

DEC 12 1978

STATE OIL AND GAS BOARD  
Clyde R. Davis, State Oil & Gas Supervisor

BEFORE THE STATE OIL AND GAS BOARD

STATE OF MISSISSIPPI

RE: ROBERT MOSBACHER  
CALHOUN FIELD  
JONES COUNTY, MISSISSIPPI

ORDER NO. 426-78  
DOCKET NO. 309-78-416

ORDER FOR PERMANENT  
SPECIAL FIELD RULES

This cause coming on this day to be heard upon application of Robert Mosbacher asking that this Board reapprove and make permanent the Special Field Rules for the Calhoun Field, Jones County, Mississippi, as adopted by this Board November 18, 1976, and for other relief as set forth in the application, upon oral and documentary proof introduced at the hearing on this matter, upon proof of publication of notice as required by statute and the rules of this Board and the Board, being of the opinion that the relief requested by the applicant should be granted, does find as follows, to-wit:

I.

The Board does find and adjudicate that proper, due and legal notice for the meeting of this Board to consider this application has been given as required by law and the rules of this Board and that due, legal and sufficient proofs of publication of notice are on file with this Board. The Board does further adjudicate that it has full and complete jurisdiction of the subject matter to hear and determine this application at this time and place as hereinafter set forth.

II.

On November 18, 1976, this Board entered Order No. 268-76 adopting and approving Special Field Rules for the Calhoun Field Jones County, Mississippi. Attached hereto as Exhibit "A" and

made a part hereof is a true and correct copy of said Special Field Rules as adopted by this Board. Rule 2-b provides that said Special Field Rules were adopted upon a temporary basis and should continue in effect until the regular November, 1977 meeting of this Board, at which time consideration would be given to entering a permanent Order. On November 16, 1977, at the regular meeting of this Board Order No. 342-77 was entered continuing said rules in effect until the regular May, 1978 meeting of this Board, at which time consideration would be given to entering a permanent Order. On May 17, 1978, at the regular meeting of this Board Order No. 197-78 was entered continuing said rules in effect until this time.

### III.

The Board does further find that Robert Mosbacher, as the operator of the only two wells in this field, the John E. Hill No. 1 Well located in the SW-1/4 of Section 35, Township 9 North, Range 13 West and the Loretta Hill Musgrove et al Well No. 1 located in the SE-1/4 of the said Section 35, Township 9 North, Range 13 West, has obtained additional data with regard to said field which show that said Special Field Rules so adopted by this Board November 18, 1976, should be made permanent. Both of said wells have been on production for some time and the production history of these two wells shows that both of these wells should continue to be classified as gas wells. The Cotton Valley Gas Pool which underlies the units approved by this Board for these two wells should be defined as set forth in said Special Field Rules and in said Order No. 268-76. There have been no additional wells drilled in this field since November, 1976.

### IV.

On November 18, 1976, Order No. 269-76 was entered by this Board reforming the gas drilling and producing unit for the John E.

Hill No. 1 Well, integrating all separately owned interests therein and approving the location of the well upon said 640 acre gas unit. Also, on November 18, 1976, Order No. 270-76 was entered by this Board reforming the unit for the Loretta Hill Musgrove et al Well No. 1 integrating all separately owned interests in said 640 acre gas unit and approving the location of the well thereon.

V.

The Board does further find that the two above mentioned wells were originally completed in the Cotton Valley Gas Pool as defined by the Special Field Rules for this Field and that said wells have continued to produce from said gas pool, are now producing from said gas pool and said wells should continue to be classified by this Board as gas wells.

VI.

The Board does also find that the reapproval as Permanent Field Rules of those certain Special Field Rules adopted by this Board on November 18, 1976, is necessary to promote proper and economic development of the Calhoun Field, to protect the co-equal and correlative rights of all owners in said field and the oil and gas underlying the same, to promote conservation, to avoid waste, to prevent the drilling of unnecessary wells and to permit the recovery of the maximum amount of hydrocarbons from the Cotton Valley Gas Pool in said field.

VII.

The Board does also find that one well completed in the Cotton Valley Gas Pool as defined by these Special Field Rules, will and does efficiently and effectively drain not less than 640 acres underlying said unit and that the two above mentioned wells are now efficiently and effectively draining the recoverable hydrocarbons underlying the two 640 acre units approved by this Board for these two wells.

IT IS, THEREFORE, ORDERED that the Special Field Rules for the Cotton Valley Gas Pool, Calhoun Field, Jones County, Mississippi, which were approved on a temporary basis November 18, 1976, by Order No. 268-76 and a copy of which is attached to this Order as Exhibit "A" be and they are hereby re-adopted, reapproved and made permanent. It is further ordered that the two above referenced wells shall continue to be classified and they are classified as gas wells.

ORDERED this the 15<sup>th</sup> day of November, 1978.

