

OCT 13 1977

STATE OIL AND GAS BOARD
Clyde R. Davis, State Oil & Gas Supervisor

BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET NO. 196-77-378

ORDER NO. 281-77O R D E R

This day this cause came on to be heard on the petition of Enserch Exploration, Inc., a corporation qualified to do and doing business in the State of Mississippi, requesting the adoption of permanent Special Field Rules for the East Hurricane Lake Field in Lincoln County, Mississippi, and the Board finds that due and legal notice of the meeting of the Board for the purpose of considering the above mentioned petition has been given in the manner and form provided by law and 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; that this Board has full jurisdiction of this cause and of the parties and the right to hear said cause and determine the same, and the Board further finds that petitioner has filed a proper verified petition requesting the adoption of said permanent Special Field Rules, and having heard the evidence, both oral and documentary, and the arguments of counsel and being fully advised in the premises, is of the opinion that Special Field Rules for the East Hurricane Lake Field in Lincoln County, Mississippi, should be adopted as hereinafter set forth.

The Board further finds that petitioner is the operator of two wells in Sections 11 and 2, Township 6 North, Range 6 East, Lincoln County, Mississippi, in the East Hurricane Lake Field.

The Board further finds that the East Hurricane Lake Field, as referred to herein, is comprised of that area in the Southwest Quarter and the South Half of the Northwest Quarter of Section 1; the Southeast Quarter, the South Half of the Northeast Quarter, the Southeast Quarter of the Northwest Quarter, and the East Half of the Southwest Quarter of Section 2; the Northeast Quarter and the East Half of the Northwest Quarter of Section 11; and the North Half of the Northwest Quarter of Section 12, Township 6 North, Range 6 East, Lincoln County, Miss., underlain by

Lower Tuscaloosa Oil Pool, and including all productive extensions thereof.

The Board further finds that it is essential that permanent Special Field Rules for the East Hurricane Lake Field be adopted, after notice and hearing, properly defining said producing pool and the area of said field, and providing for rules and regulations which may be found necessary for the proper and orderly development of the field, the prevention of physical and economic waste and the protection of co-equal and correlative rights of all owners and parties in interest.

The Board further finds that the East Hurricane Lake Field is located within an area comprised of regular governmental sections containing approximately 640 acres each; that the presently known characteristics of the Lower Tuscaloosa Oil Pool underlying the East Hurricane Lake Field indicate that one well properly located on a drilling unit composed of eighty (80) contiguous surface acres, or two governmental quarter-quarter sections of not less than 72 acres or more than 88 surface acres in the manner prescribed in Exhibit "A" hereto will adequately drain and produce the hydrocarbons in the Lower Tuscaloosa Oil Pool underlying said unit efficiently and without avoidable waste.

IT IS, THEREFORE, ORDERED AND ADJUDGED by the State Oil and Gas Board of Mississippi, that the following permanent Special Field Rules for the East Hurricane Lake Field, Lincoln County, Mississippi, be and the same are hereby adopted as Special Field Rules for said field:

SPECIAL FIELD RULES FOR
THE EAST HURRICANE LAKE FIELD
LINCOLN COUNTY, MISSISSIPPI

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

Southwest Quarter and the South Half of the Northwest Quarter of Section 1; the Southeast Quarter, the South Half of the Northeast Quarter, the Southeast Quarter of the Northwest Quarter, and the East Half of the Southwest Quarter of Section 2; the Northeast Quarter and the East Half of the Northwest Quarter of Section 11; and the North Half of the Northwest Quarter of Section 12, Township 6 North, Range 6 East, Lincoln County, Mississippi,

underlain by the Lower Tuscaloosa Oil Pool, as hereinafter defined, and including all productive extensions thereof.

I. The Lower Tuscaloosa Oil Pool in the East Hurricane Lake Field shall be construed to mean those strata of the Tuscaloosa Formation productive of oil in the interval between the electric log depths of 10,571 feet to 10,588 feet in the Wyatt E. Craft, Lone Star Producing Company, et al - #1 Laird Well, and all sands correlative of these strata productive of oil, said well being located 660 feet from the North line and 940 feet from the East line of Section 11, Township 6 North, Range 6 East, Lincoln County, Mississippi.

II. The characteristics of said Lower Tuscaloosa Oil Pool in said field are such that a well located as hereinafter prescribed and drilled upon a drilling unit containing approximately 80 contiguous surface acres conforming to the requirements of the rules herein contained will efficiently drain and produce the recoverable oil from such units in said pool without avoidable waste.

RULE 1 - SPACING OF OIL WELLS:

Every well drilled as an oil well:

- (a) shall be located on a drilling unit consisting of eighty (80) contiguous surface acres, or two governmental quarter-quarter sections containing not less than seventy-two (72) acres or more than eighty-eight (88) acres, upon which no other drilling or producible well is located.

- (b) any drilling unit not composed of two governmental quarter-quarter sections must be completely encompassed by the perimeter of a rectangle 1600 feet by 2725 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 or producible well located in conformity with this rule; and,
- (d) the 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 by the foregoing Special Field Rules are hereby adopted and shall apply to said field.
- B. The Board expressly reserves the right, after notice and hearing, to alter, amend or repeal any and all of the foregoing rules and regulations.

ORDERED AND ADJUDGED on this the 21st day of September, 1977.

STATE OIL AND GAS BOARD OF MISSISSIPPI

BY Joe R. Lanchester, Jr.
CHAIRMAN