



00263358

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

IN THE MATTER OF THE PROMULGATION AND
ESTABLISHMENT OF FIELD RULES TO GOVERN
OPERATIONS IN THE PIERCE FIELD, WELD
COUNTY, COLORADO

CAUSE NO. 104

ORDER NO. 104-6

REPORT OF THE COMMISSION

This cause came on for hearing before the Commission on May 17, 1966, at 10 a. m., in Room 132, State Services Building, Denver, Colorado, after publication of Notice of Hearing as required by law, and mailing of copies of the application pursuant to regulations of the Commission, on the application of Chevron Oil Company for an order approving a certain Unit Agreement attached to said application as Exhibit "B"; and further approving a proposed plan for injection of water into the Lyons Sand formation underlying an area to be known as the Pierce-Lyons Sand Unit Area.

FINDINGS

The Commission 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 Commission 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 the Lyons Sand formation underlying the Pierce-Lyons Sand Unit Area, as set forth in the Unit Agreement presented by Applicant, constitutes a common source of supply of oil and gas; and that said Pierce-Lyons Sand Unit Area is composed of the following described lands in Weld County, Colorado, to-wit:

Township 8 North, Range 66 West, 6th P. M.

Section 14: SW $\frac{1}{4}$	Section 27: All
Section 15: All	Section 28: E $\frac{1}{2}$, SW $\frac{1}{4}$
Section 21: E $\frac{1}{2}$	Section 33: N $\frac{1}{2}$
Section 22: All	Section 34: N $\frac{1}{2}$
Section 23: All	Section 35: N $\frac{1}{2}$
Section 26: All	

4. That said Unit Agreement is necessary to increase the ultimate recovery of oil and gas from the Pierce-Lyons Sand Unit Area, and should therefore be approved as being in the public interest for conservation.
5. That Applicant's proposed plan for injection of water into the Lyons Sand formation underlying said Pierce-Lyons Sand Unit Area will increase the ultimate recovery of oil and gas from said Unit Area and should therefore be approved as being in the public interest for conservation.
6. That the request to drill or convert additional water injection wells from time to time, when such request is accompanied by consent in writing of the owners of record with the right to produce oil or gas from lands within one-half mile of said injection well, or wells, may be approved by the Director without further hearing.

7. That avoidable waste of oil and gas will be prevented by the operations proposed by Applicant, and the correlative rights of all parties in said Pierce-Lyons Sand Unit Area will not be adversely affected and will be reasonably protected under such a plan of operation; and that in the interest of securing the greatest ultimate recovery of oil and gas from said pool, the prevention of waste and protection of correlative rights, this application should be granted.

ORDER

NOW, THEREFORE, IT IS ORDERED that the following rules and regulations shall apply hereafter to the lands set forth in this order, in addition to other applicable rules and regulations and orders of the Commission, if any, heretofore adopted and not in conflict herewith:

Rule 1. The Pierce-Lyons Sand Unit Area, as set forth in the Unit Agreement presented by Applicant, is comprised of the following described lands in Weld County, Colorado, to-wit:

Township 8 North, Range 66 West, 6th P. M.

Section 14: SW $\frac{1}{4}$	Section 27: All
Section 15: All	Section 28: E $\frac{1}{2}$, SW $\frac{1}{4}$
Section 21: E $\frac{1}{2}$	Section 33: N $\frac{1}{2}$
Section 22: All	Section 34: N $\frac{1}{2}$
Section 23: All	Section 35: N $\frac{1}{2}$
Section 26: All	

and said Unit Agreement covering operations of the Lyons Sand formation underlying said Pierce-Lyons Sand Unit Area is hereby approved.

Rule 2. Applicant's plan for injection of water into the Lyons Sand formation underlying said Pierce-Lyons Sand Unit Area is hereby approved, and the Unit Operator is authorized to inject water into said reservoir through injection wells in such quantities as shall be reasonably determined by the Unit Operator to best achieve the maximum recovery of oil without waste.

Rule 3. The request to drill or convert additional water injection wells from time to time, when such request is accompanied by consent in writing of the owners of record with the right to produce oil or gas from lands within one-half mile of said injection well, or wells, may be approved by the Director without further hearing.

IT IS FURTHER ORDERED, that the rules and regulations contained herein shall become effective forthwith.

ORDERED this 17th day of May 1966.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By William R. Smith
William R. Smith, Secretary