

FILED FOR RECORD

MAR 31 1986

STATE OIL AND GAS BOARD
A. Richard Henderson, Supervisor

IN THE STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET NO. 102-86-674

ORDER NO. 151-86

O R D E R

This cause coming on for hearing before the State Oil and Gas Board of Mississippi on the Petition of Biglane Operating Company, R. E. Williams Oil & Gas Company, and Pennington Oil Company, Inc., requesting the State Oil and Gas Board of Mississippi to designate and define the Walker Sand Oil Pool, the Parker Sand Oil Pool and the McKittrick Sand Oil Pool, all of the Wilcox Formation and promulgate and adopt special field rules for the South Clark Creek Field, Wilkinson County, Mississippi.

The Board finding that due, proper and legal notice of the meeting of the Board for the purpose of considering and taking action with respect to said matter has been given in accordance with the law and the rules and regulations of the Board, and that the Board has jurisdiction of the subject matter; and

After public hearing heard by the Board in the Walter Sillers State Office Building, Suite 1400, 550 High Street, Jackson, Mississippi, commencing on March 19, 1986, at which time and place all persons present who desired to be heard on said matter were heard, and the proposed designating and defining of the Walker Sand Oil Pool, the Parker Sand Oil Pool and the McKittrick Sand Oil Pool, and the adoption of special field rules in the South Clark Creek Field, Wilkinson County, Mississippi, was fully discussed and duly considered by those present at said meeting; and

The Board having fully considered said matter and the evidence and recommendations made in said hearing and being of the opinion that the relief sought by Petitioners should be granted, finds as follows:

1.

That the South Clark Creek Field, as referred to herein, is comprised of that area in Sections 24, 26, 27 and 46, Township 1 North, Range 4 West, Wilkinson County, Mississippi, which is underlain by the Walker Sand Oil Pool, the Parker Sand Oil Pool and the McKittrick Sand Oil Pool all of the Wilcox Formation, including productive extensions thereof, as said pools are hereinafter defined, to-wit:

(A)

The Walker Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of oil from the measured depth of 8758 feet to 8762 feet on the Schlumberger Dual Induction Log of the R. E. Williams Oil & Gas Co. - Pennington Berry No. 1 located in Section 26, T1N-R4W, Wilkinson County, Mississippi, and including those strata productive of oil which can be correlated therewith.

(B)

The Parker Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of oil from the measured depth of 8670 feet to 8676 feet on the Schlumberger Dual Induction Log of the R. E. Williams Oil & Gas Co. - Pennington Berry No. 2 located in Section 26, T1N-R4W, Wilkinson County, Mississippi, and including those strata productive of oil which can be correlated therewith.

(C)

The McKittrick Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of oil from the measured depth of 8551 feet to 8554 feet on the Schlumberger Dual Induction Log of the R. E. Williams Oil & Gas Co. - Pennington Berry No. 4 located in Section 26, T1N-R4W, Wilkinson County, Mississippi, and including those strata productive of oil which can be correlated therewith.

2.

The above described pools are separate and distinct reservoirs and not in communication with any other reservoir or producing formation, pool or horizon.

3.

The presently known characteristics of the Walker, Parker and McKittrick Sand Oil Pools are such that one well located on a drilling unit comprised of forty (40) contiguous acres formed in the manner prescribed herein will adequately drain and produce the hydrocarbons in the Walker, Parker and McKittrick Sand Oil Pools without avoidable waste.

4.

That the Walker, Parker and McKittrick Sand Oil Pools in the South Clark Creek Field should be defined and each designated as a separate reservoir not in communication with each other or of any other reservoir, producing formation, pool or horizon, and that field rules should be adopted for the South Clark Creek Field, Wilkinson County, Mississippi.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the following special field rules be and the same are hereby adopted by the State Oil and Gas Board of Mississippi for the South Clark Creek Field, Wilkinson County, Mississippi, to take effect on and after the date hereof:

SPECIAL FIELD RULES FOR
SOUTH CLARK CREEK FIELD
IN WILKINSON COUNTY, MISSISSIPPI

(A)

The South Clark Creek Field, as used herein, is that area in Sections 24, 26, 27 and 46, Township 1 North, Range 4 West, Wilkinson County, Mississippi, including all productive extensions thereof underlain by the Walker Sand Oil Pool, the Parker Sand Oil Pool and the McKittrick Sand Oil Pool all of the Wilcox Formation.

