

STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET NUMBER 10-76-396

ORDER NUMBER 10-76

RE: PETITION OF GERMANY-GULMON TO
ESTABLISH TEMPORARY SPECIAL FIELD
RULES FOR THE QUENTIN FIELD LOCATED
IN SECTIONS 30, 31 and 32, TOWNSHIP
7 NORTH, RANGE 5 EAST AND SECTIONS 25
AND 36, TOWNSHIP 7 NORTH, RANGE 4 EAST,
FRANKLIN COUNTY, MISSISSIPPI:

ORDER

This matter coming on this day to be heard at the regular meeting of the State Oil and Gas Board held on January 21, 1976, in the second floor auditorium of the Woolfolk State Office Building, North West Street, Jackson, Mississippi, on the application of Germany-Gulmon to adopt temporary Special Field Rules for the Quentin Field in Franklin County, Mississippi, and evidence having been presented before the Board, both in the form of oral testimony and documentary exhibits and the Board, having considered the petition and the evidence and finding that the Board has jurisdiction hereof and that due and legal notices have been published in accordance with the law and the rules and regulations of this Board and further finding that the relief prayed for should be granted,

The Board further finds that the petitioners are the operators of a well in Section 31, Township 7 North, Range 5 East, Franklin County, Mississippi, which was a discovery well for the Quentin Field.

The Board further finds that the Quentin Field as referred to herein, is comprised of that area described as:

South 1/2 of Section 30; all of Section 31; the West 1/4 of Section 32, all in Township 7 North, Range 5 East and Southeast 1/4 of Section 25 and the East 1/2 of Section 36 in Township 7 North, Range 4 East, Franklin County, Mississippi, underlain

by the Lower Tuscaloosa Oil Pool, and including all productive extensions thereof.

The Board further finds that it is essential that temporary Special Field Rules for the Quentin Field be adopted, properly defining said producing pool and the area of said field, and providing for rules and regulations which may be found necessary for the proper and orderly development of the field, the prevention of physical and economic waste and the protection of co-equal and correlative rights of all owners and parties in interest.

The Board further finds that the Quentin Field is located within an area comprised of regular governmental sections containing approximately 640 acres each; that the presently known characteristics of the Lower Tuscaloosa Oil Pool underlying the Quentin Field indicate that one well properly located on a drilling unit comprised of eighty (80) contiguous surface acres, or two governmental quarter-quarter sections of not less than 72 acres or more than 88 surface acres in the manner prescribed in Rule 1(b) of the Special Field Rules attached hereto will adequately drain and produce the hydrocarbons in the Lower Tuscaloosa Oil Pool underlying said unit efficiently and without avoidable waste.

IT IS, THEREFORE, ORDERED AND ADJUDGED by the State Oil and Gas Board of Mississippi that the following temporary Special Field Rules for the Quentin Field, Franklin County, Mississippi, be and the same are hereby adopted as Special Field Rules for said field, effective for a period of one (1) year and subject to further review by this Board at its regular January, 1977, meeting:

SPECIAL FIELD RULES
FOR THE QUENTIN FIELD
FRANKLIN COUNTY, MISSISSIPPI

The Quentin Field, as used herein, is that area consisting of S 1/2 of Section 30, all of Section 31, W 1/4 of Section 32, Township 7 North, Range 5 East, and SE 1/4 of Section 25 and E 1/2 of Section 36, Township 7 North, Range 4 East, Franklin County, Mississippi, underlain by the Lower Tuscaloosa Oil Pool, as hereinafter defined, and all productive extensions thereof.

I. The Lower Tuscaloosa Oil Pool in the Quentin Field shall be construed to mean those strata of the Tuscaloosa Formation productive of oil in the interval between 10,657 feet to 10,667 feet in the Germany-Gulmon - No. 1 Brookhaven Bank and Trust Co. 31-6 Well, as indicated on the electric log of said well, and all sands correlative of these strata productive of oil, said well being located in the SE 1/4 of NW 1/4, Section 31, Township 7 North, Range 5 East, Franklin County, Mississippi.

