

BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI

FILED FOR RECORD

RE: PETITION OF HOLLEMAN AND PARKS  
OIL AND GAS CO., INC. TO AMEND  
THE SPECIAL FIELD RULES FOR THE  
BACON FIELD, CHICKASAW COUNTY,  
MISSISSIPPI.

APR 12 1989

STATE OIL AND GAS BOARD  
A. Robert Henderson, Secretary

DOCKET NO. 49-89-480

ORDER NO. 68-89

ORDER

THIS DAY this cause came on for hearing on the Petition of HOLLEMAN & PARKS OIL & GAS CO., INC., a Mississippi corporation, requesting the Board for approval to amend the Special Field Rules for the Bacon Field in Chickasaw County, Mississippi so as to define a new gas pool therein, and the Board, having considered the Petition and the evidence in support hereof, and being fully advised in the premises, finds that the Petition should be granted. The Board further finds as follows:

1.

Due and legal notice of the meeting of this Board has been given in the manner and time required by law and the rules and regulations of this Board and proper proofs of publication are on file with this Board; the Board has full jurisdiction of the parties and the subject matter.

2.

Petitioner is the operator of the Holleman & Parks Oil & Gas Co., Inc. - Travis Davis 15-5 Well No. 1 which is located 1,000 feet from West line and 2,600 feet from North line of a unit comprised of the W 1/2 of Section 15, Township 12 South, Range 4 East, Chickasaw County, Mississippi. The well was drilled in the Bacon Field and has encountered gas in commercial quantities from the Abernathy Gas Sand and the Carter Gas Sand of the Mississippian Formation.

3.

The Carter Gas Sand is a gas pool separate and distinct from the Abernathy Gas Sand, Evans Gas Sand, Lower Sanders Gas Sand and Lewis Gas Sand as defined in the Special Field Rules for the Bacon Field, and separate and distinct from all other gas pools in the field. The proposed definition of the Carter Gas Sand was set forth on Exhibit "A" to the Petition.

4.

The presently known characteristics of the Carter Gas Sand indicate that it is a gas pool and that one well located on a drilling unit which complies with the Special Field Rules for the Bacon Field will result in a drilling unit which will include the maximum area which may be reasonably drained by one well so as to produce reasonable maximum recoverable oil and gas in such area without waste.

5.

The Special Field Rules for the Bacon Field, Chickasaw County, Mississippi, were adopted in Docket No. 143-80-480 by Order No. 188-80 dated May 21, 1980, and were amended in Docket No. 240-81-480 by Order No. 334-81 dated July 16, 1981, and that those Special Field Rules should now be amended to define the Carter Gas Sand as a separate and distinct gas pool in the field.

6.

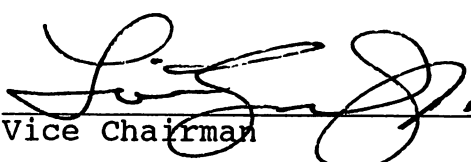
The proposed amendment to the Special Field Rules would allow for and promote the proper and orderly development of the said pool and the field, would prevent waste and allow for the protection of the coequal and correlative rights of all owners in the pools.

IT IS, THEREFORE, ORDERED AND ADJUDGED by the State Oil and Gas Board of Mississippi that the Special Field Rules for the Bacon Field in Chickasaw County, Mississippi should be and same are hereby amended so as to define the Carter Gas Sand, and said

Special Field Rules, as amended, shall hereafter read as set forth on Exhibit "A" attached hereto.

ORDERED AND ADJUDGED on this the 16<sup>th</sup> day of February, 1989.

STATE OIL AND GAS BOARD OF  
MISSISSIPPI

By:   
Vice Chairman

AMENDED SPECIAL FIELD RULES  
FOR THE  
BACON FIELD  
CHICKASAW COUNTY, MISSISSIPPI

The Bacon Field, as used herein, is that area consisting of the following described land, to-wit:

Sections 13, 14, 15, 22, 23, 24, 25, 26, 27,  
34 and 36, Township 12 South, Range 4 East,  
Chickasaw County, Mississippi,

underlain by the Abernathy Gas Sand, the Evans Gas Sand, the Lower Sanders Gas Sand and the Lewis Gas Sand of the Mississippian Formation, as hereinafter defined, and all productive extensions thereof.