1.

The Walker Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of oil from the measured

depth of 8758 feet to 8762 feet on the Schlumberger Dual Induction Log of the R. E. Williams Oil & Gas Co. - Pennington Berry No. 1 located in Section 26, T1N-R4W, Wilkinson County, Mississippi, and including those strata productive of oil which can be correlated therewith.

2.

The Parker Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of oil from the measured depth of 8670 feet to 8676 feet on the Schlumberger Dual Induction Log of the R. E. Williams Oil & Gas Co. - Pennington Berry No. 2 located in Section 26, T1N-R4W, Wilkinson County, Mississippi, and including those strata productive of oil which can be correlated therewith.

3.

The McKittrick Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of oil from the measured depth of 8551 feet to 8554 feet on the Schlumberger Dual Induction Log of the R. E. Williams Oil & Gas Co. - Pennington Berry No. 4 located in Section 26, T1N-R4W, Wilkinson County, Mississippi, and including those strata productive of oil which can be correlated therewith.

That the foregoing definition of the reservoirs in the South Clark Creek Field supersedes all prior definitions, if any, of the reservoirs in said field.

(B)

The above described oil pools are separate and distinct reservoirs, and are not in communication with any other reservoir or producing formation, pool or horizon.

The characteristics of the above mentioned Walker Sand Oil Pool are such that one well for such pool drilled on a regularly formed forty (40) acre drilling unit will effectively drain and produce the recoverable oil from such unit in said pool without avoidable waste.

The characteristics of the above mentioned Parker Sand Oil Pool are such that one well for such pool drilled on a regularly formed forty (40) acre drilling unit will effectively drain and produce the recoverable oil from such unit in said pool without avoidable waste.

The characteristics of the above mentioned McKittrick Sand Oil Pool are such that one well for such pool drilled on a regularly formed forty (40) acre drilling unit will effectively drain and produce the recoverable oil from such unit in said pool without avoidable waste.

In the interest of conservation and for the protection of the co-equal and co-relative rights of all parties in interest, these Special Field Rules provide for the spacing of oil wells and the identification of the now producing oil pools in the South Clark Creek Field.

RULE 1 - SPACING OF OIL WELLS:

With respect to each separate and distinct pool in the South Clark Creek Field, every oil well:

(a) Shall be located on a drilling unit consisting of forty (40) contiguous acres, or a governmental quarter-quarter section containing not less than thirty-six (36) acres or 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 a perimeter of a rectangle 1810 feet by 1445 feet. Provided, however, no unit shall be permitted which will create island acreage.

(c) Each well shall be located at least 660 feet from every other drilling or producible well located in conformity with this rule.

(d) Each well shall be located at least 330 feet from every exterior boundary of the drilling unit.

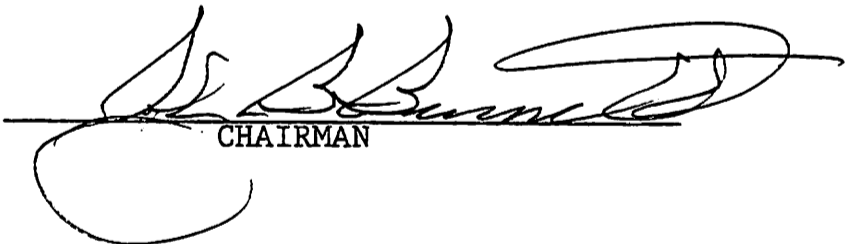
RULE 2 - APPLICABILITY OF STATEWIDE RULES:

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

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

SO ORDERED on this the 19th day of March, 1986.

MISSISSIPPI STATE OIL AND GAS BOARD


CHAIRMAN