

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL RESOURCES
OIL AND GAS DIVISION

IN THE MATTER OF THE APPLICATION OF
FELMONT OIL CORPORATION FOR AN
INTEGRATION ORDER COVERING UNIT NO. 15,
APPROVED BY SPACING ORDER NO. 10,
PINE TOWNSHIP, INDIANA COUNTY,
PENNSYLVANIA

INTEGRATION ORDER
DOCKET NO. 10-2-A

AMENDED INTEGRATION ORDER NO. 10-2-A

1. The Oil & Gas Division of the Department of Environmental Resources has received additional allegations of fact that were not made known prior to the issuance of Integration Order No. Docket 10-2. The Division has also received information that certain conditions relevant to Articles No. 7 and 8, pages 8 and 9, of the subject order, have changed since the issuance of the order on June 9, 1976. Therefore, pursuant to Article No. 13, Page 10, of the Integration Order No. Docket 10-2, the Division has determined that an amended order should be issued, taking into consideration the new allegation and conditions so that an orderly development of the drilling of wells in the Pineton Field, under the jurisdiction of Spacing Order Docket No. 10 may continue.

NEW FINDINGS OF FACT

1. The Applicant, Felmont Oil Corporation, has filed notice with the Division by letter dated July 2, 1976 that a dispute exists between two of the participants as to the ownership of the working interest in one parcel of property, formerly known as the Waskowitz property, now known as the James Carino property, consisting of 29.600 acres, representing 9.210% of the total acreage within Unit No. 15. The Division has been notified that both parties have contributed the advanced payment to the Operator for the disputed interest pending the resolution of the proper ownership.

2. The Division, through the issuance of an Integration Order, does not intend to address or resolve issues involving real property title disputes.

3. By letter dated June 19, 1976 received by the Division at its Pittsburgh office, on June 29, 1976, the Division was informed by Dale Bennett and Hulda Bennett that they were exercising their right to participate, granted to them under Article 7 of the Integration Order Docket No. 10-2, and that they have elected to participate as an operator in the drilling of the well within Unit No. 15.

4. By letter dated July 13, 1976, the Operator, Felmont Oil Corporation, notified the Division that Dale Bennett and Hulda Bennett had contributed their share of the distribution of cost as of June 22, 1976.

5. The Statement of Distribution of Costs set forth in Paragraph 7, page 4, of the Integration Order Docket No. 10-2 is amended to read as follows:

PINETON FIELD

DISTRIBUTION OF COSTS FOR THEODORE SMITH NO. 1 UNIT NO. 15

<u>Participants</u>	<u>Percent</u>	<u>Producing Well</u>	<u>Dry Hole</u>
Felmont Oil Corporation	23.721	55,064.28	41,883.40
Consolidated Gas	33.520	77,812.45	59,186.28
T. W. Phillips	18.320	42,527.32	32,347.44
National Fuel	4.659	10,816.14	8,227.06
Delta Drilling	1.238	2,874.31	2,186.28
A. F. Carino O & G Interest	8.304	19,276.34	14,661.94
Bennett	1.028	2,385.66	1,814.60
Disputed Acreage by National Fuel Gas & A. F. Carino Gas & Oil Interest	9.210	21,379.50	16,262.00
	100.000	\$232,136.00	\$176,569.00

Both parties have contributed the participating cost of this percentage pending resolution of the dispute. The overpayment shall be distributed to the party or parties not having this disputed percentage.

AMENDED ORDER:

Integration Order Docket No. 10-2 is hereby amended as follows:

1. Article 6, Page 8, is amended to read A. F. Carino (Oil & Gas Interest) has given notice of his election to participate in the said well to be drilled on Unit No. 15. By paying his proportionate share of the cost, he shall be entitled to participate as to 8.304% fully and additionally to the extent that his interest in the disputed 9.210% shall be ascertained between the parties. He shall be entitled to his proportionate share of production, if any is developed from the said well. A copy of the operating agreement between A. F. Carino and the Operator of Unit No. 15 shall be filed with the Division

and is to be kept in the records of the Division.

2. Article 7, Page 8, is amended to read as follows:

Dale Bennett and Hulda Bennett, owners of reputed 3.303 acres within Unit No. 15, have elected to participate in the costs of drilling, completion and operating the said well by paying their proportionate share that their acreage of 3.303 acres bears to the 321.4 acres in the unit to the Operator, they are entitled to their proportionate share of production, if any is developed, from the said well. A copy of the operating agreement between Dale Bennett and Hulda Bennett and the Operator shall be filed with the Division and is to be kept in the records of the Division.

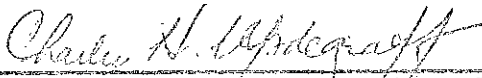
3. Article No. 8, Page 9, is deleted.

4. Article No. 10, Page 10, is amended to read as follows:

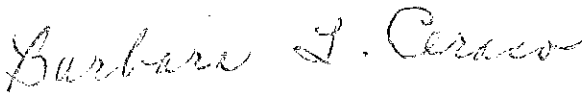
The amended statement of distribution of costs set forth in Paragraph 5 under New Findings of Fact, above, is hereby approved and shall constitute a part of the amended order.

5. The Division hereby retains jurisdiction in these proceedings for all relevant purposes.

By the Division of Oil and Gas


Charles H. Updegraff, Acting Chief

Dated: July 19, 1976



BARBARA L. CERASO, Notary Public
Pittsburgh, Allegheny Co., PA
My Commission Expires February 3, 1980