FEB 28 1984

STATE OIL AND GAS BOARD
A. Richard Henderson, Supervisor

BEFORE THE STATE OIL AND GAS BOARD OF THE STATE OF MISSISSIPPI

RE: FUTREX PETROLEUM, Inc.

DOCKET NO. 59-84-324

Special Field Rules Missionary Field

ORDER NO. 81-84

Jasper County, Mississippi

ORDER FOR PERMANENT FIELD RULES

This cause came on for hearing to be heard upon the application of Futrex Petroleum, Inc. asking that the special field rules previously adopted by this Board for Missionary Field, Jasper County, Mississippi, be amended to define a new reservoir or pool, and as amended, made permanent, does find as follows:

1.

The Board does find and adjudicate that proper, due and legal notice for the meeting of this Board to consider this application has been given as required by law and the rules of this Board and that due, legal and sufficient proofs of publication of notice are on file with this Board. The Board does further adjudicate that it has full and complete jurisdiction of the subject matter to herein determine this application at this time and place.

2.

Futrex Petroleum, Inc. is the operator of the Timber Realization Co. 11-11 located 1850 feet from the South line and 1450 feet from the West line of Section 11, Township 3 North, Range 12 East, Jasper County, Mississippi in the Missionary Field. Futrex Petroleum, Inc. has shown that the well is capable of producing oil in commercial quantities from the Lower Cotton Valley Oil Pool.

3.

The board does find that the Lower Cotton Valley Oil Pool is a separate and distinct underground reservoir or pool containing a common accumulation of oil, that the

reservoir or pool is separate and distinct from and not in communication with any other accumulation of oil and gas in the Missionary Field, and that the presently known characteristics of the said Timber Realization Co. 11-11 indicate that one well located on a drilling unit conforming to the Special Field Rules for the Missionary Field will efficiently and adequately drain and produce the reasonable maximum recoverable hydrocarbons in the pool without waste.

4.

Futrex Petroleum, Inc. has shown that the Special Field Rules for the Missionary Field, Jasper County, Mississippi, should be amended so as to identify and define the Lower Cotton Valley Oil Pool as follows:

The Lower Cotton Valley Oil Pool in the Missionary Field, Jasper County, Mississippi shall be construed to mean those strata of the Cotton Valley formation productive of oil in the interval between the measured depths of 11,478 feet and approximately 12,358 feet on the Dual Induction Log of the Getty Oil Co. No. 1 Tollie Thigpen 11-14 Well No. 1, located 500 feet South and 660 feet West of the Northeast Corner of the S 1/2 of the SW 1/4, Section 11, Township 3 North, Range 12 East, Jasper County, Mississippi, including those strata productive of Hydrocarbons which can be correlated therewith.

5.

Attached as Exhibit A to the application and made a part thereof is a copy of the proposed field rules of which Futrex Petroleum, Inc. requests permanent approval.

6.

The Board does find that the special field rules in form attached as Exhibit A hereto should be adopted to define the Lower Cotton Valley Oil Pool and approved and that the adoption and approval of said special field rules will promote the proper development of the Missionary Field, protect the coequal and correlative rights of all owners in said field and the oil pool underlying the same,

promote conservation, avoid waste, prevent the drilling of unnecessary wells and permit the recovery of the maximum amount of oil from the Lower Cotton Valley Oil Pool in said field.

It is therefore ordered that the following special field rules be amended to define the Lower Cotton Valley Oil Pool in the Missionary Field, Jasper County, Mississippi, to-wit:

SPECIAL FIELD RULES MISSIONARY FIELD JASPER COUNTY, MISSISSIPPI

Field Limits:

The Missionary Field as used herein is that area consisting of all that part of Sections 1, 2, 3, 10, 11, 12, 13, 14 and 15, Township 3 North, Range 12 East, Jasper County, Mississippi, underlain by the Thigpen Oil Pool as hereinafter defined and all extensions thereof.

Thigpen Oil Pool Defined:

The Thigpen Oil Pool in the Missionary Field shall be construed to mean those strata of the Cotton Valley Formation productive of oil in the intereval between 11,075 feet and 11,478 feet in the Getty Oil Company, Tollie Thigpen 11-14 Well No. 1, located 500 feet South and 660 feet West of the Northeast Corner of the S 1/2 of the SW 1/4, Section 11, Township 3 North, Range 12 East, Jasper County, Mississippi, as indicated on electrical log of said well and all intervals correlative of said strata productive of hydrocarbons.

Lower Cotton Valley Oil Pool Defined:

The Lower Cotton Valley Oil Pool in the Missionary Field, Jasper County, Mississippi shall be construed to mean those strata of the Cotton Valley formation productive of oil in the interval between the measured depths of 11,478 feet and approximately 12, 358 feet on the Dual Induction Log of the Getty Oil Co. No. 1 Tollie Thigpen 11-14 Well No. 1, located 500 feet South and 660 feet West of the Northeast Corner of the S 1/2 of the SW 1/4, Section 11, Township 3 North, Range 12 East, Jasper County, Mississippi, including those strata productive of hydrocarbons which can be correlated therewith.

RULE 1 - SPACING OF OIL WELLS:
Every well drilled as an oil well:

- (a) Shall be drilled on a drilling unit consisting of two contiguous governmental quarter-quarter sections containing not less than 72 acres or on a drilling unit consisting of approximately 80 contiguous acres upon which no other drilling or producible well is located;
- (b) Shall be located at least 1000 feet from every other drilling or producible well located in the Missionary Field;
- (c) Shall be located at least 500 feet from every exterior boundary of the drilling unit;
- (d) The distance between any two points farthest apart on the drilling unit upon which the well is located shall not exceed 3,200 feet.

RULE 2 - USE OF METERS

In addition to the meters authorized by Statewide Rule 21 and 21A, electronic net oil computers are hereby authorized and may be used to measure production prior to entry into separation or treatment vessels.

RULE 3 - APPLICABILITY OF STATEWIDE RULES

- A. All rules and regulations contained in Statewide Order No. 201-51 and all amendments thereto, not specifically covered in the foregoing Special Field Rules are hereby adopted and shall apply to said Field.
- B. These Special Field Rules are adopted upon a permanent basis.
- C. The Board expressly reserves the right

or repeal any and all of the foregoing rules and regulations.

ORDERED this the 16th day of February, 1984.

MISSISSIPPI STATE OIL & GAS BOARD

By Joe R. Fanche, Dr.