

IN THE STATE OIL AND GAS BOARD OF MISSISSIPPI

RE: PETITION OF SOUTHERN NATURAL
GAS COMPANY FOR ADOPTION OF
SPECIAL FIELD RULES FOR THE
OPERATION OF THE MULDON GAS
STORAGE FIELD, MONROE COUNTY,
MISSISSIPPI

DOCKET NO. 75-71-46

ORDER NO. 93-71

O R D E R

THIS day this cause came on for hearing before the State Oil and Gas Board on the petition of Southern Natural Gas Company for the adoption of Special Field Rules governing the underground storage of gas in the Muldon Gas Storage Field, Monroe County, Mississippi, such 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 the Board and 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 given, public hearing was held by said Board in the Second Floor Auditorium of the Woolfolk State Office Building, North West street, Jackson, Mississippi, commencing on April 21, 1971, at which hearing all persons present who desired to be heard on said matter were heard and all testimony and evidence were duly considered by those present at said meeting; and

WHEREAS the Board has fully considered said matter and the evidence and recommendations made in said hearing and finds that Special Field Rules for the Muldon Gas Storage Field, Monroe County, Mississippi, should be adopted;

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IT IS, THEREFORE, ORDERED, ADJUDGED AND DECREED that the following Special Field Rules for the Muldon Gas Storage Field, Monroe County, Mississippi, be and are hereby adopted:

SPECIAL FIELD RULES
CHESTER GAS POOL, MULDON GAS STORAGE FIELD
MONROE COUNTY, MISSISSIPPI

A. The Muldon Gas Storage Field as used herein is that area in Sections 20, 21, 22, 23, 25, 26, 27, 28, 29, 33, 34, 35, and 36, Township 15 South, Range 6 East, Monroe County, Mississippi, underlain by the Chester Gas Pool.

B. The Chester Gas Pool as used herein shall be construed to mean those strata of the Mississippian Formation originally productive of gas in the Muldon Gas Field between a depth of 5,235 feet and 5,510 feet as shown by the electric log of the Carter Oil Company No. 1 J. T. Sanders Well located 73 feet North and 176 feet East of the Southwest corner of Section 22, Township 15 South, Range 6 East, Monroe County, Mississippi.

C. "Gas" as used herein shall mean natural gas of sufficient purity to be capable of use for residential purposes.

RULE 1

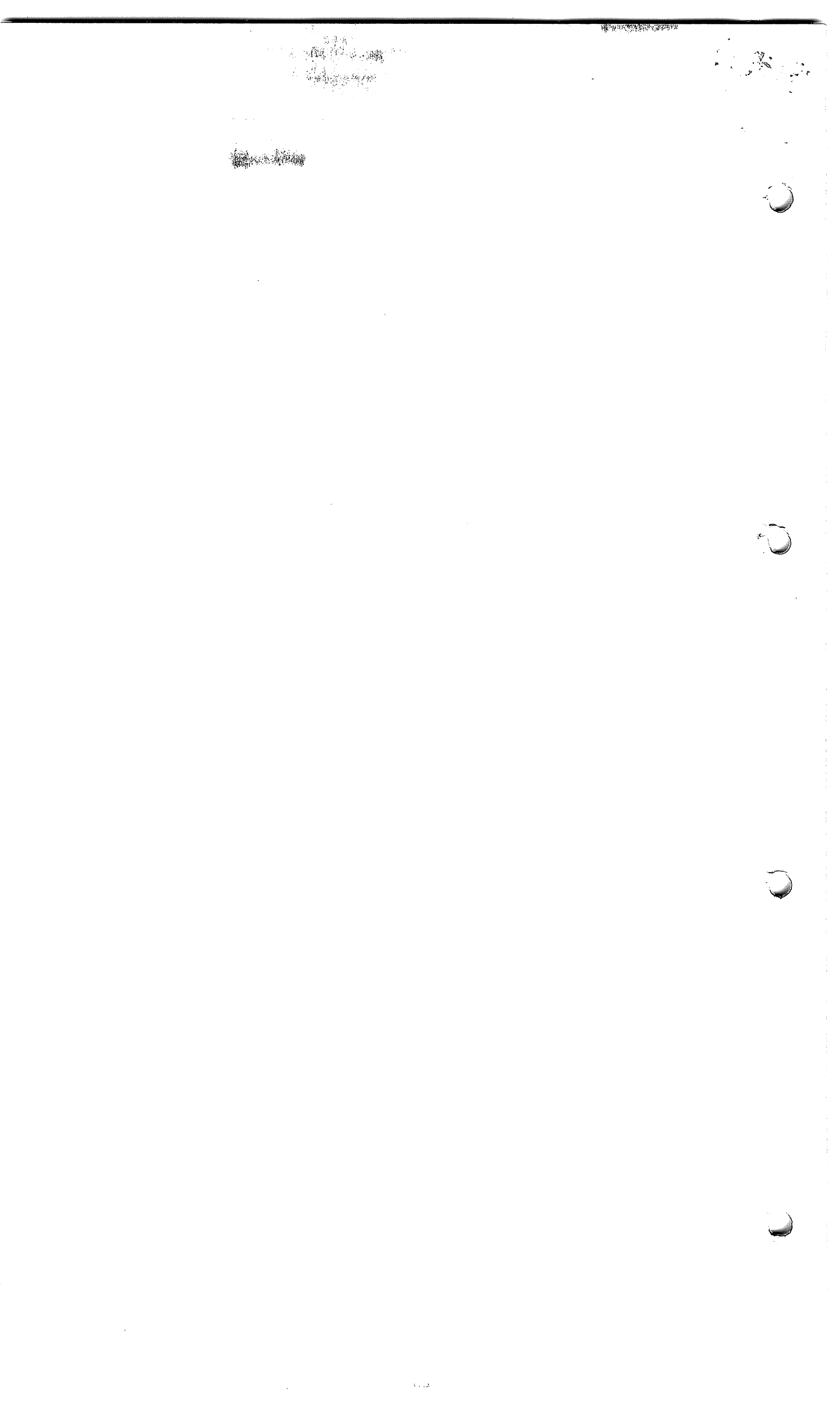
Wells may be drilled, or reworked, and utilized in the operation of the Muldon Gas Storage Field upon permit being issued for each such well pursuant to Rule 4(b) of the Statewide Rules and Regulations.

