

IN THE STATE OIL AND GAS BOARD OF MISSISSIPPI

FILED FOR RECORD

RE: PETITION OF HUGHES-RAWLS CORP. TO ESTABLISH
SPECIAL FIELD RULES FOR PAULDING FIELD,
JASPER COUNTY, MISSISSIPPI

OCT 10 1990

STATE OIL AND GAS BOARD

A. Richard Henderson, Supervisor

DOCKET NO. 289-90-403

ORDER NO. 467-90

ORDER

This matter came on for hearing on the Petition of Hughes-Rawls Corp. to establish Special Field Rules for Paulding Field, such hearing being called for such purpose;

WHEREAS, the Board finds 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; that due, legal and sufficient proofs of publication and service 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 and service of process, public hearing was held by said Board in the Board Hearing Room, Suite E, 500 Greymont Avenue, Jackson, Mississippi, commencing on September 19, 1990, at which hearing this matter was heard and 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 as follows:

1. The Smackover Oil Pool of Paulding Field was originally discovered in 1969 by the Pruet-Hughes-LL&E-Mosbacher- and Hightower- W. D. Read 13-1 No. 1 Well located in the NE 1/4 of the NE 1/4, Section 13, Township 2 North, Range 12 East. This well was drilled only partially through the Smackover formation and was abandoned in 1973 after producing only 85,389 barrels of oil. Three (3) other wells

were drilled offsetting the discovery well in an attempt to develop this field without commercial success. The last drilling in Paulding Field was conducted in 1979.

2. The Smackover formation, as encountered by the W. D. Read 13-1 Well, is one of a general structure which is completely separated from any other zone in Paulding Field and should be defined and developed as the Smackover Oil Pool of Paulding Field. This pool has not been and cannot be properly developed under spacing currently set forth in the Statewide Rules. The Board finds that, based on the evidence currently available, 160 acre spacing is the proper spacing for further development of this field by progressive drilling of wells and is the maximum area in the Smackover Oil Pool which may be drained efficiently by one well so as to produce the reasonable maximum recoverable oil from the Smackover Oil Pool in Paulding Field.

3. Because additional drilling proposed for Paulding Field will result in additional information which will be relevant and material to further development in the future, the Board finds that 160 acre spacing for the Smackover Oil Pool of Paulding Field should be granted on a temporary basis for a period of 18 months unless extended or made permanent by the Board after notice and hearing.

IT IS THEREFORE ORDERED AND ADJUDGED, that the following Special Field Rules for Paulding Field be and are hereby established for any further drilling or development in Paulding Field.

**SPECIAL FIELD RULES
FOR PAULDING FIELD
JASPER COUNTY, MISSISSIPPI**

A. Paulding Field, shall be defined to include the following lands to wit:

The E 1/2 of Section 12 and the NE 1/4 of
Section 13, Township 2 North, Range 2 East;

AND

Section 7 and the N 1/2 of Section 18,
Township 2 North, Range 13 East; and all
productive extensions of the Smackover
Oil Pool as defined herein.

B. The Smackover Oil Pool as used herein shall be defined to mean the interval between 14,213 feet and 15,430 feet as shown in the dual induction electric log of the Amoco-Dean No. 1 Well located in the SW 1/4 of the NW 1/4 of Section 18, Township 2 North, Range 13 East, Jasper County, Mississippi, and all oil producing intervals correlative therewith.

RULE 1: SPACING OF OIL WELLS

- (a) With respect to the Smackover Oil Pool, every well;
- (1) Shall be located on the drilling unit consisting of 160 contiguous surface acres, or four (4) governmental quarter-quarter sections containing not less than 144 acres or more than 176 acres, upon which no other drilling or producible well is located;
 - (2) Any drilling unit not composed of four (4) governmental quarter-quarter sections must be completely encompassed by the parameter of a rectangle 2,940 feet x 3,556 feet; provided, however, no unit shall be permitted which will create island acreage;
 - (3) Shall be located at least 1,320 feet from every other drilling well or well completed in or producing from the same pool located in conformity with this rule; and
 - (4) Shall be located at least 660 feet from every exterior boundary of the drilling unit.
- (b) No portion of the drilling unit upon which a well is located shall be attributed, in whole or in part, to any other drilling or producible well in the Smackover Oil Pool unless authorized by the Board after notice and hearing.

RULE 2:

- (a) Statewide Rules and Regulations, Order No. 201-51, as amended, shall apply to the extent not expressly altered hereby.
- (b) Rule 1 shall expire on March 19, 1992 unless extended or made permanent by the Board after notice and hearing.

ORDERED AND ADJUDGED, the 19th day of September, 1990,

MISSISSIPPI STATE OIL AND GAS BOARD

By: *V. B. Mayes McRae*
CHAIRMAN