

NOV 13 1986

THE STATE OIL AND GAS BOARD OF MISSISSIPPI  
STATE OIL AND GAS BOARD  
Mississippi Department of Transportation, Supervisor

Re: PETITION OF GENMAR OIL & GAS, INC.,  
STEPHEN J. GRACE, AND J. SIDNEY  
ROBERTS TO AMEND THE SPECIAL FIELD  
RULES FOR THE MIDDLE EAST FORK FIELD,  
AMITE COUNTY, MISSISSIPPI

DOCKET NO. 273-86-686

ORDER NO. 432-86

ORDER

THIS DAY this cause came on to be heard on the Petition of Genmar Oil & Gas, Inc. ("Genmar"), Stephen J. Grace and J. Sidney Roberts, Petitioners, requesting the Board to amend the Special Field Rules for the Middle East Fork Field, Amite County, Mississippi, and to define a new oil pool in said Field, and the Board having considered this Petition and the evidence in support thereof, and being fully advised in the premises, finds as follows:

Due and legal notice of the meeting of this Board has been given in the manner and time required by law and the rules and regulations of this Board and due and proper proofs of publication are on file with this Board; the Board has full jurisdiction of the parties and the subject matter.

Petitioner Genmar, which is qualified to do business in the State of Mississippi, is the operator of the Genmar Oil & Gas, Inc. - Van Norman Heirs Well No. 1 (the "Well") which is located 306 feet from the South line and 616 feet from the West line of the N 1/2 of NW 1/4 of Section 28, Township 3 North, Range 5 East, Amite County, Mississippi, in the Middle East Fork Field. The Well was originally completed as a gas well and did produce gas from the Lower Tuscaloosa 11,330' Gas Pool in the Middle East Fork Field, but has now been recompleted in and is capable of producing from a separate and distinct oil pool, to be defined as the Upper Tuscaloosa 10,750' Oil Pool.

The Upper Tuscaloosa 10,750' Oil Pool as encountered by the Well is a separate and distinct underground reservoir or pool containing a common accumulation of hydrocarbons and the reservoir is separate and distinct from and not in communication with any other accumulation of hydrocarbons. The Upper Tuscaloosa 10,750' Oil Pool is to be defined as follows:

The Upper Tuscaloosa 10,750' Oil Pool in the Middle East Fork Field should be construed to mean those strata of the Tuscaloosa Formation productive of oil and other hydrocarbons occurring between the measured depths of 10,724 feet and 10,782 feet on the dual induction log of the Genmar Oil & Gas, Inc. et al - Van Norman Heirs Well No. 1, said well being located 306 feet from the South line and 616 feet from the West line of the N 1/2 of NW 1/4 of Section 28, Township 3 North, Range 5 East, Amite County, Mississippi, and all those sands correlative and in communication with those strata and which are productive of oil and other hydrocarbons.

The presently known characteristics of the Upper Tuscaloosa 10,750' Oil Pool indicate that it is an oil pool and that one well located on a drilling unit which complies with Statewide Rule 7.1 will result in a drilling unit which will include the maximum area in the pool which may be drained efficiently by one well so as to produce the reasonable maximum recoverable oil or gas in such area without waste.

The Special Field Rules for the Middle East Fork Field were adopted in Docket No. 60-84 by Order No. 158-84 dated April 19, 1984 and were amended by Order No. 407-84 in Docket No. 273-84-158 by Order dated September 26, 1984. Those Special Field Rules should now be amended so as to identify and define the said Upper Tuscaloosa 10,750' Oil Pool as a separate and distinct oil pool in the Field and also to provide for spacing for production from this pool. The Amended Special Field Rules for the Middle East Fork Field are attached hereto as Exhibit "A".

The Amendment to the Special Field Rules for the Middle East Fork Field will allow for and promote the properly and orderly development of the pool and the Field, will prevent waste, and will allow for the protection of the coequal and correlative rights of all owners in the pool.

IT IS, THEREFORE, ORDERED AND ADJUDGED that the Petition filed herein is well taken and should be granted, that the Special Field Rules for the Middle East Fork Field are amended as shown on Exhibit "A" attached hereto so as to define the Upper Tuscaloosa 10,750' Oil Pool as set forth above and to provide for spacing pursuant to Statewide Rule 7.1 for wells producing from the said pool.

