

IN THE STATE OIL AND GAS BOARD OF MISSISSIPPI

FILED FOR RECORD

RE: PETITION OF CALLON PETROLEUM  
COMPANY TO AMEND THE SPECIAL  
FIELD RULES FOR THE WEST  
LINCOLN FIELD, LINCOLN  
COUNTY, MISSISSIPPI

SEP 28 1993

STATE OIL AND GAS BOARD  
A. Richard Henderson, Supervisor

DOCKET NO. 222-93-40

ORDER NO. 294-93

**ORDER**

This day this matter came on for hearing before the State Oil and Gas Board of Mississippi on the Petition of Callon Petroleum Company to amend the Special Field Rules for the West Lincoln Field, Lincoln County, Mississippi, to exclude from the geographic limits of the field those lands comprising Sections 21, 22 and 23, Township 6 North, Range 6 East, Lincoln County, Mississippi, said hearing being called for such purpose; and

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 such matter was given in the manner and way provided by law and the Rules and Regulations of this Board; that due, legal and sufficient Proofs of Publication 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, a public hearing was held by the said Board in the Hearing Room of the Mississippi State Oil and Gas Board located at 500 Greymont Avenue, Suite E, Jackson, Mississippi, commencing at 9:30 o'clock, A. M. on September 15, 1993, at which hearing all persons present who desired to be heard on said matter were heard and all testimony and documentary evidence duly considered by those present at said hearing; and

**WHEREAS**, the Board, having considered the Petition and the

in Township 6 North, Range 6 East, Lincoln County, Mississippi. The Board finds that these lands, comprising approximately 3,040 acres, more or less, constitute the present geographic limits of the West Lincoln Field.

4.

The Board finds that a total of forty-two (42) wells have been drilled to date in the West Lincoln Field. At the present time, there are only two (2) producing wells completed and producing within the productive limits of the Lower Tuscaloosa Oil Pool within the West Lincoln Field. These wells are the Torch Operating Company - Unit 17-13 No. 1 Well located in Section 17 and the Palmer Petroleum, Inc. - Nettles No. 1 Well located in Section 19. The Board finds that a sufficient number of wells have now been drilled to fully establish the productive limits of the West Lincoln Field. The Board further finds that the productive history of the West Lincoln Field indicates that the geographic limits of the field should now be further revised to exclude from the present field limits the entirety of the lands comprising Sections 21, 22 and 23.

5.

The Board finds, therefore, that the Special Field Rules for the West Lincoln Field should be amended to exclude from the geographic limits of the field the entirety of Sections 21, 22 and 23, Township 6 North, Range 6 East, Lincoln County, Mississippi, and to redefine the geographic limits of the field as consisting only of the following described lands underlain by the Lower Tuscaloosa Oil Pool and productive extensions thereof, to-wit:

Section 14; the S 1/2 of S 1/2 of Section 15; and the S 1/2 of Section 16, all in Township 6 North, Range 6 East, Lincoln County, Mississippi.

6.

The Board finds that the amendment of the Special Field Rules for the West Lincoln Field to redefine the geographic limits of the field to exclude certain lands therefrom, all as hereinafter more

evidence, and being fully advised in the premises, is of the opinion and finds that the relief requested by the Petitioner should be and the same is hereby granted. The Board further finds and determines as follows:

1.

The Board finds that the Mississippi State Oil and Gas Board on May 27, 1950, adopted and established Special Field Rules for the West Lincoln Field, Lincoln County, Mississippi (Order No. 126-50, Docket No. 68-50-40). Those Special Field Rules established the original geographic limits of the West Lincoln Field to include the lands comprising the entirety of Sections 14, 23 and 24, Township 6 North, Range 6 East, Lincoln County, Mississippi, underlain by the Lower Tuscaloosa Oil Pool and productive extensions thereof. Those Special Field Rules further prescribed a spacing pattern for wells drilled and completed in said pool within the field.

2.

