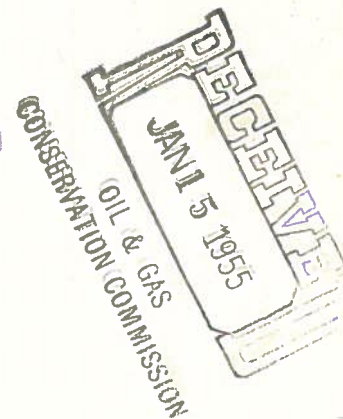




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BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE
STATE OF COLORADO



IN THE MATTER OF THE APPLICATION OF)
THE KIMBARK COMPANY, LTD. AND STANOLIND)
OIL AND GAS COMPANY FOR AN ORDER ESTAB-)
LISHING FORTY ACRE DRILLING UNITS FOR)
THE DEVELOPMENT OF THE "J" SAND POOL,)
IN PLUM BUSH CREEK FIELD, WASHINGTON)
COUNTY, COLORADO.)

CAUSE NO. 57

APPLICATION

COMES NOW THE KIMBARK COMPANY, LTD. AND STANOLIND OIL AND GAS COMPANY,
THE APPLICANTS, ALL DULY AUTHORIZED TO DO BUSINESS IN THE STATE OF COLORADO, AND
RESPECTFULLY SHOW TO THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF
COLORADO:

1. THAT THE APPLICANTS ARE SEVERALLY THE OWNERS AND HOLDERS OF OR THE
REPRESENTATIVES OF THE OWNERS AND HOLDERS OF SUBSISTING OIL AND GAS LEASES COVER-
ING 65.625 PERCENT OF THE FOLLOWING DESCRIBED LANDS SITUATED IN WASHINGTON COUNTY,
STATE OF COLORADO:

TOWNSHIP 2 SOUTH, RANGE 55 WEST

SEC. 30: ALL
SEC. 31: ALL

TOWNSHIP 2 SOUTH, RANGE 56 WEST

SEC. 25: ALL
SEC. 36: ALL

THAT ATTACHED HERETO IS A PLAT OF THE AREA WITHIN WHICH THE ABOVE
DESCRIBED LANDS ARE SITUATED, WHICH PLAT IS MARKED EXHIBIT "A" AND BY THIS REFERENCE
MADE A PART HEREOF. THAT SAID DESCRIBED LANDS ARE LOCATED IN AN OIL AND GAS FIELD
TENTATIVELY KNOWN AS THE "PLUM BUSH CREEK FIELD." THAT THERE IS SHOWN ON EXHIBIT
"A" THE LOCATION OF THE DISCOVERY WELL, HEREINAFTER MENTIONED, AND THE PORTION
OF SAID DESCRIBED LANDS COVERED BY OIL AND GAS LEASES OWNED AND HELD BY APPLICANTS.

2. THAT THE KIMBARK COMPANY, LTD., ONE OF THE APPLICANTS, AND STERLING
DRILLING COMPANY, BALMACO, INCORPORATED, AND T. KENNETH BOYD, ALL REPRESENTED IN
THIS MATTER BY THE KIMBARK COMPANY, LTD., DRILLED THE DISCOVERY WELL IN THE "J"
SAND POOL UNDERLYING SAID DESCRIBED LANDS, WHICH WELL IS KNOWN AS "THE KIMBARK
COMPANY, LTD. AND STERLING DRILLING COMPANY NO. 1 PORTER." THAT THE DISCOVERY
WELL IS LOCATED IN THE CENTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER
(SW/4 SW/4) OF SECTION 30, TOWNSHIP 2 SOUTH, RANGE 55 WEST. THAT THE DISCOVERY

