

BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI

FILED FOR RECORD

RE: PETITION OF MOSBACHER ENERGY  
COMPANY TO AMEND THE SPECIAL  
FIELD RULES FOR THE SEMINARY FIELD  
COVINGTON COUNTY, MISSISSIPPI

MAY 03 2013

STATE OIL AND GAS BOARD  
LISA IVSHIN, SUPERVISOR

DOCKET NO. 132-2013-D

ORDER NO. 222-2013

**ORDER**

**THIS CAUSE** came to be heard on the Petition of Mosbacher Energy Company ("Petitioner") requesting the Board amend the Special Field Rules for the Seminary Field in Covington County, Mississippi; and

**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 required by 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, a public hearing was held by said Board in the Hearing Room, Suite E, 500 Greymont Avenue, Jackson, Mississippi, commencing on April 17, 2013, at 10:00 o'clock a.m. at which hearing all persons present who desired to be heard on said matter were heard and all testimony and the 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.

Petitioner is a current operator in the Field. The Special Field Rules for the Field were adopted in Docket No. 108-2009-387 and last amended in Docket No

2.

Petitioner seeks authority to redefine the Field is defined as follows:

**Township 7 North, Range 15 West**

Section 10: The South 3/4

Section 11: The South 3/4

Section 12: The S $\frac{1}{2}$  of NW $\frac{1}{4}$  and the SW $\frac{1}{4}$

Section 13: The W $\frac{1}{2}$

Section 14: Entire Section

Section 15: Entire Section

Section 23: The N $\frac{1}{2}$  of the N $\frac{1}{2}$

Section 24: The N $\frac{1}{2}$  of the NW $\frac{1}{4}$

3.

Petitioner and others have drilled wells in this Field which have penetrated the Cotton Valley Oil Pool ("the Pool"). These wells have proven that wells in the Pool drain large areas and 640 acre spacing has been adopted. Petitioner also seeks to add three additional pools and adopt the same spacing for those pools. The Pools are defined from the Mosbacher Energy – Pattie Bihm No. 1 in Section 14, Township 7 North, Range 15 West, Covington County, Mississippi, as follows:

- A. Rodessa Oil Pool – 13,540 feet to 14,050 feet
- B. Sligo Oil Pool – 14,060 feet to 14,450 feet
- C. Hosston Oil Pool – 14,450 feet to 16,580 feet

The zones are below 13,500 feet and the permeability and porosity indicate that a well in each pool will drain large areas. In fact, one well previously produced over 140,000 barrels of oil from multiple sand sections in the Pool which is the deepest pool. The unit configuration also needs to be amended to accommodate the geology in this Field. The rules need to be amended to change the rectangle rule to 6,600 feet by 7,000 feet.

Therefore, for geological reasons, the Board finds that the Special Field Rules need to be amended to redefine the spacing requirements, to enlarge the Field for more drilling than is anticipated, and adopt new pool definitions to prevent waste.

4.

The amendment to the Special Field Rules as set forth in Exhibit "A" promotes conservation, protects the co-equal and correlative rights of all owners of all owners in interest, avoids the drilling of unnecessary wells and permits oil and gas to be produced which would not otherwise be recoverable.

**IT IS, THEREFORE, ORDERED AND ADJUDGED** by the State Oil and Gas Board of Mississippi that the Special Field Rules for the Seminary Field in Covington County, Mississippi shall be and hereby are amended as follows:

**SPECIAL FIELD RULES  
SEMINARY FIELD  
COVINGTON COUNTY, MISSISSIPPI**

**A. FIELD LIMITS:**

The Seminary Field as used herein is that area consisting of the following described lands situation in Covington County, Mississippi, to-wit:

**Township 7 North, Range 15 West**

Section 10: The South 3/4

Section 11: The South 3/4

Section 12: The S $\frac{1}{2}$  of NW $\frac{1}{4}$  and the SW $\frac{1}{4}$

Section 13: The W $\frac{1}{2}$

Section 14: Entire Section

Section 15: Entire Section

Section 23: The N $\frac{1}{2}$  of the N $\frac{1}{2}$

Section 24: The N $\frac{1}{2}$  of the NW $\frac{1}{4}$

and all correlative extensions thereof.

