

IN THE STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET NO. 31-58-95

ORDER NO. 55-58

O R D E R

This cause having come on for hearing before the State Oil and Gas Board of Mississippi at its regular April, 1958 Meeting on the Application of Jett Operations, Inc., for adoption of Special Field Rules for the Lower Tuscaloosa Massive Sand Zone of the Rodney Island Field, Tensas Parish, Louisiana and Jefferson County, Mississippi, and the Board finding that due and legal notice of the meeting of this Board for the purpose of hearing said cause was given in the manner provided by law and the rules and regulations of this Board and that the Board has full jurisdiction to hear and decide the cause, and pursuant to the provisions of Chapter 256 of the Mississippi Laws of 1948 and other laws of the State of Mississippi, and the Board having heard the evidence of witnesses and the argument of counsel, and being of the opinion that the Special Field Rules and Regulations for the Lower Tuscaloosa Massive Sand Zone, Rodney Island Field, Tensas Parish, Louisiana and Jefferson County, Mississippi should be adopted in the manner and form as hereinafter provided for the prevention of waste and the protection of the co-equal and correlative rights of the owners in said Field.

NOW, THEREFORE, the following findings are made and it is accordingly ordered that Special Field Rules in the following manner and form be and the same are hereby adopted for the Rodney Island Field in Tensas Parish, Louisiana and Jefferson County, Mississippi.

FINDINGS:

A. The Rodney Island Field as used herein is that area within Sections 10, 11, 12 and 13, and the accretions thereto, Township 10 North, Range 12 East, Tensas Parish, Louisiana and certain accretions to Township

10 North, Range 1 West, Jefferson County, Mississippi, and including all productive extensions thereof, which area is underlain by the Lower Tuscaloosa Massive Sand Zone.

B. The Lower Tuscaloosa Massive Sand Zone in said Field, as used herein, shall mean that zone productive of oil and gas between the depth of 9214 feet to 9290 feet as shown by the Schlumberger Electric Log of the Jett Drilling Co., Inc., et al - Harper No. A-1 Well in Section 11, Township 10 North, Range 12 East, Tensas Parish, Louisiana, and including those strata productive of oil and gas which can be correlated therewith in other wells in the Rodney Island Field.

C. The "Unit Area" as used herein, consists of the following described lands in the Rodney Island Field, Tensas Parish, Louisiana and Jefferson County, Mississippi, to-wit:

From the intersection of the line common to Sections 12 and 13, T10N - R12E, Tensas Parish, Louisiana, with the Mississippi River Meander Line of 1827, go S. 19° 16' E. for 1133.9 feet to a point on the common boundary to the lands of J. M. Harper, Jr., and A. B. Learned, said point being further designated as the intersection of Latitude 31° 50' / 1181.2 feet and Longitude 91° 16' / 2167.1 feet, said point hereinafter referred to as the point of beginning:

Thence Southeasterly along the west line of the East 1200 acres of the A. B. Learned Rodney Island Tract for 695.0 feet, more or less, to a point;

Thence N. 48° 52' E. for 705.0 feet;
Thence N. 62° 40' E. for 365.0 feet;
Thence N. 70° 15' E. for 1040.0 feet;
Thence N. 39° 45' E. for 955.0 feet;
Thence N. 57° 45' E. for 1075.0 feet;
Thence N. 35° 40' E. for 470.0 feet;
Thence N. 16° 10' E. for 475.0 feet;
Thence N. 05° 30' W. for 890.0 feet;
Thence N. 12° 25' E. for 695.0 feet;
Thence N. 17° 40' E. for 1580.0 feet;
Thence N. 35° 50' E. for 2405.0 feet;
Thence N. 01° 00' E. for 1370.0 feet;
Thence N. 07° 10' E. for 790.0 feet;
Thence N. 06° 00' W. for 695.0 feet;
Thence N. 27° 40' W. for 795.0 feet;
Thence N. 51° 05' W. for 835.0 feet;
Thence N. 68° 00' W. for 470.0 feet;
Thence N. 79° 50' W. for 480.0 feet;

