

BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI

FILED FOR RECORD

RE: PETITION OF BRYAN C. STACY AND JERRY P. OGDEN TO AMEND THE SPECIAL FIELD RULES, LIBERTY FIELD, AMITE COUNTY, MISSISSIPPI

AUG 3 1989

STATE OIL AND GAS BOARD
A. Richard Henderson, Supervisor

DOCKET NO. 210-89-591

ORDER NO. 327-89

ORDER

THIS DAY this cause came on to be heard on the Petition of Bryan C. Stacy and Jerry P. Ogden ("Petitioners") requesting that the Special Field Rules previously adopted by this Board for the Lower Tuscaloosa Gas Pool in the Liberty Field, Amite County, Mississippi be amended and re-established as set forth in said Petition. The Board having considered the Petition and the evidence in support thereof, and being fully advised in the premises, finds that the Petition should be granted. The Board also finds as follows:

1.

The Board has jurisdiction over the parties and the subject matter of the Petition. Due and legal notice of the hearing on the Petition has been given in the time and manner required by law and the rules and regulations of this Board. Petitioners are the owners of certain Oil & Gas leases and operating interest, including drilling rights and rights to share in production under the Bryan C. Stacy Oil and Gas Properties-Fred A. Anderson, III, Well No. 1. This Well was completed as a commercial producer in the Lower Tuscaloosa Gas Pool.

2.

Special Field Rules for the Lower Tuscaloosa Gas Pool in the Liberty Field, Amite County, Mississippi were adopted by this Board by the entry of Order Number 315-85 on August 27, 1985. Said Order also adopted Special Field Rules for the Lower Tuscaloosa Oil Pool, but this Petition and Order deals only with the Lower Tuscaloosa Gas Pool.

SPECIAL FIELD RULES FOR THE LIBERTY FIELD.
AMITE COUNTY, MISSISSIPPI

THE FOLLOWING RULES SHALL APPLY AS TO THE LOWER TUSCALOOSA GAS POOL:

FIELD LIMITS:

Amite County, Mississippi
Township 1 North, Range 4 East

Section 10: ALL

Section 11: ALL

Section 14: ALL

Section 15: ALL

Including all productive extensions thereof
underlain by the Lower Tuscaloosa Gas Pool.

The Lower Tuscaloosa Gas Pool used herein shall be construed to mean those strata of the Lower Tuscaloosa Formation productive of gas in the interval between 12,212 feet and 12,270 feet in the Shell Western E&P Inc. - Johnston, et al Unit No. 1 Well located 941 feet from the North line and 2,100 feet from the West line of Section 15, Township 1 North, Range 4 East, Amite Mississippi, as indicated on the electric log of said Well and all sands correlative of said strata and interconnected therewith productive of gas.

RULE 1 - DRILLING UNIT SIZE

The characteristics of the Lower Tuscaloosa Gas Pool in said field are such that a Well located as hereinafter proscribed and drilled on a drilling unit consisting of three hundred twenty (320) surface acres, conforming to the requirements herein contained, will effectively drain and produce the recoverable gas from such unit in said gas pool without avoidable waste.

RULE 2 - SPACING GAS WELLS

Every Well hereinafter drilled as a gas well in the Liberty Field to the Lower Tuscaloosa Gas Pool:

(A) Shall be located on a drilling unit consisting of:

(1) Three hundred twenty (320) contiguous surface acres;

or

3.

The only other Well drilled and completed in the Lower Tuscaloosa Gas Pool in this Field is the Shell Western E & P, Inc.- Johnston, et al., No. 1 Well in Section 15, Township 1 North, Range 4 East, Amite County, Mississippi. Said Well has ceased to produce. Petitioners have established and proved the necessity of these amendments to the Special Field Rules for the Lower Tuscaloosa Gas Pool which are attached hereto and made a part hereof for all purposes.

4.

These amendments to the Special Field Rules will inure to the benefit of all concerned, will prevent waste, will protect the co-equal and correlative rights of all interested parties, and will prevent the drilling of unnecessary Wells.

5.

The Special Field Rules for the Lower Tuscaloosa Gas Pool for the Liberty Field, as adopted herein shall supercede and replace all previous rules adopted by this Board for this Pool.

IT IS THEREFORE, ORDERED, ADJUDGED AND DECREED by the State Oil and Gas Board of Mississippi that the following Special Field Rules be, and the same are, hereby adopted for the Lower Tuscaloosa Gas Pool in the Liberty Field located in Amite County, Mississippi to take effect on and after July 20, 1989, to-wit:

- (2) A governmental half section containing not less than three hundred (300) acres or more than three hundred forty (340) acres; or
- (3) Eight (8) contiguous governmental quarter-quarter sections whose total acreage is not less than three hundred (300) acres or more than three hundred forty (340) acres.

In any case, no other Well producing from the same pool shall be located on any such unit;

- (B) Any gas drilling unit formed under Section A of this rule must be completely encompassed by the perimeter of a rectangle 4,000 feet by 5380 feet.;
- (C) Shall be located at least 1980 feet from every other drilling Well or Well completed in or producing from the same pool located in conformity with this rule;
- (D) Shall be located not less than 500 feet from every exterior boundary of the drilling unit;
- (E) No unit shall be permitted which will create island acreage.

RULE 3 - APPLICABILITY OF STATEWIDE RULES

- (A) All Statewide Rules and Regulation of this Board, and any amendments thereto, not specifically covered in the foregoing Special Field Rules, are hereby adopted and shall apply in said field.
- (B) These Rules and Regulations shall become effective as of the effective date of the Order adopting these Rules.
- (C) The Board expressly reserves the right after notice and hearing, to alter, amend, or repeal any and all of the foregoing Rules and Regulations.

THIS ORDER shall take effect and be enforced from and after July 20, 1989.

ORDERED, ADJUDGED AND DECREED this the 20th day of July, 1989.

STATE OIL & GAS BOARD OF MISSISSIPPI

BY 
VICE-CHAIRMAN