

BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI

**Re: Petition of Fina Oil and Chemical Company to
establish Special Field Rules for Camp Shelby Field**

FILED FOR RECORD

APR 3 - 1995

STATE OIL AND GAS BOARD
A. Richard Henderson, Supervisor

DOCKET No. 67-95-354

ORDER NO. 93 -95

ORDER

This day this cause came on to be heard on the Petition filed by Fina Oil and Chemical Company [hereinafter referred to at times as the "Petitioner"] in this docket requesting the State Oil and Gas Board of Mississippi to enter an order establishing Special Field Rules for Camp Shelby Field to define the Lower Tuscaloosa Oil Pool and the Lower Cretaceous Oil Pool as separate and distinct reservoirs and to establish spacing rules for said pools. This Board, having considered the Petition and the evidence submitted in support thereof, and being fully advised in the premises, is of the opinion and finds that the relief requested by Fina Oil and Chemical Company in its Petition should be and the same is hereby granted. This Board further finds and determines as follows, to-wit:

1.

Due, proper and legal notice of the meeting of this Board for the purpose of considering and hearing the Petition filed herein has been given in the manner and time provided by law and the rules and regulations of this Board. Due, legal and sufficient proofs of publication of such notice and proof of notice by personal service are on file with this Board. Petitioner has made a reasonably diligent effort to give the personal notice required by the rules and regulations of this Board. This Board has full jurisdiction of the parties and the subject matter hereof.

2.

A public hearing was held by this Board in Suite E, 500 Greymont Avenue, Jackson, Mississippi, commencing on March 15, 1995, at 9:30 o'clock, a.m., at which time and place all persons who desired to be heard on said matter were heard and all testimony and the evidence were duly considered by this Board.

3.

Petitioner, Fina Oil and Chemical Company, is a Delaware corporation, whose business address is 14950 Heathrow Forest Parkway, Suite 300, Houston, Texas 77032. Petitioner is the duly appointed operator of the USA 17-10 No. 1 Well. The surface location of the USA 17-10 No. 1 Well is 2250 feet from the West line and 1800 feet from the South line of Section 17 of Township 2 North, Range 10 West, Perry County, Mississippi. The USA 17-10 No. 1 Well is within a field designated by this Board as Camp Shelby Field. No Special Field Rules have been previously adopted by this Board for Camp Shelby Field.

4.

The productive extensions of Camp Shelby Field encompass all or portions of Sections 8 and 17 of Township 2 North, Range 10 West, Perry County, Mississippi. The Lower Tuscaloosa Oil Pool and the Lower Cretaceous Oil Pool are two (2) separate and distinct oil pools in Camp Shelby Field. It is necessary to establish Special Field Rules to define these separate and distinct oil pools and establish spacing for said pools in order that said pools may be properly developed.

5.

The establishment of Special Field Rules for Camp Shelby Field as set forth in Exhibit "A" to the Petition filed in this matter will promote conservation, prevent waste, avoid the drilling of unnecessary wells, and safeguard, protect and enforce the coequal and correlative rights of all owners in Camp Shelby Field.

IT IS THEREFORE ORDERED AND ADJUDGED by the State Oil and Gas Board of Mississippi that the following Special Field Rules be, and the same hereby are, adopted for Camp Shelby Field located in Perry County, Mississippi, to-wit:

**SPECIAL FIELD RULES
CAMP SHELBY FIELD
PERRY COUNTY, MISSISSIPPI**

A. FIELD AREA:

Camp Shelby Field, as used herein, is defined as that area consisting of that all those portions of Sections 8 and 17 of Township 2 North, Range 10 West, Perry County, Mississippi, productive of oil and/or gas and all productive extensions to such area.

B. POOL DEFINITIONS:

(1) The **Lower Tuscaloosa Oil Pool**, as used herein, shall be construed to mean those strata of the Cretaceous age formations productive of oil which can be correlated with the strata indicated on the dual induction log of the Fina Oil & Chemical Company -- USA 17-10 No. 1 Well (located 2250 feet from the West line and 1800 feet from the South line of Section 17 of Township 2 North, Range 10 West, Perry County, Mississippi) between the depths of 10,768 feet and 11,106 feet, and all sands correlative to and in communication with said strata.

(2) The **Lower Cretaceous Oil Pool**, as used herein, shall be construed to mean those strata of the Cretaceous age formations productive of oil which can be correlated with the strata indicated on the dual induction log of the Fina Oil & Chemical Company -- USA 17-10 No. 1 Well (located 2250 feet from the West line and 1800 feet from the South line of Section 17 of Township 2 North, Range 10 West, Perry County, Mississippi) between the depths of 11,107 feet and 12,528 feet, and all sands correlative to and in communication with said strata.

C. RULES:

RULE 1 -- Spacing of Oil Wells

(1) With respect to the Lower Tuscaloosa Oil Pool and the Lower Cretaceous Oil Pool, every oil well:

- (a) Shall be located on a drilling unit consisting of forty (40) contiguous surface acres, or a governmental quarter-quarter section containing not less than thirty-six (36) acres nor more than forty-four (44) acres, upon which no other drilling or producible well is located;
- (b) Any drilling unit not a governmental quarter-quarter section must be completely encompassed by the perimeter of a rectangle 1810 feet by 1445 feet. Provided, however, no unit shall be permitted which will create island acreage;
- (c) The well shall be located at least 660 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 at least 330 feet from every exterior boundary of the unit.

RULE 2 -- Amendment of Special Field Rules

The Board expressly reserves the right, after notice and hearing, to alter, amend or repeal any and all of the above rules and regulations, or to grant exceptions to all or any part thereof.

RULE 3 -- Applicability of Statewide Rules

All rules and regulations contained in Statewide Order No. 201-51, and all amendments thereto, are hereby adopted and shall apply to Camp Shelby Field to the extent not inconsistent with the above rules.

IT IS FURTHER ORDERED AND ADJUDGED by this Board that said Special Field Rules shall take effect on and after the date of this order.

SO ORDERED AND ADJUDGED on this the 15th day of March, 1995.

STATE OIL AND GAS BOARD OF MISSISSIPPI

By:

Chairman

Joseph J. Zuccaro

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