Thence S. 87° 00' W. for 610.0 feet;
Thence S. 71° 55' W. for 565.0 feet, more
or less, to a point on the 1935 West mean low
water line of the Mississippi River;
Thence Southwesterly along said line for 275.0
feet, more or less, to a point;
Thence S. 59° 30' W. for 1000.0 feet;
Thence S. 68° 25' W. for 815.0 feet;
Thence S. 44° 45' W. for 1260.0 feet;
Thence S. 36° 35' W. for 620.0 feet;
Thence S. 47° 50' W. for 795.0 feet;
Thence S. 53° 40' W. for 795.0 feet;
Thence S. 44° 50' W. for 565.0 feet;
Thence S. 38° 40' W. for 555.0 feet;
Thence S. 14° 10' W. for 805.0 feet;
Thence S. 02° 05' W. for 850.0 feet;
Thence S. 03° 40' W. for 640.0 feet;
Thence S. 08° 00' E. for 845.0 feet;
Thence S. 19° 00' E. for 605.0 feet;
Thence S. 25° 30' E. for 1015.0 feet;
Thence S. 38° 40' E. for 785.0 feet;
Thence S. 33° 10' E. for 965.0 feet;
Thence S. 21° 45' E. for 625.0 feet;
Thence S. 19° 30' E. for 769.3 feet,
more or less to the point of beginning.

The area described herein lies within Sections 10, 11, 12
and 13, and the accretions thereto, to T 10 N - R 12 E,
Tensas Parish, Louisiana, and certain accretions to
T 10 N - R 1 W, Jefferson County, Mississippi,

together with all extensions of the Unit Area that may hereafter be made
pursuant to and in accordance with the Unit Agreement and Unit Operating
Agreement creating the Unit Area, hereinafter referred to.

D. The "unitized formation" shall mean that subsurface portion or
portions of the Unit Area underlain by the Lower Tuscaloosa Massive Sand
Zone, including all extensions thereof that may hereafter be made pursuant
to and in accordance with the aforementioned Unit Agreement and Unit
Operating Agreement.

E. The Unit Area, as above defined, has been unitized for conserva-
tion and pressure maintenance purposes as to the working or operating owner-
ships by a Unit Operating Agreement executed in counterparts by more than

99% of working or operating parties in the area, said contract being effective as of June 1, 1958; and has been unitized as to the interests other than working or operating interests by voluntary agreement by and between more than 99% of operating parties and more than 99% of the owners of the interests other than operating interests, said agreement being referred to as "Unit Agreement". Said Unit Operating Agreement and Unit Agreement are being simultaneously approved by this Board as cooperative agreements made in furtherance of conservation.

F. The "unitized formation" above described should be further developed, produced and operated as a single unit without regard to boundaries established by land, mineral and lease ownerships. That gas produced from the reservoir and returned to or extraneous gas injected into the gas cap of the unitized formation will promote the greatest ultimate recovery of oil therefrom.

G. The Board further finds from the evidence submitted that the Rodney Island Field has not heretofore been produced and is not currently being produced excessively and that no waste has heretofore or is now occurring through production practices heretofore and now being utilized.

In order to prevent waste and other wise to carry out the provisions of the law, it is necessary that the following rules and regulations be adopted for the Rodney Island Field.

RULE NO. 1 - Spacing

(a) The unitized formation of the Rodney Island Field is hereby established as a single producing unit without regard to boundaries established by land, mineral and lease ownerships and the location of the wells thereon and the rates of production therefrom shall be governed by standards of geology, petroleum engineering and sound production practices in order to effect the efficient recovery of oil and gas from the pool. However, no

well may be drilled nearer than 330 feet from the exterior boundaries of the unitized area except upon permit issued by the Board after notice and hearing.

(b) A drilling unit is hereby established for each and all wells drilled to and completed in the Lower Tuscaloosa Massive Sand Zone, excepting those in the unitized formation, as an area consisting of at least 40 surface contiguous acres or a governmental quarter-quarter section containing no less than 36 acres upon which no other drilling or producible oil well in the Lower Tuscaloosa Massive Sand Zone Formation is located; the exterior boundaries of the drilling unit and the distance between any two points furthest apart on the drilling unit upon which the well is located shall not exceed 2100 feet.