SO ORDERED AND ADJUDGED this the 15<sup>th</sup> day of October, 1986.

STATE OIL AND GAS BOARD  
OF MISSISSIPPI

  
CHAIRMAN

EXHIBIT "A"

SPECIAL FIELD RULES  
FOR THE MIDDLE EAST FORK FIELD  
AMITE COUNTY, MISSISSIPPI

A. FIELD AREA:

The Middle East Fork Field, as used herein, is that geographical area consisting of the following described lands, to-wit:

Section 28: All

Section 21: All

Section 20: E 1/2

Township 3 North, Range 5 East

Amite County, Mississippi

B. POOL DEFINITIONS

1.1 The Lower Tuscaloosa 11,266' Oil Pool in the Middle East Fork Field should be construed to mean those strata of the Tuscaloosa Formation productive of oil and other hydrocarbons occurring between the measured depths of 11,266 feet and 11,282 feet on the dual induction log of the Genmar Oil & Gas, Inc., et al - Newman Heirs Well No. 1, said well being located 518 feet from the East line and 604 feet from the South line of the SW 1/4 of the NE 1/4 of Section 28, Township 3 North, Range 5 East, Amite County, Mississippi, and all sands correlative and in communication with those strata and which are productive of oil and other hydrocarbons.

1.2 The Lower Tuscaloosa 11,330' Gas Pool in the Middle East Fork Field shall be construed to mean those strata of the Tuscaloosa Formation productive of gas and other hydrocarbons occurring between the measured depths of 11,331 feet and 11,352 feet on the dual induction electric log of the Genmar Oil & Gas, Inc., et al - Van Norman Heirs Well No. 1 and all sands correlative of and in communication with those strata and which are productive of gas and other hydrocarbons, said well being located

616 feet from the West line and 306 feet from the South line of the N 1/2 of NW 1/4 of Section 28, Township 3 North, Range 5 East, Amite County, Mississippi.

1.3 The Upper Tuscaloosa 10,750' Oil Pool in the Middle East Fork Field should be construed to mean those strata of the Tuscaloosa Formation productive of oil and other hydrocarbons occurring between the measured depths of 10,724 feet and 10,782 feet on the dual induction log of the Genmar Oil & Gas, Inc. et al - Van Norman Heirs Well No. 1, said well being located 306 feet from the South line and 616 feet from the West line of the N 1/2 of the NW 1/4 of Section 28, Township 3 North, Range 5 East, Amite County, Mississippi, and all sands correlative and in communication with those strata and which are productive of oil and other hydrocarbons.

C. RULES

RULE 1 - SPACING OF WELLS

1.1 As to each well drilled to and productive from the Lower Tuscaloosa 11,330' Gas Pool:

- (a) The well shall be located on a drilling unit comprised of four governmental quarter-quarter sections in the form of a square and containing not less than 144 acres or more than 176 acres; provided, however, there shall not be more than one well on the same unit producing from the same pool;
- (b) The well shall be located at least 1,000 feet from every other well completed into the pool; and
- (c) The well shall be located no closer than 500 feet from every exterior boundary of the drilling unit.

1.2 As to each well drilled to and productive from the Lower Tuscaloosa 11,266' Oil Pool and/or the Upper Tuscaloosa 10,750' Oil Pool:

- (a) The well shall be located on a drilling unit consisting of 80 surface contiguous acres, or two governmental quarter-quarter sections containing

not less than 72 acres or more than 88 acres, upon which no other drilling or producible well is located;

- (b) The well shall be located at least 1,000 feet from every other drilling or producible well located in conformity with this rule; and
- (c) The well shall be located at least 500 feet from every exterior boundary of the drilling unit.

RULE 2 - APPLICABILITY OF STATEWIDE RULES

2.1 All rules and regulations contained in Statewide Order No. 201-51, and any amendment thereto not specifically covered by the foregoing Special Field Rules, are hereby adopted and shall apply to the Field.

2.2 The Board expressly reserves the right, after notice and hearing, to alter, amend or repeal any or all of the foregoing Special Field Rules, or to grant exceptions to all or any part thereof.

- END OF SPECIAL FIELD RULES -

SOURCE: Order No. 432-86, dated October 15, 1986,  
in Docket No. 273-86-686.