

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
SUPERVISOR OF WELLS

Cause No. 12-6-75: Petition of Mobil Oil Corporation to amend Special Order No. 1-73, "Special Spacing and Proration Order for Wells Drilled into or Below The Salina-Niagaran Formation Within Specified Area of The State" issued effective April 1, 1973, to extend the purview of the order to cover additional area particularly T.1S., R.5, 6, and 7W, and T.2S., R.5, 6, and 7W, being Lee, Convis, Pennfield, Marengo, Marshall, and Emmett Townships, Calhoun County.

OPINION AND ORDER OF THE SUPERVISOR OF WELLS

On June 18, 1975 a public hearing was held pursuant to Act 61, P.A. 1939, as amended, and the rules promulgated thereunder by the Supervisor of Wells and the Advisory Board. The purpose of the hearing was to consider the amendment of Special Order 1-73 to include certain lands in Calhoun County, Michigan.

FINDINGS OF FACT

1. That petitioner, Mobil Oil Corporation, has requested the extension of Special Order 1-73 to include 6 townships in Calhoun County being; Pennfield, Convis, Lee, Emmett, Marshall and Marengo.
2. That petitioner is the lessee of approximately 41% of the acreage within the six townships and is engaged in an active exploration and development program within the area.
3. The proposed area for extension of Special Order 1-73 immediately adjoins the southern boundaries of Barry and Eaton County, both of which counties are subject to Special Order 1-73.
4. The six townships are underlain in whole or partly by the same geological zones of interest as those included in Special Order 1-73.
5. There are several existing spacing orders for portions of the six townships which should be excluded from any extension of Special Order 1-73 to protect equity, correlative rights and provide for the uniform development of those areas.
6. That development of the six townships of 80 acre units will decrease the number of wells necessary to develop the area. Which will reduce surface damage and lessen the environmental impact to the area.
7. That petitioners experience with Salina-Niagaran Formation development in the area has shown that one well will effectively drain 80 acres for oil.

CONCLUSIONS OF LAW

1. Act 61, P.A. 1939, as amended, Section 6 (0) authorizes the Supervisor to make orders for development, extraction or production of hydrocarbons.
2. Section 6 of Act 61 mandates the Supervisor to prevent waste, to that end to regulate the spacing and production of wells.
3. Section 13 of Act 61 declares the drilling of unnecessary wells is waste.

DETERMINATION AND ORDER

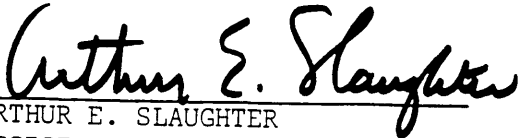
Wherefore based upon the evidence submitted and in concurrence with the recommendation of the Advisory Board it is the opinion of the Supervisor that Special Order 1-73 should be amended to include the six townships requested.

Now therefore it is ordered:

1. That Special Order 1-73 be and is hereby amended to include the following six townships all in Calhoun County.

Pennfield	T 1S - R 7W
Convis	T 1S - R 6W
Lee	T 1S - R 5W
Emmett	T 2S - R 7W
Marshall	T 2S - R 6W
Marengo	T 2S - R 5W

2. That this order does not supersede or amend spacing and proration orders issued prior to June 23, 1975.
3. Exceptions to this order may be granted in accordance with the Act 61, P.A. 1939 and the rules promulgated thereunder.


ARTHUR E. SLAUGHTER
ASSISTANT SUPERVISOR OF WELLS