WELL WAS COMMENCED NOVEMBER 19, 1954; THAT THE TOTAL DEPTH IS 5125 FEET; THAT THE PRODUCTIVE FORMATION IS THE "J" SAND, TOPPED AT 4950 FEET, THE PRODUCTIVE ZONE BEING APPROXIMATELY FROM 4987 FEET TO 4999 FEET; THAT A 60 MINUTE DRILL STEM TEST OF THE ZONE FROM 4987 FEET TO 4992 FEET RECOVERED 4600 FEET OF GAS, 1290 FEET OF CLEAN OIL, NO WATER, WITH SHUT IN PRESSURE OF 1175 POUNDS PER SQUARE INCH; AND THAT THE OPERATOR HAS PERFORATED THE PRODUCTIVE ZONE FROM 4987 FEET TO 4991 FEET AND HAS PLACED THE WELL ON PUMP AND IS CURRENTLY PRODUCING AT THE RATE OF 100 TO 120 BARRELS OF 40° A.P.I. GRAVITY OIL PER DAY.

3. THAT GEOLOGICAL DATA OBTAINED IN THE COURSE OF DRILLING THE DISCOVERY WELL AND OTHER GEOLOGICAL DATA RELATING TO SAID LANDS INDICATES THE PRESENCE OF A SINGLE OIL POOL IN THE "J" SAND, WHETHER ONE OR MORE BENCHES, UNDERLYING THE ABOVE DESCRIBED LANDS AT AN APPROXIMATE DEPTH FROM 4950 FEET TO 5125 FEET; AND THAT THE SAID POOL CONSTITUTES AN UNDERGROUND RESERVOIR CONTAINING A COMMON ACCUMULATION OF OIL AND GAS.

4. THAT AT THE DATE OF THIS APPLICATION THE "J" SAND IS THE ONLY PRESENTLY KNOWN PRODUCTIVE FORMATION UNDERLYING THE ABOVE DESCRIBED LANDS.

5. THAT ONE WELL WILL ADEQUATELY DRAIN, IN ACCORDANCE WITH GOOD CONSERVATION PRACTICE, ALL RECOVERABLE OIL AND GAS FROM THE "J" SAND UNDERLYING 40 SURFACE ACRES COMPRISING A REGULAR QUARTER QUARTER SECTION ESTABLISHED BY GOVERNMENTAL SURVEY THEREOF IN THIS AREA AND THAT 40 ACRES IS NOT SMALLER THAN THE MAXIMUM AREA THAT CAN BE DRAINED EFFICIENTLY BY A SINGLE OIL AND GAS WELL PRODUCING FROM THE "J" SAND UNDERLYING SAID DESCRIBED LANDS.

6. THAT APPLICANTS BELIEVE AND THEREFORE ALLEGE THAT THE ABOVE DESCRIBED LANDS REPRESENT THE AREA WHEREIN IT MIGHT REASONABLY BE EXPECTED THAT OIL AND GAS PRODUCTION FROM SAID COMMON SOURCE OF SUPPLY CAN BE OBTAINED AND THAT PURSUANT TO THE TERMS OF THE COLORADO OIL AND GAS CONSERVATION ACT, AND IN THE INTEREST OF GOOD CONSERVATION PRACTICE, AND FOR THE PREVENTION OF WASTE, PARTICULARLY THE PREVENTION OF THE PRODUCTION OF OIL AND GAS IN QUANTITIES OR IN SUCH MANNER AS WILL UNREASONABLY REDUCE RESERVOIR PRESSURE OR UNREASONABLY DIMINISH THE QUANTITY OF OIL OR GAS THAT MIGHT ULTIMATELY BE PRODUCED, AND BECAUSE OF THE LOCATION OF THE DISCOVERY WELL AND FOR AN ORDERLY AND EFFICIENT DEVELOPMENT OF THE "J" SAND POOL IN THE PLUM BUSH CREEK FIELD, WELL LOCATIONS OF ALL FUTURE WELLS IN THE "J" SAND POOL IN THE PLUM BUSH CREEK FIELD SHOULD BE LOCATED IN THE CENTER OF EACH 40 ACRE TRACT COMPRISING A REGULAR GOVERNMENTAL QUARTER QUARTER SECTION OR GOVERNMENTAL LOT CORRESPONDING THERETO WITH A PERMITTED TOLERANCE OF 100 FEET IN ANY DIRECTION FROM THE CENTER OF SUCH

TRACT, IF SURFACE OBSTRUCTIONS OR UNDUE HAZARDS ARE ENCOUNTERED WHICH RENDER THE LOCATION OF ANY WELL IN THE CENTER OF SUCH TRACT INEQUITABLY OR UNREASONABLE.