II. The characteristics of said Lower Tuscaloosa Oil Pool in said field are such that a well located as hereinafter prescribed and drilled upon a drilling unit containing approximately 80 contiguous surface acres conforming to the requirements of the rules herein contained will efficiently drain and produce the recoverable oil from such units in said pool without avoidable waste.

RULE 1 - SPACING OF OIL WELLS:

Every well drilled as an oil well:

- (a) shall be located on a drilling unit consisting of eighty (80) surface contiguous acres, or two governmental quarter-quarter sections containing not less than seventy-two (72) acres or more than eighty-eight (88) acres, upon which no other drilling or producible well is located;

- (b) any drilling unit not composed of two governmental quarter-quarter sections must be completely encompassed by the perimeter of a rectangle 1600 feet by 2725 feet. Provided, however, no unit shall be permitted which will create island acreage;
- (c) the well shall be located at least 660 feet from every other drilling or producible well located in conformity with this rule, and
- (d) the well shall be located at least 330 feet from every exterior boundary of the drilling unit.

RULE 2 - MEASUREMENT OF PRODUCTION:

The operator of each producing lease shall maintain proper separators and stock tanks or metering devices and such connections thereto as are necessary to continuously measure the total production from such lease. Where metering devices are used, as herein provided, the production may be commingled in a common storage system and if, upon a sale therefrom a variance exists between the measurement from the common storage system and the total measurement, then such variance shall be allocated back to each of the leases producing into the common storage system proportionately to the production measured from each lease.

RULE 3 - EQUIPMENT FOR TESTS:

The operator of each producing lease on which there are two or more producing wells shall maintain proper separators and stock tanks or metering devices and such connections thereto as will permit the adequate testing of each individual well under usual operating conditions without the necessity of closing in any other well. Such separators, stock tanks or metering devices and connections thereto shall be subject to approval by the Supervisor.

RULE 4 - USE OF METERS:

- A. The use of meters for testing and for measurement of lease production shall be subject to and in accordance with the following provisions:
 - 1. Only a volume displacement type metering device or vessel which registers the volume of oil passed through it in barrels or multiples thereof may be used.

2. All meters shall be downstream of the necessary separating or treating vessels. All meters shall be designed and installed in conformance with recognized metering practices and shall be subject to the approval of the Supervisor of the Oil and Gas Board.

3. No meter used for oil production measurement shall be directly or indirectly by-passed in such manner as to permit oil to pass into common storage without first being measured.

4. All meters and equipment affecting meter accuracy shall be kept in good working order. Each meter shall be calibrated at least once a month by means of a calibrated tank, a calibrated meter prover or a master meter.

5. The meter reading and meter calibration factor in use at 7:00 a.m. on the first day of each month for each meter shall be reported on the bottom of the Form 9 reporting the monthly production from the wells being measured by such meter.

RULE 5 - AUTOMATIC CUSTODY TRANSFER SYSTEMS AUTHORIZED:

Automatic custody transfer systems which automatically test, sample, measure and transfer the production from the operator to the purchaser are hereby authorized for the Quentin Field. Such system may be used to transfer production from individual leases or from common storage facilities as authorized in Rule 2 above. In the event the transfer is from such a common storage facility, the allocation of production to the leases being produced into such common storage system will be on the basis of the relationship of the measured production from each lease to the total measured production transferred by the automatic custody transfer system.

Each such system will be equipped with a sampling device which will take a representative sample of the total production

passing through the system in order that the specific gravity and the basic sediment and water content can be determined.

Each such system will be equipped with a volume displacement type metering device which registers the volume of oil passed through it in barrels or multiples thereof. In addition to meeting all of the requirements set out in Rule 4 above which deals with the use of meters, said metering device will be compensated for temperature, will be so equipped as to provide a cumulative total of all oil transferred by such system and will have an accuracy standard equivalent to the accuracy obtained in measurements made in calibrated stock tanks.

RULE 6 - 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.

ORDERED AND ADJUDGED this 2nd day of January, 1976.

STATE OIL AND GAS BOARD OF MISSISSIPPI

By


CHAIRMAN