



STATE OF COLORADO  
 OIL AND GAS CONSERVATION COMMISSION  
 Department of Natural Resources  
 Room 721, State Centennial Building  
 1313 Sherman Street  
 Denver, Colorado 80203

NATURAL GAS CATEGORY DETERMINATION

Date Application Filed 3/28/86 Date Complete 3/28/86 Filing No. 86-187

Applicant/Operator Name and Address:

Energy Oil Inc

1960 Industrial Circle

Longmont, CO 80501

ATTN: C.W.Gale or R.W. Ives

Well Name and Number: Shaklee #3 API #: 05-123-12636

Reservoir: Codell Field Name: Wattenberg

Location: Sec. NE SW 2 Twp.: 4N Range: 64W Mer.: 6 pm

County: Weld

Category Determination Requested: Section 107 High Cost Natural Gas

Category Determination:  Affirmative  Negative\*

The following information and reference materials are being submitted to FERC with this determination:

- List of participants thus far including the applicant and all parties submitting comments on the application. see application
- A statement on any matter being opposed. none
- A copy of the application and all materials required under Part 274, subpart B. A copy or description of materials as required by 274.104(a)(4), amended 8/1/79.

\*In the case of a negative determination, only a copy of the determination and a copy of FERC Form 121 will be forwarded to FERC. If the applicant or any aggrieved party so requests within 15-days of a negative determination, all information referenced in 1 thru 3 will be forwarded with the determination to FERC in accordance with 274.104(b).

A jurisdictional agency determination is hereby made that the natural gas referred to above does/~~not~~ qualify as natural gas produced from a New tight formation gas in accordance with the applicable provisions of the NGPA.

*William R. Smith*

William R. Smith, P.E.  
 Director

Date: AUG 19 1986

The Jurisdictional Agency determination was based on information contained in or added to the Application. Review by the professional staff of the Colorado Commission indicates that this well is an (New) (Old) well. The well produces from the CODELL reservoir (X);

And was drilled after July 16, 1979.

The well is drilled in an 80 acre unit on which an additional well can be drilled.

The well is located in an area where the Codell has been designated a tight formation by the FERC.

This conclusion was originated by examination of Plat records, Completion reports and statements in the application.

Orders in Cause # 407

Order #NG-29-1

FERC Order # 259

Which show this well is a new onshore producing well that qualifies as 103 and is located in a designated tight formation area for the Codell formation.

Therefore meets the qualifications of a ( 107 ) well as defined in the N.G.P.A.

1.0 API well number. (If not assigned, leave blank. 14 digits.)	05 - 123 - 12636 -			
2.0 Type of determination being sought. (Use the codes found on the front of this form.)	107 Section of NGPA		Category Code	
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	6856 feet			
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	Energy Oil, Inc. Name		Seller Code	
	1960 Industrial Circle Street		CO 80501 State Zip Code	
	Longmont, City		CO 80501 State Zip Code	
5.0 Location of this well: [Complete (a) or (b).] (a) For onshore wells (35 letters maximum for field name.)	Wattenberg Field Name		CO State	
	Weld County		CO State	
(b) For OCS wells:	Area Name		Block Number	
	Date of Lease: Mo. Day Yr.		OCS Lease Number	
(c) Name and identification number of this well: (35 letters and digits maximum.)	Shaklee #3			
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)	Codell			
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	Energy Pipeline, Inc. Name		Buyer Code	
(b) Date of the contract:	030885 Mo. Day Yr.			
(c) Estimated total annual production from the well:	Million Cubic Feet			
	(a) Base Price	(b) Tax	(c) All Other Prices (Indicate (+) or (-).)	(d) Total of (a), (b) and (c)
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	S/MMBTU 2.24	---	---	2.24
8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	S/MMBTU 2.24	---	---	2.24
9.0 Person responsible for this application:	Charles W. Gale Name		Drilling Manager Title	
Agency Use Only	Date Received by Juris. Agency			
Date Received by FERC	March 11, 1986 Date Application is Completed		442-6025 Phone Number	

**U.S. DEPARTMENT OF ENERGY**  
Federal Energy Regulatory Commission  
Washington, D.C. 20426

**APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL  
PRICE UNDER THE NATURAL GAS POLICY ACT (NGPA)**  
(Sections 102, 103, 107 and 108)

**RECEIVED**

MAR 20 1986

PLEASE READ BEFORE COMPLETING THIS FORM:

General Instructions:

Complete this form if you are applying for price classification under sections 102, 103, 107 or 108 of the NGPA. A separate application is required for each well. If any reservoir qualifies for a category which differs from the category applicable to the producing well, separate applications must be made for the producing well and the reservoir. Complete each appropriate item on the reverse side of this page. The code numbers used in items 4.0 and 6.0 can be obtained from the Buyer/Seller Code Book. If there is more than one purchaser or contract, identify the additional information in the space below. Enter any additional remarks in the space below.

Submit the completed application to the appropriate Jurisdictional Agency as listed in title 18 of the CFR, part 274.501. If there are any questions, call (202) 275-4539.

Specific Instructions for Item 2.0, Type of Determination:

<u>Section of NGPA</u>	<u>Category Code</u>	<u>Description</u>
102	1	New OCS Lease
102	2	New onshore well (2.5 mile test)
102	3	New onshore well (1,000 feet deeper test)
102	4	New onshore reservoir
102	5	New reservoir on old OCS Lease
103	-	New onshore production well
107	-	High cost natural gas
108	-	Stripper well

Other Purchasers/Contracts:

<u>Contract Date</u> (Mo. Day Yr.)	<u>Purchaser</u>	<u>Buyer Code</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Remarks: