

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL RESOURCES
DIVISION OF OIL AND GAS

IN THE MATTER OF THE APPLICATION OF)
PENNZOIL COMPANY FOR A SPACING ORDER)
AND FOR APPROVAL OF DRILLING UNITS IN)
THE ONONDAGA CHEST-CRISKANY GAS POOL)
DISCOVERED BY THE CANTERSBURY COAL)
WELL, KISKIMINETAS AND SOUTH BEND)
TOWNSHIPS, ARMSTRONG COUNTY, PENNSYL-)
VANIA)

SPACING ORDER
DOCKET NO. 12
(REVISED 9-19-74)

SPACING ORDER NO. 12

HISTORY OF THE CASE

1. The revision of Spacing Order Docket Number 12 is made following an appeal hearing before the Environmental Hearing Board by Pennzoil Company and Westrans Petroleum, Incorporated. This hearing was held with Consolidated Gas Supply Corporation as an intervenor. This hearing was held before the Environmental Board on March 27 and 28, 1974, being their Docket Number 73-103-B. This revised order being a result of the order issued following the above hearing dated July 26, 1974. The area included and covered by this revised spacing order shall be the area included by 21-320 acre units as indicated on applicant's Exhibit B marked revised 8-26-74. Said area comprising approximately 6710 acres situated in Kiskimenetas Township and South Bend Township, Armstrong County, Pennsylvania. Said map having been marked Roaring Run Pool Applicant's Exhibit B (Environmental Hearing Board Hearing). Said map is incorporated into and made a part of this order and will be kept in the records of the Division in Room 1205, Kossman Building, Pittsburgh, Pennsylvania.
2. 320 acre square units, 21 square units of 320 acres each established within the area now delineated on applicant's map marked Roaring Run Pool Exhibit B-Revised, 8-26-74. These 21 units established are oriented perpendicular and parallel to the northwest edge of the deleted fault zone. This northwest edge of the deleted fault zone or base line for the established units is

designated as running through a point at the southeast corner of Canterbury Coal tract number 39 and the southwest corner of tract number 73. This base line extending north 33 degrees, 40 minutes east, and south 33 degrees, 40 minutes west to its intersection with the southern boundary of tract number five, thence south 35 degrees and 40 minutes west to a point 1485 feet in a northeasterly direction north of the southern boundary of the spacing order as established, and thence south 40 degrees west to said southern boundary of said spacing order. The southeast corner of unit number 4 is established as being southwest 792 feet along the above base line from the common point designated on tract 39 and 73. Said map is incorporated into and made a part of this order and will be kept in the records of the Division in Room 1205, State Office Building, Pittsburgh, Pennsylvania.

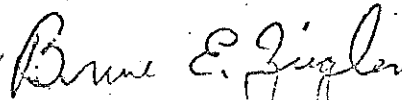
3. Not more than one well shall be drilled for gas to the Onondaga Chert-Oriskany horizons on any of the 320 acre units established by this revised order.
4. No well within the area made subject to this revised spacing order shall be drilled for production of gas from the Onondaga Chert-Oriskany horizons closer than two thousand (2,000) feet from any other well drilled or drilling for gas production from the said horizons.
5. No well shall be drilled for production of gas from the Onondaga Chert-Oriskany horizons closer than one thousand (1,000) feet from the unit boundary line of any of the units established by this revised order.
6. The royalty interests in the natural gas produced from the Onondaga Chert-Oriskany horizons in each of the separately owned tracts of land, or parts thereof, in each of the 21 drilling units established by this order, hereby are deemed to be integrated each into one unit. Production of natural gas from the Onondaga Chert-Oriskany horizons from any one of the separately owned tracts in any of the 21 units established by this order shall constitute production of natural gas from every other tract included within such unit as production occurs. All royalties accruing shall be treated as an entirety for such unit and shall be divided among and paid to the separate owners thereof at the rate provided by the pertinent lease or sub-lease contracts in the proportions that the acreage bears to the total

acreage in such unit. Payment of said royalties for the five wells now drilled or producing shall be effective as of April 27, 1973.

Payment of said royalties for the non-drilled 16 units shall be effective as of the date of first production from any such unit.

7. In the event that no well shall have been drilled on any of the 16 non-drilled drilling units established and approved by this revised order within three (3) years from the date thereof, then any such unit or unit on which no well shall have been drilled shall be released from any control by this order without any further action by this department.
8. Included and made part of this revised order is a list of estimated acreage attributed to each tract in units number 2, 3, 4, 11, and 13. When application for a drilling permit is made for a well on any of the undrilled units established by this revised spacing order a list of acreage attributed to each tract therein shall be included as part of the application.

By the Department of Environmental Resources
Division of Oil and Gas



Bruce E. Ziegler, Chief

Dated September 19, 1974