

IN THE STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET NO. 199-96-730

ORDER NO. 305-96

FILED FOR RECORD

IN RE: PETITION OF GRIFFIN  
& GRIFFIN OIL COMPANY, INC.,  
TO ADOPT SPECIAL FIELD RULES  
FOR THE OLIO FIELD, AMITE  
COUNTY, MISSISSIPPI.

SEP 12 1996

STATE OIL AND GAS BOARD  
W. H. Lewis, Supervisor

ORDER

This cause having come on for hearing on the Petition of GRIFFIN & GRIFFIN OIL COMPANY, INC., requesting authority for the adoption of Special Field Rules for the Olio Field, Amite County, Mississippi; and the Board being fully advised in the premises, after considering said Petition, the evidence adduced at the hearing of this matter, and argument of counsel, does find as follows:

(1)

Due, proper and legal notice of the hearing of this matter has been given in the manner and form and for the time required by law and by the rules and regulations of this Board; due and proper Proofs of Publication of said Notice of Hearing are on file with the Board; the personal notice required by Rule 4(B)(6) of the Rules of Order and Procedure for Hearings before this Board has been given to the Operator of each well within the Olio Field; and, the Board has full and complete jurisdiction of the matters and parties involved.

(2)

Petitioner is the Operator of the Leon Dewey 1-15, Leon Dewey 1-16 and R. A. White Estate 1-25 Wells in the Olio Field, Amite County, Mississippi. The said wells, together with the Hughes Eastern Corporation-Calvin White No. 1 Well, are productive of gas from the Frio Sand.

(3)

No Special Field Rules for the Olio Field have been previously adopted by this Board.

(4)

The R. A. White Estate 1-25 Well is in a separate and distinct pool from the other three above described wells in the Olio Field,

and it is in the best interest of all parties for Special Field Rules to be adopted defining said pools and prescribing the rules and regulations therefor.

(5)

The only other Operator in the Olio Field entitled to personal service of the pendency of the Petition under Rule 4(B)(6) of the Rules of Order and Procedure for Hearings Before Board is Hughes Eastern Corporation.

(6)

Petitioner has prepared, and submitted, for the consideration of this Board and for all other persons who may be interested, proposed Special Field Rules for the Olio Field, which rules are attached to the Petition as Exhibit "A" and made a part of thereof to the extent as though copied therein in full.

(7)

Petitioner shall acquire all other permits, if any, required by any other permitting authority.

IT IS, THEREFORE, ORDERED AND ADJUDGED that the following Special Field Rules be, and the same hereby are, adopted by the State Oil and Gas Board of Mississippi for the Olio Field, Amite County, Mississippi, to take effect on and after the \_\_\_\_ day of August, 1996, to-wit:

SPECIAL FIELD RULES FOR THE OLIO FIELD,  
AMITE COUNTY, MISSISSIPPI

A. The Olio Field, as used herein, is that area consisting of the following land, to-wit:

Township 1 North, Range 2 East:

E/2 of Section 14; S/2 of Section 15; all of Section 16;  
all of Section 17; and N/2 of Section 18.

Township 1 North, Range 3 East:

S/2 of Section 12; SW/4 of Section 13; all of Section 23;  
all of Section 24; all of Section 25; all of Section 26;  
all of Section 27; and all of Section 28.

B. The Frio Sand West Gas Pool shall be construed to mean those strata productive of gas and other hydrocarbons in the Frio Formation at the dual induction log intervals of 4134 feet to 4157 feet as found in the Leon Dewey 1-15 Well, located in Section 15, Township 1 North, Range 2 East, Amite County, Mississippi, and those sands productive of gas and other hydrocarbons correlative to and in communication therewith.

C. The Frio Sand East Gas Pool shall be construed to mean those strata productive of gas and other hydrocarbons in the Frio Formation at the dual induction log interval of 3725 feet to 3732 feet as found in the R. A. White Estate 1-25 Well, located in Section 25, Township 1 North, Range 3 East, Amite County, Mississippi, and those sands productive of gas and other hydrocarbons correlative to and in communication therewith.

RULE 1 - SPACING OF WELLS IN THE FRIO SAND WEST GAS POOL:

(a) Every well completed in the Frio Sand West Gas Pool shall be located on a drilling unit consisting of three hundred twenty (320) contiguous surface acres or a governmental half section containing not less than three hundred (300) acres or more than three hundred forty (340) acres or eight (8) contiguous governmental quarter-quarter sections whose total acreage is not less than three hundred (300) or more than three hundred forty (340) acres. No other well producing from the same pool shall be located on any such unit.

(b) Any gas unit formed under this Rule 1 must be completely encompassed by the perimeter of a rectangle 3,735 feet x 5,380 feet. No unit shall be permitted which will create island acreage.

(c) Each well shall be located at least nineteen hundred eighty (1980) feet from every other drilling well or well completed in or producing from the same pool located in conformity with this rule.

(d) Each well shall be located not less than nine hundred ninety (990) feet from every exterior boundary of the drilling unit.

RULE 2 - SPACING OF WELLS IN THE FRIO SAND EAST GAS POOL:

(a) Every well completed in the Frio Sand West Gas Pool shall be located on a drilling unit consisting of one hundred sixty (160) contiguous surface acres or a governmental quarter section containing not less than one hundred forty-four (144) acres or more than one hundred seventy-six (176) acres. No other well producing from the same pool shall be located on any such unit.

(b) All units formed under Section (a) of this Rule 2 must be completely encompassed by the perimeter of a rectangle 2,640 feet x 3,500 feet. No unit shall be permitted which will create island acreage.

(c) Each well shall be located at least fifteen hundred (1500) feet from every other drilling well or well completed in or producing from the same pool.

(d) Each well shall be located at least seven hundred fifty (750) feet from every exterior boundary of the drilling unit.

RULE 3 - APPLICABILITY OF STATEWIDE RULES:

(a) 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 the Olio Field.

(b) The Board expressly reserves its right, after notice and hearing, to alter, amend or repeal all or any of the rules and regulations contained herein.

SO ORDERED AND ADJUDGED, this the 21st day of August, 1996.

STATE OIL AND GAS BOARD  
OF MISSISSIPPI

BY: Joseph J. Zuccaro

CHAIRMAN