

BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI

RE: PETITION OF ROUNDTREE & ASSOCIATES,
INC. TO ESTABLISH SPECIAL FIELD RULES
FOR NORTHEAST COLLINS FIELD, JONES
AND COVINGTON COUNTIES, MISSISSIPPI

FILED FOR RECORD

AUG - 4 2000

DOCKET NO ~~241-2000-816~~ STATE OIL AND GAS BOARD
WALTER BOONE, SUPERVISOR

ORDER NO. 381-2000

ORDER

THIS MATTER came on for hearing before the State Oil and Gas Board on the Petition of Roundtree & Associates, Inc. to establish Special Field Rules for Northeast Collins Field, such hearing being called for such purpose; and

WHEREAS, the Board finds that due, proper and legal notice of the meeting of the Board for the purpose of considering and taking action with respect to such matter was given in the manner and way provided by law and the rules and regulations of the Board; that due, legal and sufficient proofs of publication and service are on file with the Board; and that the Board has full jurisdiction of the subject matter to hear and determine same; and

WHEREAS, pursuant to said notice and service of process, public hearing was held by said Board, in the hearing room, 500 Greymont Avenue, Suite E, Jackson, Mississippi, commencing on July 19, 2000, at which hearing all persons present who desired to be heard on said matter were heard and all testimony and evidence were duly considered by those present at said meeting; and

WHEREAS, the Board has fully considered said matter and the evidence and recommendations made in said hearing and finds as follows:

1. Pursuant to Order No. 46-99, Docket No. 20-99, dated effective February 17, 1999, Petitioner drilled its Robertson 21-9 No. 1 Well at a regular location on a 640-acre gas unit consisting of the following described lands:

The S1/2 of the NE1/4 and the SE1/4 of Section 21; the N1/2 of the NE1/4 of Section 28 in Covington County, MS; the S1/2 of the NW1/4 and the SW1/4 of Section 22 in the Second Judicial District of Jones County, MS and the N1/2 of the NW1/4 of Section 27 in the First Judicial District of Jones County, MS, all in Township 8 North, Range 14 West, Northeast Collins Field, Jones and Covington Counties, Mississippi, containing 640 acres, more or less.

Said well was drilled to a total depth of 18,725, encountering productive intervals of the Cotton Valley Formation. Petitioner has now completed said well in the Cotton Valley Formation at perforated intervals of 17,976 - 998.

2. Pursuant to previous Orders, Petitioner received authority to extend the test period for this discovery well until the July 19, 2000 meeting of this Board. Based on the data received during this test period, Petitioner has requested that the Board establish Special Field Rules for the Northeast Collins Field.

3. Petitioner proposes to define the Upper Cotton Valley Volatile Oil Pool of Northeast Collins Field. Based on the test production and the highly permeable reservoir characteristics found in said pool, 640-acre units are the maximum area in this pool which should be assigned one well to as to produce the reasonably recoverable oil or gas within the unit. This unit is also of the size and configuration necessary to protect the co-equal and correlative rights of owners of interests underlain by this Pool.

IT IS, THEREFORE, ORDERED AND ADJUDGED that the Special Field Rules of Northeast Collins Field, Covington County, Mississippi shall be and are hereby established as follows:

**SPECIAL FIELD RULES
NORTHEAST COLLINS FIELD
COVINGTON COUNTY, MISSISSIPPI**

FIELD LIMITS:

Field Limits for the Northeast Collins Field as used herein shall be defined as that area consisting of the following described areas in Jones and Covington Counties.

The W 1/2 of Section 22 and the NW 1/4 of Section 27, Township 8 North, Range 14 West, Jones County, Mississippi, and All of Section 21 and the N 1/2 of Section 28, Township 8 North, Range 14 West, Covington County, Mississippi, and all productive extensions thereof.

UPPER COTTON VALLEY VOLATILE OIL POOL DEFINED:

The Upper Cotton Valley Volatile Oil Pool is defined as those strata productive of volatile oil and gas within the interval of 17,976 feet to 17,998 feet as indicated on the dual induction log for the Roundtree & Associates-Robertson 21-9 No. 1 Well, located in the NE 1/4 of Section 21, Township 8 North, Range 14 West, Covington County, Mississippi, and all intervals correlative to and/or connected with said strata.

RULE 1:

Spacing of wells in the Upper Cotton Valley Volatile Oil Pool.

Every well drilled or completed in the Upper Cotton Valley Volatile Oil Pool:

- (a) shall be located on a drilling unit consisting of six hundred forty (640) contiguous surface acres; or a governmental section containing not less than six hundred (600) acres, or more than six hundred eighty (680) acres, or sixteen (16) contiguous governmental quarter-quarter sections whose total acreage is not less than six hundred (600) acres or more than six hundred eighty (680) acres upon which no other drilling or producible well is located;
- (b) shall be located at least 3,000 feet from every other drilling or producible well located in conformity with this rule;
- (c) shall be located at least 1500 feet from every exterior boundary of the drilling unit; and
- (d) no unit shall be permitted which will create island acreage.

RULE 2 – APPLICABILITY OF STATEWIDE RULES:

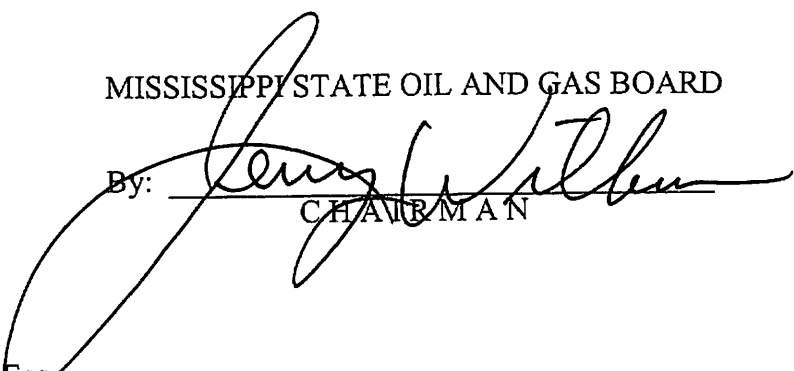
Except as provided herein, all rules and regulations contained in the Statewide Rules of the Mississippi State Oil and Gas Board and any amendments thereto, are hereby adopted and applied to said Field.

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

ORDERED AND ADJUDGED this 19th of July 2000, effective July 19, 2000.

MISSISSIPPI STATE OIL AND GAS BOARD

By: _____


CHAIRMAN

OF COUNSEL:

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