WHEREFORE, APPLICANTS RESPECTFULLY REQUEST THIS MATTER BE SET DOWN FOR HEARING, THAT NOTICE THEREOF BE GIVEN AS REQUIRED BY LAW AND THAT UPON SUCH HEARING THIS COMMISSION ENTER ITS ORDER ESTABLISHING DRILLING UNITS OF 40 ACRES COVERING THE "J" SAND POOL IN THE PLUM BUSH CREEK FIELD AS HEREIN DESCRIBED; THAT SAID DRILLING UNITS COMPRISE EACH REGULAR GOVERNMENTAL QUARTER QUARTER SECTION OR GOVERNMENTAL LOT CORRESPONDING THEREYO; THAT NO MORE THAN ONE WELL SHALL BE DRILLED AND PRODUCED FROM THE "J" SAND POOL ON ANY SUCH DRILLING UNIT AND THAT ANY SUCH WELL SHALL BE LOCATED IN THE CENTER OF SUCH DRILLING UNIT WITH A TOLERANCE OF 100 FEET IN ANY DIRECTION FROM THE CENTER OF THE DRILLING UNIT WHERE SURFACE OBSTRUCTIONS OR UNDUE HAZARDS ARE ENCOUNTERED.

DATED THIS 3rd DAY OF January, 1955.

THE KIMBARK COMPANY, LTD.

BY: William A. Boyd
WILLIAM A. BOYD, SOLE GENERAL PARTNER

STANOLIND OIL AND GAS COMPANY

BY: C. J. Christensen

STATE OF COLORADO ()
CITY AND COUNTY OF DENVER () SS.

WILLIAM A. BOYD BEING FIRST DULY SWORN, DEPOSES AND SAYS THAT HE EXECUTED THE ABOVE AND FOREGOING APPLICATION ON BEHALF OF THE KIMBARK COMPANY, LTD., AND THAT IT IS HIS INFORMATION AND BELIEF THAT THE FACTS SET FORTH THEREIN ARE TRUE AND CORRECT.

SUBSCRIBED AND SWORN TO BEFORE ME THIS 3rd DAY OF January, 1955.

MY COMMISSION EXPIRES NOVEMBER 10, 1957.

Doris Jean McLaughlin
NOTARY PUBLIC IN AND FOR JEFFERSON
COUNTY, COLORADO

STATE OF WYOMING ()
COUNTY OF NATRONA () SS.

C. J. Christensen BEING FIRST DULY SWORN, DEPOSES AND SAYS THAT HE EXECUTED THE ABOVE AND FOREGOING APPLICATION ON BEHALF OF STANOLIND OIL AND GAS COMPANY, AND THAT IT IS HIS INFORMATION AND BELIEF THAT THE FACTS SET FORTH THEREIN ARE TRUE AND CORRECT.