RULE 2

The completion procedure for each well drilled or reworked for gas storage use shall be filed with Form 2.

RULE 3

The injection of gas into, storage within and withdrawal from the Chester Gas Pool in the Muldon Gas Storage Field is hereby authorized; provided, however, gas shall not be injected into the Chester Gas Pool in such amounts



as to exceed the original amount of gas in place.

RULE 4

The development, operation and maintenance of the Muldon Gas Storage Field shall be subject to the provisions of the following Statewide Rules and Regulations:

Rule 4(b), entitled "Application to Drill"
Rule 10, entitled "Sealing off Strata"
Rule 11, entitled "Surface Casing"
Rule 12, entitled "Producing Casing"
Rule 13, entitled "Blowout Preventers"
Rule 17, entitled "Fires, Leaks & Blowouts"
Rule 23(a), entitled "Well Completion and Re-completion", is hereby made applicable to wells drilled or reworked for gas storage purposes.
Rule 25, entitled "Re-work and Re-Completion"
Rule 27, entitled "Application to Plug"
Rule 28, entitled "Procedure for Plugging"
Rule 43, entitled "Taker's Report of Gas"
Rule 47, entitled "Fluid Injection Reports"
Rule 55, entitled "Identification of Facilities"
The first paragraph of Rule 18, entitled "Well Head Connections"

All other Statewide Rules and Regulations, or parts thereof, except those specifically referred to herein, shall not be applicable to the Muldon Gas Storage Field.

RULE 5

The Special Field Rules for the Muldon Field adopted by Order No. 98-53 shall not be applicable to wells drilled or reworked for gas Storage purposes and shall terminate at the time injection of gas into the Chester Gas Pool pursuant hereto is commenced.

RULE 6

(a) As to any well drilled in the Muldon Gas Storage Field to a depth which is the stratigraphic equivalent of the top of the Chester Gas Pool or below, surface casing shall be set and cemented at a point in the Pottsville Formation, which is encountered between the approximate depth of 700 and 900 feet subsea level. Sufficient cement shall be used to fill the annular space back of the casing to the surface of the ground. Before drilling plug casing shall be tested in accordance with

Statewide Rule 11.

(b) Any well drilled in the Muldon Gas Storage Field for purposes other than utilization in the gas storage project which penetrates the Chester Gas Pool shall be subject to the following rules:

(1) An intermediate casing string shall be set and cemented at a point 100 feet below the base of the Chester Gas Pool before drilling below such depth. Sufficient cement shall be used to fill the annular space back of the casing to a point 500 feet above the top of the Chester Gas Pool.

(2) All casing shall be set and tested in accordance with Statewide Rule 12.

ORDERED AND ADJUDGED this 21st day of April,

1971.

STATE OIL AND GAS BOARD

BY: Dean Bruce Sheador

C H A I R M A N