## **B. POOL DEFINITIONS**

1. The **Cotton Valley Oil Pool** in the Seminary Field shall be construed to mean those strata of the Cotton Valley Formation currently, formerly, or in the future productive of oil in the interval between 16,580 feet to 18,327 feet in the Mosbacher Energy Company – Pattie Bihm No. 1 Well located 1,642 feet from the North line and 2,050 feet from the West line of Section 14, Township 7 North, Range 15 West, Covington County, Mississippi, as indicated on the electric log of said well, and all sands correlative of these strata productive of oil.

2. The **Rodessa Oil Pool** in the Seminary Field shall be construed to mean those strata of the Rodessa Oil Pool currently, formerly, or in the future productive of oil in the interval between 13,540 feet to 14,050 feet in the Mosbacher Energy Company – Pattie Bihm No. 1 Well located 1,642 feet from the North line and 2,050 feet from the West line of Section 14, Township 7 North, Range 15 West, Covington County, Mississippi, as indicated on the electric log of said well, and all sands correlative of these strata productive of oil.

3. The **Sligo Oil Pool** in the Seminary Field shall be construed to mean those strata of the Sligo Oil Pool currently, formerly, or in the future productive of oil in the interval between 14,060 feet to 14,450 feet in the Mosbacher Energy Company – Pattie Bihm No. 1 Well located 1,642 feet from the North line and 2,050 feet from the West line of Section 14, Township 7 North, Range 15 West, Covington County, Mississippi, as indicated on the electric log of said well, and all sands correlative of these strata productive of oil.

4. The **Hosston Oil Pool** in the Seminary Field shall be construed to mean those strata of the Hosston Oil Pool currently, formerly, or in the future productive of oil in the interval between 14,450 feet to 16,580 feet in the Mosbacher Energy Company – Pattie Bihm No. 1 Well located 1,642 feet from the North line and 2,050 feet from the West line of Section 14, Township 7 North, Range 15 West, Covington County, Mississippi, as indicated on the electric log of said well, and all sands correlative of these strata productive of oil.

## **C. SPACING OF WELLS**

1. The **Cotton Valley Oil Pool, the Rodessa Oil Pool, the Sligo Oil Pool, and the Hosston Oil Pool**. As to each of these pools, every well drilled as an oil well:

- (a) shall be located on the drilling unit consisting of:
  - (i) 640 contiguous surface acres; or
  - (ii) a governmental section containing not less than 600 acres or more than 680 acres; or
  - (iii) 16 contiguous governmental quarter-quarter sections whose total acreage is not less than 600 or more than 680 acres.
- (b) any oil unit formed under Section 1(a)(i) of this rule must be completely encompassed by the perimeter of a rectangle 6,600 feet

by 7,000 feet. Provided, however, no unit shall be permitted which will create island acreage.

- (c) each well shall be located at least 660 feet from every other drilling well or well completed in or producing from the same pool located in conformity with this rule.
- (d) each well shall be located not less than 660 feet from every exterior boundary of the drilling unit.
- (e) each 640 acre oil unit may contain up to four producing wells from each of the pools with a full individual allowable for each increased density well.

**D. APPLICABILITY OF STATEWIDE RULES**

1. All rules and regulations contained in Statewide Order No. 201-51, and any amendments thereto, not specifically covered in the foregoing rules are hereby adopted and applied to Seminary Field.

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

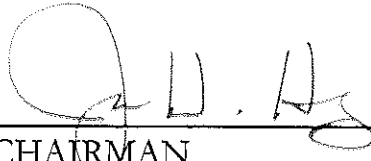
**\*\*\* End of Special Field Rules \*\*\***

**IT IS FURTHER ORDERED AND ADJUDGED** that this Order shall be in force and effect from and after April 17, 2013.

**IT IS FURTHER ORDERED AND ADJUDGED** that Petitioner shall acquire any other permits, if any, required by any other permitting authority.

**ORDERED AND ADJUDGED** this 2nd day of May, 2013.

**STATE OIL AND GAS BOARD OF  
MISSISSIPPI**

  
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CHAIRMAN

**Prepared By:**  
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