The Board finds that on July 15, 1952, the Mississippi State Oil and Gas Board amended those Special Field Rules (Order No. 139-52, Docket No. 96-52-40) to significantly expand the geographic limits of the West Lincoln Field to include therein the entirety of Sections 14, 15, 16, 21, 22 and 23 underlain by the Lower Tuscaloosa Oil Pool and productive extensions thereof.

3.

The Board finds that on January 17, 1973, this Board further amended these Special Field Rules (Order No. 17-73, Docket No. 14-73-353) to exclude certain of the lands then comprising the West Lincoln Field and underlain by the Lower Tuscaloosa Oil Pool and to place those lands within the defined geographic limits of the adjacent Hurricane Lake Field. In that docket, the Board redefined the geographic limits of the West Lincoln Field to include therein the entirety of Section 14, the S 1/2 of S 1/2 of Section 15, the S 1/2 of Section 16 and the entirety of Sections 21, 22 and 23, all

particularly set forth on the attached Exhibit "A," will promote conservation, will avoid waste, will prevent the drilling of unnecessary wells and will fully protect the co-equal and correlative rights of all parties in interest. In addition, the Board finds that the amendment of the Special Field Rules as proposed will more properly conform the geographic limits of the West Lincoln Field to the actual field productive limits as established by the productive history of the field.

**IT IS, THEREFORE, ORDERED AND ADJUDGED** by the State Oil and Gas Board of Mississippi that the Special Field Rules for the West Lincoln Field, Lincoln County, Mississippi, are hereby amended, adopted and approved in the form more fully set forth on the attached Exhibit "A" which is incorporated herein by reference and made a part hereof for all purposes.

**IT IS FURTHER ORDERED AND ADJUDGED** that Callon Petroleum Company shall acquire all other permits, if any, required by any other permitting authority.

**ORDERED AND ADJUDGED** this the 15<sup>th</sup> day of September, 1993.

**MISSISSIPPI STATE OIL AND GAS BOARD**

By: Joseph S. Zuccaro  
**CHAIRMAN**

EXHIBIT "A"

SPECIAL FIELD RULES  
WEST LINCOLN FIELD  
LINCOLN COUNTY, MISSISSIPPI

- A. The West Lincoln Field, as used herein, is that geographical area consisting of the entirety of Section 14, the S 1/2 of S 1/2 of Section 15 and the S 1/2 of Section 16, Township 6 North, Range 6 East, Lincoln County, Mississippi, including all extensions thereof.
- B. The Lower Tuscaloosa producing pool, as used herein, shall be construed to mean those strata of the Lower Tuscaloosa Formation productive of oil underlying said field.
- C. The area covered by the present producing pool and extensions thereof consists of regular governmental sections, each quarter of a quarter section containing approximately forty (40) acres in the form of a square, and characteristics of the Lower Tuscaloosa producing pool is such and evidence shows that one well drilled on each governmental quarter of a quarter section will efficiently drain and produce the recoverable oil from such quarter of a quarter section in said pool without avoidable waste.
- D. High reservoir pressures exist in said pool and adequate controls to prevent blowouts are necessary.

RULE 1:

A drilling unit is hereby established for each and all future wells permitted in said pool, as an area consisting of a quarter of a quarter section, in accordance with the regular governmental subdivisions thereof.

RULE 2:

In drilling wells, a blowout preventer for keeping the well under control shall be installed as soon as surface casing is set. The blowout preventer shall be tested against pump pressure at least once every twenty-four (24) hours; and it and the necessary auxiliary equipment shall be in good working order and condition at all times until completion of the well.

RULE 3:

Christmas tree fittings and well head connections installed upon completion of each well shall be tested to a pressure at least four thousand (4,000) pounds per square inch. This rule shall not apply to pumping wells.

RULE 4:

The casing program of all wells drilled hereafter to said Lower Tuscaloosa pool for oil or gas shall include at least two strings of casing set in accordance with the Statewide Rules.

All rules and regulations contained in Statewide Order No. 201-51 and amendments thereto not specifically covered in the foregoing rules are hereby adopted and shall apply to said field.

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

- END OF SPECIAL FIELD RULES -