

THE STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET NO. 150-69-277

ORDER NO. 204-69

ORDER

This day this cause coming on to be heard on the petition of The Brandon Company, of Laurel, Mississippi, requesting the State Oil and Gas Board to adopt Special Field Rules for the West Clara Field of Wayne County, Mississippi, and the Board finding that due and legal notice of the meeting of this Board for the purpose of considering the above petition has been given in the manner and form provided by the rules and regulations of this Board, and that due and proper proofs of all legal and required notices are on file with this Board in said cause; that said Board has full jurisdiction of the parties and the subject matter in this cause, and having heard the evidence of witnesses and arguments of counsel and being advised in the premises, is of the opinion that the relief sought in said petition should be granted in the manner and form hereinafter set out.

The Board having fully considered the matter of the adoption and promulgation by the Board of Special Field Rules for West Clara Field, Wayne County, Mississippi, and the evidence and recommendations made with reference to said matter, is of the opinion that the following Special Field Rules should be adopted for the prevention of waste and the protection of the correlative rights of all owners in said field.

IT IS, THEREFORE, HEREBY ORDERED by the State Oil and Gas Board of Mississippi that the following Special Field Rules be and the same are hereby adopted by the State Oil and Gas Board of Mississippi for the West Clara Field, Wayne County, Mississippi, to-wit:

SPECIAL FIELD RULES
WEST CLARA FIELD
WAYNE COUNTY, MISSISSIPPI

The West Clara Field, as used herein, is that area consisting of Sections 2, 3, 10 and 11, Township 7 North, Range 8 West, Wayne County, Mississippi, underlain by the 11,200' Upthrown Rodessa Oil Pool, the 11,400' Upthrown Rodessa Oil Pool, the Upper Rodessa Oil Pool, the Lower Rodessa Oil Pool, the Upper Sligo Oil Pool, the Lower Sligo Oil Pool, and the Smackover Oil Pool, and all productive extensions thereof.

I. The 11,200' Upthrown Rodessa Oil Pool, as used herein, shall be construed to mean those strata of the Rodessa Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 10,974 feet to 11,290 feet in The Brandon Company - Unit 3-16 Well located 400 feet from the North line and 330 feet from the West line of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 3, Township 7 North, Range 8 West, Wayne County, Mississippi, and including those strata productive of oil which are correlatable therewith.

II. The 11,400' Upthrown Rodessa Oil Pool, as used herein, shall be construed to mean those strata of the Rodessa Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 11,290 feet to 11,480 feet in The Brandon Company - Unit 3-16 Well located 400 feet from the North line and 330 feet from the West line of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 3, Township 7 North, Range 8 West, Wayne County, Mississippi, and including those strata productive of oil which are correlatable therewith.

III. The Upper Rodessa Oil Pool, as used herein, shall be construed to mean those strata of the Rodessa Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 11,584 feet to 11,920 feet in the Pan American Petroleum Corporation - No. 1 USA-G.M. & O. Land Company Well located 1650 feet North and 1750 feet East of the Southwest corner of Section 3, Township 7 North, Range 8 West, Wayne County, Mississippi, and including those strata productive of oil which are correlatable therewith.

IV. The Lower Rodessa Oil Pool, as used herein, shall be construed to mean those strata of the Rodessa Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 11,930 feet to 12,125 feet in the Pan American Petroleum Corporation - No. 1 USA-G. M. & O. Land Company Well located 1650 feet North and 1750 feet East of the Southwest corner of Section 3, Township 7 North, Range 8 West, Wayne County, Mississippi, and including those strata productive of oil which are correlatable therewith.

V. The Upper Sligo Oil Pool, as used herein, shall be construed to mean those strata of the Sligo Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 11,640 feet to 11,792 feet in The Brandon Company - Unit 3-16 Well located 400 feet from the North line and 330 feet from the West line of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 3, Township 7 North, Range 8 West, Wayne County, Mississippi, and including those strata productive of oil which are correlatable therewith.

