

IN THE STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET NO. 97-86-449

ORDER NO. 169-86

FILED FOR RECORD

MAY 1 1986

FOR ADOPTION OF SPECIAL FIELD RULES FOR WEST QUITMAN BAYOU FIELD, ADAMS COUNTY, MISSISSIPPI, TO DEFINE THE GEOGRAPHIC LIMITS OF THE FIELD, DEFINE THE GLAUCONITIC OIL POOL AND 4600' WILCOX OIL POOL, AND ESTABLISH SPACING FOR WELLS PRODUCING THEREFROM.

STATE OIL AND GAS BOARD  
A. Richard Henderson, Supervisor

ORDER

This matter came on for hearing at the regular April 16, 1986 meeting of the Mississippi Oil and Gas Board on the Petition of Sun Exploration and Production Company to amend Special Field Rules and grant a special allowable to the Junkin A-45 Well. The Board, after considering the evidence and arguments of interested parties finds as follows:

(1)

That notice was duly and legally given as required by statute and the rules and regulations of this Board, and that legal proofs of publications are on file with the Board. The Board has full and complete jurisdiction of the subject matter and the parties.

(2)

Petitioner currently operates several wells in the West Quitman Bayou Field, Adams County, Mississippi on the following property to-wit:

Accretions of the Mississippi River  
Township 8 North, Range 3 West  
Adams County, Mississippi

Petitioner specifically operates its Frank Junkin A-45 Well in this field.

That under Statewide Rules and Field Rules, this well is entitled to produce an allowable of 150 barrels of oil per day. The well is currently capable of producing, and does produce, its full allowable on each production day. That reservoir conditions in the Wilcox zone are such that it is capable of maintaining at least this rate of production without waste on each production day.

(3)

That due to surface conditions and high water levels during two (2) to three (3) months per year, the subject well must be shut-in and daily production lost. Such lost production constitutes economic waste, and should be prevented.

(1)

(4)

That the total yearly allowable for this well is 54,750 barrels (150 barrels per day x 365 days). That said yearly allowable is capable of being produced without waste during the production days in which the subject well was not shut-in due to surface conditions. That said well should be authorized to produce at such daily rate, not to exceed 225 barrels of oil per day, as would permit the total yearly production to be produced during each calendar year (January through December).

(5)

That the Board has previously granted a special allowable to three (3) wells in West Quitman Bayou Field due to these conditions pursuant to Board Order 147-85. The Junkin A-45 should be included under the Field Rules as a well entitled to a special allowable due to the extreme surface conditions. Such an allowable will not cause damage to the reservoir, and will prevent waste. Furthermore, the Field Rules should be amended to permit administrative approval by the Board acting through the staff for the granting of this allowable to other wells in the field. It is the opinion of the Board that the following Special Field Rules, as amended, should be enacted.

AMENDED SPECIAL FIELD RULES

Rule 1

The West Quitman Bayou Field as used herein is comprised of that area in the accretions of the Mississippi River, Township 8 North, Range 3 West, Adams County, Mississippi, which is underlain by one or more of the following pools:

Glauconitic Sand Oil Pool

The Glauconitic Sand Oil Pool in the West Quitman Bayou Field is defined as those strata of the Wilcox Formation productive of oil in the interval between 4071 feet and 4081 feet measured depth, in the Sun Exploration - No. A-41 Frank Junkin 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 Accretions to Township 8 North, Range 3 West, Adams County, Mississippi.

4600' Sand Oil Pool

The 4600' Sand Oil Pool in the West Quitman Bayou Field is defined as those strata of the Wilcox Formation productive of oil in the interval between 4083 feet and 4104 feet measured depth, in the Sun Exploration and Production Company - No. A-41 Frank Junkin 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 Accretions to Township 8 North, Range 3 West, Adams County, Mississippi.

(2)

## Rule 2 - Spacing of Oil Wells

With respect to the previously described pools, every 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.
- (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) 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.
- (e) 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 same pool.
- (f) If any well drilled in conformity with the provisions of this rule, or as an exception thereto, is completed as a gas well, it shall not be produced except for a test period of not exceeding fifteen (15) days, or in compliance with applicable special field rules, or until authorization has been granted by the Board after notice and hearing.

## Rule 3 - Directional Drilling

As has been previously approved by the Board in Order No. 359-85, wells drilled in West Quitman Bayou Field may be approved for directional drilling without the need for hearing, within the discretion of the staff of the Oil and Gas Board. Any party requesting permission to drill directionally should so indicate on their Form 2, and shall provide to the staff such data as deemed necessary to make a determination. A directional survey shall be required as otherwise set out in the Statewide Rules.

## Rule 4 - Allowables

All wells in West Quitman Bayou shall have a normal allowable as set out in the Statewide Rules, except that the Junkin A-41, Junkin A-42, Junkin A-43, and Junkin A-45 shall have their daily allowables determined pursuant to formula set out in

these Rules. Subsequent wells may be administratively approved within the discretion of the staff of the Mississippi Oil and Gas Board to qualify for this special allowable. Any party requesting such relief must so notify the Supervisor in writing, and must provide to the staff such data as is deemed necessary to make a determination. Approval may thereafter be granted administratively, or set for hearing as determined by the staff. Wells qualifying for the special allowable shall have their allowables calculated in the following manner:

Each well shall have an annual allowable of 54,750 barrels of oil per calendar year. This allowable is equal to the allowable currently specified in the rules, being 365 days multiplied by 150 barrels of oil per day. Each well shall be authorized to produce in an amount calculated to recover 54,750 barrels of oil per year, while taking into account such days when surface conditions prevent production. When the wells are shut-in, each well's daily allowable shall be thereafter increased to an amount which would allow the remaining annual allowable to be recovered in the remaining annual days. In no event shall this daily rate ever be allowed to exceed 225 barrels of oil per day.

Rule 5 - Applicability of Statewide Rules

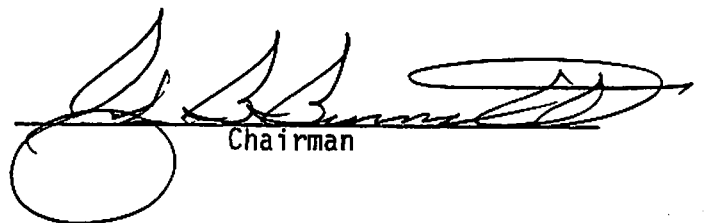
All rules and regulations set forth in the Statewide Rules shall apply to West Quitman Bayou Field unless otherwise specified by the Special Field Rules.

IT IS, THEREFORE, ORDERED AND ADJUDGED that the foregoing Special Field Rules, as amended, apply to West Quitman Bayou Field, Adams County, Mississippi. Sun Exploration and Production Company shall acquire all other permits, if any, required by other permitting authorities.

SO ORDERED AND ADJUDGED this 16<sup>th</sup> day of April, 1986.

MISSISSIPPI STATE OIL AND GAS BOARD

By:

  
Chairman