum L. Lee;

I. Daniel Stewart;

Charles R. Henderson.

Also present were:

Cleon B. Feight, Esq., Director, Division of Oil, Gas and Mining;

Patrick L. Driscoll, Chief Petroleum Engineer, Division of Oil, Gas and Mining;

Scheree Wilcox, Administrative Assistant, Division of Oil, Gas and Mining;

Jerry W. Long, District Oil and Gas Engineer, U.S. Geological Survey, Durango, Colorado.

For the Applicant: Hugh C. Garner, Esq., Salt Lake City, Utah.

For General Crude Oil Company: Eugene R. Manthey, District Landman, Denver, Colorado.

For UV Industries, Inc.: Joe Sincavage, Oil Operations,
Salt Lake City, Utah.

NOW, THEREFORE, the Board, having considered the testimony adduced and the exhibits received at said hearing, and being fully advised in the premises, makes and enters the following:

FINDINGS

1. On May 4, 1977, the Applicant filed an Application with this Division seeking an Order as follows:

(a) That the following described drilling and spacing units be established for the drilling of gas wells in the development of the Mississippian Formation as a common source of supply of gas underlying such areas, to-wit:

(To be designated as Drilling Unit 1)

Township 29 South, Range 23 East, S.L.M.

Section 25: S1/2

Section 36: N1/2

(Containing 640 acres, more or less)

(To be designated as Drilling Unit 2)

Township 29 South, Range 24 East, S.L.M.

Section 30: S1/2 (Lots 5, 6, 7, 8, E1/2SW1/4, SE1/4)

Section 31: N1/2 (Lots 1, 2, 3, 4, E1/2NW1/4, NE1/4)

(Containing 732.12 acres, more or less)

(b) That the well heretofore drilled by Applicant, located in the SW1/4SE1/4 of Section 25, Township 29 South, Range 23 East, S.L.M., designated as Husky Well No. 15-25 (Federal), be designated as the unit well for Drilling Unit 1.

(c) That the well proposed to be drilled by Applicant in Lot 8 of Section 30, Township 29 South, Range 24 East, S.L.M., to be designated as Husky Well No. 13-30, 431 (Federal), be designated as the unit well for Drilling Unit 2.

(d) That the location of Husky Well No. 13-30, 431 (Federal) be approved for topographical and geological reasons, as an exception to the requirements of Rule C-3, Rules and Regulations of this Division.

2. 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 by the Rules and Regulations of the Board.

3. The Board has jurisdiction over the matter covered by said Application and over all parties interested therein and has jurisdiction to make and promulgate the Order herein set forth.

4. On oral motion of Applicant's attorney and with leave granted by the Board, said Application, filed as aforesaid on May 4, 1977, was amended to describe the drilling of said Husky Well No. 13-30, 431 (Federal) as a straight, i.e., vertical hole, with a proposed depth of 9,600 feet rather than as a deviated hole as the hole was more particularly described in said Application as originally filed.

ORDER

It is therefore ordered:

To prevent waste of oil, gas and associated hydrocarbons, to avoid the drilling of unnecessary wells, to protect correlative rights and to establish drilling units of relatively uniform size and shape, the Board hereby orders and decrees as follows:

1. The following described lands are hereby designated as drilling units:

DRILLING UNIT 1

Township 29 South, Range 23 East, S.L.M.

Section 25: S1/2

Section 36: N1/2

(Containing 640 acres, more or less)

DRILLING UNIT 2

Township 29 South, Range 24 East, S.L.M.

Section 30: S1/2 (Lots 5, 6, 7, 8, E1/2SW1/4, SE1/4)

Section 31: N1/2 (Lots 1, 2, 3, 4, E1/2NW1/4, NE1/4)

(Containing 732.12 acres, more or less)

2. The well heretofore drilled by Applicant and located in the SW1/4SE1/4 of Section 25, Township 29 South, Range 23 East, S.L.M., designated as Husky Well No. 15-25 (Federal) is hereby designated as the unit well for Drilling Unit 1.

3. The location of proposed Husky Well No. 13-30, 431 (Federal) as an exception under the provisions of Rule C-3, Rules and Regulations of this Division, for topographical and geological reasons, and at a site in Lot 8, Section 30, Township 29 South, Range 24 East, S.L.M., Drilling Unit 2, is hereby approved. Said well is designated as the unit well for Drilling Unit 2.

4. Not more than one well will be allowed for production from the Mississippian Formation Interval within each of said designated drilling units.

5. This Order shall become effective as of the date hereof.

6. This Board retains continuing jurisdiction of all matters covered by this Order and over all parties affected thereby.

ENTERED this 25th day of May, 1977.

BOARD OF OIL, GAS AND MINING OF
THE STATE OF UTAH

By Guy N. Cardon
Guy N. Cardon, Chairman

By C. R. Henderson
C. R. Henderson

By Robert R. Norman
Robert R. Norman

By Hyrum Lee
Hyrum Lee

Board member, T. Daniel Stewart, abstained from voting.