1. The Abernathy Gas Sand in the Bacon Field shall be construed to mean those strata of the Mississippi Formation productive of gas in the interval between the depths of 2164 feet to 2245 feet encountered in The Louisiana Land and Exploration Company - Bobbie Lee Allen No. 1 Well, as indicated on the dual induction electric log of said well, said well being located 1000 feet from the South line and 1490 feet from the East line of the E 1/2 of Section 23, Township 12 South, Range 4 East, Chickasaw County, Mississippi.

2. The Evans Gas Sand in the Bacon Field shall be construed to mean those strata of the Mississippian Formation productive of gas in the interval between the depths of 2380 feet and 2485 feet encountered in the Louisiana Land and Exploration Company - Bobbie Lee Allen No. 1 Well, as indicated on the dual induction electric log of said well, said well being located 1000 feet from the South line and 1490 feet from the East line of the E 1/2 of Section 23, Township 12 South, Range 4 East, Chickasaw County, Mississippi.

3. The Lower Sanders Gas Sand in the Bacon Field shall be construed to mean those strata of the Mississippian Formation productive of gas in the interval between the depths of 2097 feet and 2108 feet encountered in the Pruet Production Co. - Federal Land Bank 25-12 Well, as indicated on the dual induction electric log of said well, said well being located 600 feet from the West

line and 2140 feet from the South line of Section 25, Township 12 South, Range 4 East, Chickasaw County, Mississippi, and including those strata productive of gas which can be correlated therewith.

4. The Lewis Gas Sand in the Bacon Field shall be construed to mean those strata of the Mississippian Formation productive of gas in the interval between the depths of 2627 feet and 2644 feet encountered in the Pruet Production Co. - R. L. Farned 26-1 Well, as indicated on the dual induction electric log of said well, said well being located 990 feet from the East line and 990 feet from the North line of Section 26, Township 12 South, Range 4 East, Chickasaw County, Mississippi, and including those strata productive of gas which can be correlated therewith.

5. The Carter Gas Sand in the Bacon Field shall be construed to mean those strata of the Mississippian Formation productive of gas in the interval between the depths of 1781 feet and 1798 feet encountered in the Holleman & Parks Oil & Gas Co., Inc. - Travis Davis 15-5 Well No. 1, as indicated on the dual induction electric log of said well, said well being located 1,000 feet from West line and 2,600 feet from North line of a unit comprised of the W 1/2 of Section 15, Township 12 South, Range 4 East, Chickasaw County, Mississippi in the Bacon Field, and including those strata productive of gas which can be correlated therewith.

6. The characteristics of said Abernathy Gas Sand, Evans Gas Sand, Lower Sanders Gas Sand, Lewis Gas Sand and Carter Gas Sand in said field are such that a well located as hereinafter prescribed and drilled upon a drilling unit containing approximately 320 contiguous surface acres conforming to the requirements of the rules herein contained will adequately and efficiently drain and produce the recoverable gas from such unit in said pools without avoidable waste.

RULE 1 SPACING OF GAS WELLS:

As to each of said gas sands, every well drilled as a gas well:

(a) Shall be located on a drilling unit consisting of (1) 320 contiguous surface acres; or (2) a governmental half section containing not less than 300 acres or more than 340 acres; or (3) eight contiguous governmental quarter-quarter sections whose total acreage is not less than 300 or more than 340 acres. In any case, no other well producing from the same pool shall be located on any such unit.

(b) Any gas drilling unit formed under Section 2(a) of this rule must be completely encompassed by the perimeter of a rectangle 3735 feet by 5380 feet. Provided, however, no unit shall be permitted which will create island acreage.

(c) The well shall be drilled at least 1,980 feet from every other drilling well or well completed in or producing from the same pool located in conformity with this rule; and

(d) The well shall be located not less than 990 feet from every exterior boundary of the drilling unit.

RULE 2 APPLICABILITY OF STATEWIDE RULES:

A. All rules and regulations contained in Statewide Order No. 201-51, and any amendments thereto, not specifically covered by the foregoing Special Field Rules are hereby adopted and shall apply to said field.

B. The Board expressly reserves the right, after notice and hearing, to alter, amend or repeal any and all of the foregoing rules and regulations.

- END OF SPECIAL FIELD RULES -

SOURCE: Order No. 68-89 dated February 16, 1989 in  
Docket No. 49-89-480