MISSISSIPPI STATE OIL & GAS BOARD

BY:

Joe R. Fancher, Jr.  
CHAIRMAN

BEFORE THE STATE OIL AND GAS BOARD

STATE OF MISSISSIPPI

RE: ROBERT MOSBACHER  
CALHOUN FIELD  
JONES COUNTY, MISSISSIPPI

DOCKET NO. 167-76-416

ORDER NO. 268-76

ORDER FOR SPFCIAL FIELD RULES

This cause coming on this day to be heard upon application of Robert Mosbacher asking that this Board adopt and approve Special Field Rules for the Calhoun Field and for other relief as set forth in the application, upon proof of publication of notice as required by statute and the rules of this Board, upon Order entered October 20, 1976 continuing this matter for hearing at this time and place, upon written and oral protest of Loretta Hill Musgrove, John E. Hill and others, said protestants being represented by <sup>individually and/or</sup> counsel and appearing before this Board at this hearing, and upon oral and documentary proof introduced at the hearing on this matter and the Board being of the opinion that the relief asked should be granted does find as follows to-wit:

I.

The Board does find and adjudicate that proper, due and legal notice for the meeting of this Board to consider this application has been given as required by law and the rules of this Board and that due, legal and sufficient proofs of publication of notice are on file with this Board. The Board does further adjudicate that it has full and complete jurisdiction of the subject matter to hear and determine this application at this time and place.

II.

On June 13, 1974, upon application of Louisiana Land and Exploration Company and Florida Gas Exploration Company, this Board issued a wildcat drilling permit for the John E. Hill No. 1 Well in Jones County, Mississippi, at a location described as follows, to-wit:

1160 feet East and 800 feet North of the Southwest corner of Section 35, Township 9 North, Range 13 West.

and approved as an 80 acre drilling unit for said well the following property to-wit:

S-1/2 of SW-1/4 of Section 35, Township 9 North, Range 13 West, containing 80 acres, more or less.

Said well was drilled to a total depth of 19,100 feet to the Haynesville Formation but was plugged back and completed in the Mid Cotton Valley Formation at perforations between 16,495 feet and 16,512 feet.

### III.

On May 7, 1975, Florida Gas Exploration Company, as operator of said well filed a Petition in Docket No. 82-75 asking that the Cotton Valley-Hill Gas Pool be defined as therein set forth, that the drilling unit for the above mentioned well be reformed to comprise all of Section 35, Township 9 North, Range 13 West and that the Board approve the location of the well on said unit as an exception to the Statewide Rules with regard to gas wells. Said docket was heard at the June, 1975 meeting of this board and on June 18, 1975 Order No. 131-75 was entered by this Board finding that the evidence in support of the Petition was insufficient to warrant a finding by the Board that said 80 acre drilling unit should be reformed to a 640 acre gas unit and dismissing the Petition without prejudice. Robert Mosbacher is now the operator of said well.

### IV.

On June 17, 1976, this Board issued Permit No. 514 to applicant for the drilling of the Loretta Hill Musgrove et al Well No. 1 in this field at a location described as follows:

1,650 feet from the East line and 1,520 feet from the South line, Section 35, Township 9 North, Range 13 West.

The drilling unit as approved for said well is described as follows, to-wit:

Beginning at the Northwest corner of the Southeast Quarter of Section 35, Township 9 North, Range 13 West, Jones County, Mississippi, run thence Easterly along the North line of the Southeast Quarter of said Section 35 for 1490.0 feet, more or less;

Thence Southerly and parallel to the West line of the Southeast Quarter of said Section 35 for 1620.0 feet more or less;  
Thence Westerly and parallel to the South line of said Section 35 for 440.0 feet, more or less;  
Thence Southerly and parallel to the West line of the Southeast Quarter of said Section 35 for 1020.0 feet, more or less;  
Thence Westerly along the South line of said Section 35 for 1050.0 feet, more or less;  
Thence Northerly along the West line of the Southeast Quarter of said Section 35 for 2640.0 feet, more or less, to the point of beginning.

The above described tract is situated in Section 35, Township 9 North, Range 13 West, Jones County, Mississippi, and does contain 80 acres.

Said well has been drilled to a total depth of 16,717 feet and is productive in the Cotton Valley Gas Pool as herein defined. Tests conducted on the Musgrove Well and on the Hill No. 1 Well in recent months have conclusively shown that both of said wells are gas wells and that both of said wells should be so classified by this Board.

V.

There have been no Special Field Rules adopted by this Board for this field and the two wells above mentioned are the only two wells which have been drilled in this area to a depth sufficient to test the Cotton Valley Sand which is productive in both of these wells.

VI.

The Board does find that both of said wells are gas wells, that the producing pool underlying the Calhoun Field as hereinafter defined is a gas pool and that said gas pool should and it is defined as follows, to-wit:

The Cotton Valley Gas Pool is defined as those strata productive of gas and associated hydrocarbons within the interval between the measured depths of 16,500 feet and 16,676 feet as indicated on the Dual-Induction Electric Log of the Robert Mosbacher-Loretta Hill Musgrove No. 1 Well located in the SE-1/4 of Section 35, Township 9 North, Range 13 West, Jones County, Mississippi, and all intervals correlative to or connected with those strata.