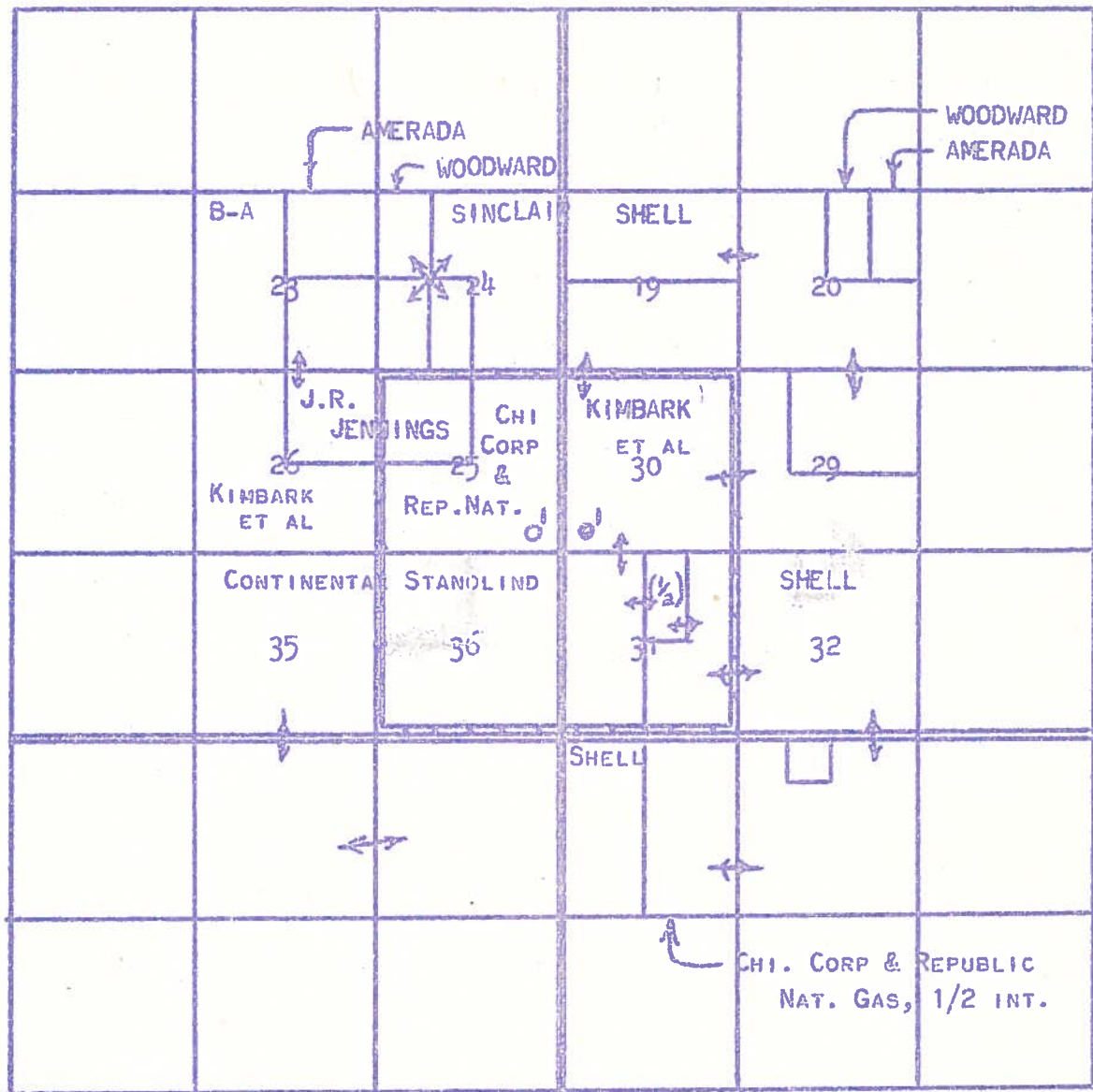
SUBSCRIBED AND SWORN TO BEFORE ME THIS 13th DAY OF January, 1955.

MY COMMISSION EXPIRES Dec 3, 1957.

Gasque Willis
NOTARY PUBLIC

EXHIBIT "A"

PLUM BUSH CREEK AREA



● THE KIMBARK COMPANY LTD., AND STERLING DRILLING CO., No.1 PORTER.

○ CHICAGO CORP. AND REPUBLIC NATURAL GAS CO., No.1 YODER.



AREA COVERED BY PROPOSED SPACING ORDER.



LEASE HOOK.