

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF MINES AND MINERAL INDUSTRIES
OIL AND GAS CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION

OF

J. A. FOX, C. S. COEN AND F. M. SLOAN
FOR A SPACING ORDER IN THE MURRYSVILLE
ONONDAGA-ORISKANY GAS POOL, FRANKLIN
TOWNSHIP, WESTMORELAND COUNTY, AND
MONROEVILLE BOROUGH, ALLEGHENY COUNTY,
PENNSYLVANIA

SPACING ORDER
DOCKET 5

SPACING ORDER 5

APPEARANCES

For the applicants, J. A. Fox, C. S. Coen and F. M. Sloan, Peter U. Hook, Attorney, and witnesses, F. M. Sloan, natural gas producer, Robert E. Eberly, oil and gas producer, and Fenton H. Finn, consulting geologist and engineer.

For T. W. Phillips Gas and Oil Company, John L. Wilson, Attorney, and witness, Earl W. Glass, Land Agent.

For the Peoples Natural Gas Company, William A. Jones, Attorney, and witness, George O. Scott, Chief Geologist.

For Equitable Gas Company, Sexton M. Linger, Chief Geologist.

For Pittsburgh Plate Glass Company, Robert T. Wolfe, Jr., Geologist.

HISTORY OF THE CASE

1. September 23, 1963, an application for a Spacing Order covering the Murrysville Onondaga-Oriskany Gas Pool, Franklin Township, Westmoreland County, and Monroeville Borough, Allegheny County, Pennsylvania, was filed by J. A. Fox, C. S. Coen and F. M. Sloan, in the office of the

Oil and Gas Conservation Commission, Pittsburgh, Pennsylvania.

2. September 30, 1963, notifications of a hearing to be held in the Hearing Room of the Public Utility Commission, 12th Floor, State Office Building, Pittsburgh, Pennsylvania, on Thursday, October 17, 1963, at 10:00 A. M., Eastern Daylight Savings Time, were published in The Pittsburgh Press, Pittsburgh, Allegheny County, Pennsylvania, and in The Jeannette News Dispatch, Jeannette, Westmoreland County, Pennsylvania, daily newspapers of general circulation in the respective counties.
3. October 1, 1963, notices of the hearing were sent by registered mail to the interested parties known to the Commission.
4. October 7, 1963, second notifications were published in The Pittsburgh Press and in The Jeannette News Dispatch announcing the time and the place of the hearing.
5. October 17, 1963, the hearing was held in the Hearing Room of the Public Utility Commission, 12th Floor, State Office Building, Pittsburgh, Pennsylvania.
6. November 15, 1963, the Oil and Gas Conservation Commission met for the purpose of considering the testimony taken at the hearing, and a decision was made regarding the application for the Spacing Order.

QUESTIONS AT ISSUE

1. Is a Spacing Order necessary under all the circumstances?
2. If a Spacing Order is necessary, what should be its terms and conditions?

FINDINGS OF FACT

1. The applicants, J. A. Fox, C. S. Coen, F. M. Sloan, et al, drilled the F. M. Sloan Well No. 1, pursuant to Drilling Permit No. WES-368, in Franklin Township, Westmoreland County, Pennsylvania, having completed the well in September, 1963, as a well capable of producing gas in commercial quantities from the Onondaga Chert and Oriskany horizons, and having established the existence of the Onondaga-Oriskany Murrys ville Gas Pool.
2. This discovery well is drilled to a depth of 7384 feet, having penetrated the Onondaga Chert at a depth of 7200 feet, and the Oriskany at a depth of 7371 feet, the initial open flow of production being estimated at 2,000 MCF of gas per day, after fracture.
3. The discovery well is located on a voluntary unit comprised of approximately 624 acres, within the ten square mile area for which applicants have sought a spacing order.
4. There are no other wells known to have penetrated the Onondaga formation within the ten square mile area for which applicants have sought a spacing order.
5. The total estimated recoverable reserve in the Onondaga Chert and Oriskany horizons in the area sought to be made subject to a spacing order is 4,000 MCF per acre.
6. All the testimony indicates that minimum units should be established and that distance between wells should not be less than 4,000 feet.
7. The existing physical facts, topography and general conditions of lease distribution indicate that no well should be drilled closer than Fourteen Hundred (1400) feet from the nearest unit boundary line.

8. According to the testimony, the Murrysville Onondaga-Oriskany Gas Pool underlies an area where the surface and oil and gas are owned by many owners, some of whom own small lots located in small towns and villages and others own suburban homes and farms of varying size, shape and indefinite borders. The Commission finds that it is impractical to define spacing units in a more precise manner than by specifying minimum acreage, minimum distance between wells, and minimum well distances from unit boundaries. Any attempt to give more precise description of spacing units might impose such legal and engineering burdens upon operators that further development of the said gas pool would be hampered and impeded, and that defining the units as hereinafter done will encourage orderly development.
9. The area of Six Thousand Four Hundred (6,400) acres, more or less, delineated on the "MAP EXHIBIT TO SPACING ORDER 5 OF OIL AND GAS CONSERVATION COMMISSION FOR MURRYSVILLE ONONDAGA-ORISKANY GAS POOL, WESTMORELAND AND ALLEGHENY COUNTIES, PENNSYLVANIA," includes the area from which production is obtained from the Onondaga Chert and Oriskany horizons in the said pool.

CONCLUSIONS OF LAW

1. A Spacing Order is deemed to be necessary.
2. Limitations are necessary and are stated in the Order which follows.

ORDER

Accordingly, the Commission does order that:

1. The area included in and covered by this Spacing Order for the

the Murrysville Onondaga-Oriskany Gas Pool in Franklin Township, Westmoreland County, and Monroeville Borough, Allegheny County, Pennsylvania, shall be the area containing Six Thousand Four Hundred (6,400) acres, more or less, outlined in black on the "MAP EXHIBIT TO SPACING ORDER 5 OF OIL AND GAS CONSERVATION COMMISSION FOR MURRYSVILLE ONONDAGA-ORISKANY GAS POOL, WESTMORELAND AND ALLEGHENY COUNTIES, PENNSYLVANIA," which said map is hereby incorporated into, made a part of this Order, and will be kept in the records at the offices of the Oil and Gas Conservation Commission, 1708 Benedum Trees Building, 223 Fourth Avenue, Pittsburgh, Pennsylvania.

2. Each well within the area designated under this Spacing Order shall be located on a drilling unit of not less than Six Hundred (600) contiguous acres.
3. Within the area designated under this Spacing Order wells shall not be located less than Four Thousand (4,000) feet from other wells producing gas, or drilling for the production of gas, from the Onondaga Chert and/or Oriskany horizons in the said gas pool.
4. No well within the area designated under this Spacing Order shall be located closer than Fourteen Hundred (1,400) feet from the nearest unit boundary line.

BY THE COMMISSION


Chairman

Dated: December 2, 1963