The Board does further find that the Field Limits of the Calhoun Field, Jones County, Mississippi, should be and they are hereby defined as follows:

All that part of the following lands:

Township 9 North, Range 13 West:

Section 34: E-1/2  
Section 35: All  
Section 36: W-1/2

Township 8 North, Range 13 West:

Section 1: W-1/2  
Section 2: All  
Section 3: E-1/2  
Section 11: N-1/2

underlain by the Cotton Valley Gas Pool and all productive extensions thereof.

The Board does further find that Special Field Rules for the Cotton Valley Gas Pool in the above described field should provide for drilling and producing units consisting of 640 contiguous surface acres upon which no other drilling or producing well is located provided that no unit will be permitted which will create island acreage and that wells drilled in search of gas should be located at least 990 feet from the unit line and at least 2,600 feet from any other drilling or producing well.

VII.

This Board does further find that the two wells above described which have been drilled in this field are gas wells and under the provision of Statewide Rule 2(i) should be and they are hereby so classified by this Board. The Board does find that the production from the two wells above described is predominantly gas and that said pool underlying said property should be defined as a gas pool. The Board does further find that one well completed in this reservoir can efficiently and effectively drain not less than 640 acres underlying said units. The Board does further find that the adoption of Special Field Rules in the form hereinafter set forth is necessary to promote proper and economic development of the Calhoun Field, to protect the co-equal and correlative rights of all owners in said field and the oil and gas underlying the same, to promote conservation, to avoid waste, to prevent the drilling of unnecessary wells and to permit the recovery of the maximum amount of hydrocarbons from the Cotton Valley Gas Pool in said field.

IT IS THEREFORE ORDERED that the following Special Field Rules be and they are hereby adopted for the Calhoun Field, Jones County, Mississippi, to-wit:

SPECIAL FIELD RULES  
COTTON VALLEY GAS POOL  
CALHOUN FIELD  
JONES COUNTY, MISSISSIPPI

FIELD LIMITS:

The Calhoun Field as used herein is that area consisting of the following described lands:

Township 9 North, Range 13 West:

Section 34: E-1/2  
Section 35: All  
Section 36: W-1/2

Township 8 North, Range 13 West:

Section 1: W-1/2  
Section 2: All  
Section 3: E-1/2  
Section 11: N-1/2

COTTON VALLEY GAS POOL:

The Cotton Valley Gas Pool is defined as those strata productive of gas and associated hydrocarbons within the interval between the measured depths of 16,500 feet and 16,676 feet as indicated on the Dual-Induction Electric Log of the Robert Mosbacher-Loretta Hill Musgrove No. 1 Well located in the SE-1/4 of Section 35, Township 9 North, Range 13 West, Jones County, Mississippi, and all intervals correlative to or connected with those strata.

RULE NO. 1: SPACING OF GAS WELLS

Every well drilled as a gas well:

(a) Shall be located on a drilling unit consisting of 640 contiguous surface acres, or a governmental section containing not less than 600 acres or more than 620 acres, upon which no other drilling or producible well is located;

(b) Any gas drilling unit not a governmental section must be completely encompassed by the perimeter of a rectangle 5520 feet by 6245 feet. Provided, however, no unit shall be permitted which will create island acreage;

(c) The well shall be located at least 2000 feet from every other drilling or producible well located in conformity with this rule; and

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

RULE NO. 2: APPLICABILITY OF STATEWIDE RULES

- A. All rules and regulations contained in Statewide Order No. 201-51 and all amendments thereto, not specifically covered in the foregoing Special Field Rules are hereby adopted and shall apply to said Field.
- B. These Special Field Rules are adopted upon a temporary basis for the purpose of permitting the operators to obtain additional data with regard to said gas pool and with regard to the limits of said Field. Said rule shall continue in effect until the regular November, 1977 meeting of the State Oil and Gas Board and at said meeting this Board will hear testimony and will consider entering a permanent Order based upon the information available at said time.
- C. The Board expressly reserves the right after notice and hearing to alter, amend or repeal any and all of the foregoing rules and regulations.

ORDERED this the 18<sup>th</sup> day of November, 1976.

MISSISSIPPI STATE OIL & GAS BOARD

BY: 15/ Joe R. Fancher, Jr.  
CHAIRMAN

STATE OF MISSISSIPPI  
COUNTY OF HINDS

I hereby certify that the foregoing is a true and correct copy of State Oil and Gas Board Order No. 268-76 now appearing on file and of record in the office of the State Oil and Gas Board, at Jackson, Mississippi.

This the 18<sup>th</sup> day of November, 1976

Glenn R. Davis  
State Oil & Gas Board