VI. The Lower Sligo Oil Pool, as used herein, shall be construed to mean those strata of the Sligo Formation productive of hydrocarbons from the Schlumberger-Induction-Electrical Log depth of 11,800 feet to 12,000 feet in The Brandon Company - Unit 3-16 Well located 400 feet from the North line and 330 feet from the West line of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 3, Township 7 North, Range 8 West, Wayne County, Mississippi, and including those strata productive of oil which are correlatable therewith.

VII. The Smackover Oil Pool, as used herein, shall be construed to mean those strata of the Smackover Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 13,310 feet to 14,180 feet in the Pan American Petroleum Corporation - No. 1 USA-G. M. & O. Land Company Well located 1650 feet North and 1750 feet East of the Southwest corner of Section 3, Township 7 North, Range 8 West, Wayne County, Mississippi, and including those strata productive of oil which are correlatable therewith.

RULE 1 - MEASUREMENT OF PRODUCTION

The operator of each producing lease shall maintain proper separation equipment and stock tanks and/or metering devices and such connections thereto as are necessary to measure the total production from such lease. Where metering devices are used, the production may be commingled in a common storage system with production from other leases. And if, upon a sale therefrom, a variance exists between the measurement from the common storage system and the total measurement of the production of all leases commingled in such common storage system, then such variance shall be allocated back to each of the leases producing into such common storage system proportionately to the production measured from each lease.

RULE 2 - EQUIPMENT FOR TESTS

The operator of each producing lease on which there are two or more producing wells shall maintain proper separation equipment and stock tanks and/or metering devices and such connections thereto as will permit the adequate testing of each individual well under usual operating conditions without the necessity of closing in any other well. Such separation equipment, stock tanks and/or metering devices and connections thereto shall be subject to approval by the Supervisor.

RULE 3 - USE OF METERS

A. The use of meters for testing and for measurement of lease production shall be subject to and in accordance with the following provisions:

1. Metering devices shall be of the positive displacement or positive volume type which register the volume of oil passed through it in barrels or multiples thereof.
2. All meters shall be downstream of the necessary separating or treating vessels. All meters shall be designed and installed in conformance with recognized

metering practices and acceptable to the Oil and Gas Board.

3. No meter used for oil production measurement shall be directly or indirectly by-passed in such manner as to permit oil from separate leases to pass into common storage without first being measured by said meter including wells on test.
4. All meters and equipment affecting meter accuracy shall be kept in good working order. Each meter shall be calibrated monthly by means of a calibrated tank, a calibrated meter prover or a master meter. Any deviations found shall be corrected by use of a proper meter factor.

RULE 4 - AUTOMATIC CUSTODY TRANSFER SYSTEMS AUTHORIZED

Automatic custody transfer systems which automatically sample, measure and transfer the production from the operator to the transporter are hereby authorized for the West Clara Field. Such systems may be used to transfer production from individual leases or common storage facilities as authorized in Rule 1 above. In the event the transfer is from such a common storage facility, the allocation of production to the leases being produced into such common storage system will be on the basis of the relationship of the measured production transferred by the automatic custody transfer system.

The automatic custody transfer system will be equipped with a sampling device which will take a representative sample of the total production passing through the system in order that the specific gravity and the basic sediment and water content can be determined.

The automatic custody transfer system will be equipped with metering devices of the positive displacement or positive volume type which register the volume of oil passed through

it in barrels or multiples thereof. In addition to meeting all of the requirements set out in Rule 3 above which deals with the use of meters, said automatic custody transfer metering device will be compensated for temperature, will be so equipped as to provide an accounting of the total oil transferred by such system and will have an accuracy obtained in measurements made in calibrated prover tanks.

RULE 5 - APPLICABILITY OF STATEWIDE RULES

All rules and regulations contained in Statewide Order No. 201-51, and any amendments thereto, not specifically covered in the foregoing rules are hereby adopted and applied in said field.

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

ORDERED AND ADJUDGED this 19th day of June, 1969..

STATE OIL AND GAS BOARD OF MISSISSIPPI

BY

Robert M. Ford

CHAIRMAN