

IN THE STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET NO. 110-89-424

ORDER NO. 160-89

IN RE: PETITION OF BELLE
OIL, INC., TO ADOPT SPECIAL
FIELD RULES FOR THE PALATINE
HILLS FIELD IN ADAMS COUNTY,
MISSISSIPPI.

FILED FOR RECORD

MAY 8 1989

STATE OIL AND GAS BOARD
A. Richard Anderson, Supervisor

ORDER

This matter having this day come on for hearing on the sworn Petition of Belle Oil, Inc., requesting the Board to adopt and promulgate Special Field Rules for the Palatine Hills Field in Adams County, Mississippi, and the designating and defining of the Second Sparta Sand of the Sparta Formation, and the Board having considered the Petition of Belle Oil, Inc., and the exhibit thereto attached and being fully advised in the premises, on evidence adduced, and finding that the Board has complete jurisdiction hereof; that due and legal notice has been published in accordance with the law and rules and regulations of the Board; the Board is of the opinion that the relief prayed for should be granted, and that the following Special Field Rules should be adopted.

IT IS, THEREFORE, ORDERED AND ADJUDGED that the following Special Filed Rules be, and the same hereby are, adopted by the State Oil and Gas Board of Mississippi for the Palatine Hills Field, Adams County, Mississippi, to take effect on and after the 20th day of April, 1989, to-wit:

SPECIAL FIELD RULES
FOR THE PALATINE HILLS FIELD,
ADAMS COUNTY, MISSISSIPPI

(A)

The Palatine Hills Field, as used herein, is that area consisting of the following described land, to-wit:

Section 6, Township 5 North, Range 2 West;
Sections 1 and 2, Township 5 North, Range 3 West;
Sections 51, 52 and 55, Township 6 North, Range 2
West; and Sections 26 and 46, Township 6 North,
Range 3 West, Adams County, Mississippi,

underlain by the Second Sparta Sand of the Sparta
Formation, as hereinafter defined, and all productive
extensions thereof.

1. The Second Sparta Sand, as used herein, shall
be construed to mean those strata of the Sparta
Formation productive of oil from the depth of 3425
feet to 3446 feet in the Ogden Oil Corporation-#2
MacNeil Family Mineral Trust Unit located in
Section 55, Township 6 North, Range 2 West, Adams
County, Mississippi, including those strata
productive of oil which can be correlated
therewith.

(B)

The characteristics of the above mentioned oil pool are
such, and the Board finds from the evidence, that wells
drilled on regularly formed forty (40) acre drilling units
will efficiently drain and produce recoverable oil from the
Second Sparta Sand of the Sparta Formation without
avoidable waste. However, characteristics of the above
mentioned oil pool are such, and the Board finds from the
evidence, that certain units may require two (2) wells
drilled on one forty (40) acre unit in order to drain and
produce efficiently without avoidable waste the recoverable
oil from such unit in the Second Sparta Pool.

(C)

RULE 1 - SPACING OF OIL WELLS:

As to the Second Sparta Oil Pool, every well drilled as
an oil well:

(a) Shall be located on a drilling unit consisting of
forty (40) surface contiguous acres or a governmental
quarter-quarter section containing not less than thirty-six
(36) acres or more than forty-four (44) acres, upon which

no other drilling or producible well is located. Where deemed necessary by the Operator, a second well may be drilled upon any drilling unit and produced from the Second Sparta Sand provided the wells producing on each unit shall, together, be allocated one allowable.

(b) Any drilling unit not a governmental quarter-quarter section must be completely encompassed by the perimeter of a rectangle 1810 feet by 1445 feet. Provided, however, no unit shall be permitted which will create island acreage.

(c) No portion of the drilling unit upon which the well or wells are located shall be attributable in whole or in part to any other drilling or producible unit in the same pool.

(d) Wells not located on the same unit shall be at least 660 feet from every other drilling or producible well located in conformity with this rule, unless the State Oil and Gas Board of Mississippi, after notice and hearing, has permitted such well or wells to be drilled as an exception to this requirement.

(e) Each well shall be located at least 330 feet from every exterior boundary of the drilling unit assigned to such well.

RULE 2 - APPLICABILITY OF STATEWIDE RULES:

(a) All rules and regulations contained in Statewide Order No. 201-51, and any amendments thereto, not specifically covered in the foregoing Special Field Rules are hereby adopted and shall apply to said field.

(b) The Board expressly reserves the right, after

notice and hearing, to alter, amend or repeal any and all of the foregoing rules and regulations.

SO ORDERED AND ADJUDGED, this the 20th day of April, 1989.

STATE OIL AND GAS BOARD
OF MISSISSIPPI

BY: V. B. Mayes, Jr.
Chairman