RULE NO. 2 - Drilling

In drilling wells a blow-out preventer for keeping the well under control shall be installed as soon as surface casing is set. The blow-out preventer shall be tested against pump pressure at least once every twenty-four hours, and it and the necessary auxiliary equipment shall be maintained in good working order and condition at all times until completion of the well.

RULE NO. 3 - Completion

Christmas tree fittings and wellhead connections shall be 6,000 lbs. per square inch test, except that wellhead equipment necessary to hold a pressure existing between the surface casing and the oil string casing shall be at least 4,000 lbs. per square inch test. This rule shall not apply to pumping wells. Wellhead connections of injection wells shall be at least 10,000 lbs. per square inch test.

RULE NO. 4 - Gas Injection

Gas, whether produced from the reservoir or acquired for that purpose, may be injected into the gas cap of the reservoir for the purpose of maintaining the reservoir pressure and promoting the greatest ultimate recovery of oil therefrom.

RULE NO. 5 - Allocation of Production

(a) The total daily quantity of oil and gas which may be lawfully produced each day from the wells completed in the unitized formation shall be determined and fixed by the Board.

(b) Allowables for wells in the Field but outside of the Rodney Island Unit shall be governed by State-Wide Order No. 201-51, as amended.

(c) Allowables for the wells in the Rodney Island Unit shall be allocated to the unit as a single producing unit so long as said area as herein defined is operated as a unit under the terms and provisions of the aforementioned Unit Operating Agreement. Subject to the provisions of Rule 4(e), such allowables may be produced from any well or wells on the unit.

(d) A limiting gas-oil ratio of 2000 cubic feet of gas per barrel of oil produced from said field shall be imposed to any allowable fixed. This ratio shall be a net gas-oil ratio calculated after deducting the volume of gas returned to the gas cap of the producing pool. Allowable for any oil well not inside the unitized area shall be governed by State-Wide Order No. 201-51.

As to the unitized area, the daily gas limit shall be determined by multiplying the normal unit oil allowable as set by the Board by 2,000 cubic feet. The actual daily oil allowable of the unit shall then be determined by dividing its daily gas limit as obtained above by the average producing net gas-oil ratio for the unit in cubic feet of gas per barrel of oil produced. To enable the Board to determine the net gas-oil ratio, the Operator returning gas shall furnish the Board each month the following data:

1. Total monthly gas and oil produced from the unitized area.
2. The amount of total monthly gas produced from the unitized area that was returned to the pool.

f. The data thus submitted for any one month shall be used as a basis for computing the daily oil allowable for the second following month. Should the daily oil allowable so determined be greater than the normal unit allow-

able as set by the Board, the normal unit allowable shall be considered as the actual producing allowable. Should the daily oil allowable so determined be less than the normal unit allowable as set by the Board, such lesser amount shall be the daily unit allowable. In this connection it is understood that the operator of the unitized area contemplates gathering and returning to the producing horizon gas so produced from the unitized area, after approval of the Board is secured.

(e) In the event any well in producing its allowable under these rules should be operated in a way that would commit waste as defined by the Mississippi Laws, or be to the detriment of the Field as a whole, the production from such well shall be subject to such adjustments as may be necessary to prevent or minimize waste.

(f) Oil and gas allocated to acreage lying within the State of Mississippi shall be treated and considered as being produced within the State of Mississippi and oil and gas allocated to acreage lying within the State of Louisiana shall be treated and considered as being produced within the State of Louisiana irrespective of the location of the well bore from which such oil or gas may have been produced.

All rules and regulations contained in State-Wide Order No. 201-51 of this Board and amendments thereto not specifically covered in the foregoing rules are hereby adopted and shall apply to said Field.

This Board takes cognizance of the fact that Rodney Island Field is located within both Tensas Parish, Louisiana and Jefferson County, Mississippi and that these rules are necessarily limited in application to that portion of said Field to which this Board's jurisdiction extends.

The Board expressly reserves its right after notice and hearing to alter, amend or repeal any and all of the foregoing rules and regulations.

This order shall be and become effective as of the first day of
June, 1958.

ORDERED this the 16th day of April, 1958.

MISSISSIPPI STATE OIL AND GAS BOARD

By James McClure
Chairman