

MAR 20 2013

BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI
STATE OIL AND GAS BOARD
LISA IVSHIN, SUPERVISORRE: PETITION OF RAM PETROLEUM, LLC TO AMEND THE SPECIAL FIELD
RULES FOR SUNNY HILL FIELD IN WALTHALL COUNTY, MISSISSIPPIDOCKET NO. 10-2013-D
ORDER NO. 61-2013FINAL ORDER

This day this matter came on for hearing before the State Oil and Gas Board at its regular February 20, 2013, hearing on the Petition of Ram Petroleum, LLC requesting the Board to amend the Special Field Rules for Sunny Hill Field in Walthall County, Mississippi.

WHEREAS, a public hearing was held by said Board in the hearing room, 500 Greymont Avenue, Suite E, Jackson, Mississippi, commencing on February 20, 2013, at which time all persons present who desired to be heard on said matter were heard and all testimony and evidence were duly considered at said meeting; and

WHEREAS, Board finds that due, proper and legal notice of the meeting of this Board for the purpose of considering and taking action with respect to such matter was given in the manner provided by law and the rules and regulations of this Board; that due, legal and sufficient proofs of publication are on file with the Board; and that the Board has full jurisdiction of the parties and subject matter to hear and determine this docket; and

WHEREAS, the Board has fully considered said matter and the evidence and recommendations made in said hearing and finds as follows:

1. That Petitioner proposes to drill its Foil Heirs Unit 36-13 No. 1 Well ("Well"), located 990 feet from South line and 330 feet from West line of Section 36, Township 4 North, Range 10 East, Walthall County, Mississippi, to be completed as a 40 acre oil unit in the Sunny Hill Field in the Lower Tuscaloosa Oil Pool.

2. That pursuant to the Special Field Rules recorded on February 4, 1985, in Docket No. 2-85-616, drilling units for the Sunny Hill Field shall consist "of 80 contiguous surface acres or two governmental quarter-quarter sections containing not less than 72 or more than 88 acres for the Lower Tuscaloosa Oil Pool[.]"

3. That Petitioner desires to amend the Special Field Rules for Sunny Hill Field for the Lower Tuscaloosa Oil Pool to change Rule 1 of the Special Field Rules to conform to Statewide Rule 7. Therefore, the Spacing of Oil Wells requirements of the Lower Tuscaloosa Oil Pool in Sunny Hill Field should be amended to allow for 40 acre units.

4. That Petitioner has proposed no other change to the Special Field Rules of the Sunny Hill Field.

5. That the Amended Special Field Rules of Sunny Hill Field, which are set forth in Exhibit "A", attached hereto, will prevent waste, will avoid the drilling of unnecessary wells, will not cause drainage that is not offset by counter drainage, will protect the co-equal and correlative rights of the owners in the Field, will allow all of the owners in the Field the right and opportunity to recover their fair and equitable share of the recoverable hydrocarbons therein, will foster and encourage the full development of the Field, will promote the conservation of hydrocarbons from the Field by preventing waste, and will enable hydrocarbons to be produced which could not otherwise be produced, thereby increasing the ultimate recovery of hydrocarbons.

6. That all wells in the Sunny Hill Field have been plugged and abandoned.

IT IS THEREFORE ORDERED AND ADJUDGED that the Special Field Rules for Sunny Hill Field are amended as set forth in the attached Exhibit "A".

IT IS FURTHER ORDERED AND ADJUDGED that Petitioner shall acquire all other permits, if any, from any other permitting authority.

SO ORDERED AND ADJUDGED this the ^{20th} day of March, 2013, and effective February 20, 2013.

MISSISSIPPI STATE OIL AND GAS BOARD

By: _____

JAMES HEIDELBERG, Chairman

OF COUNSEL:

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**ATTORNEY FOR PETITIONER,
RAM PETROLEUM, LLC**

Exhibit A

**AMENDED SPECIAL FIELD RULES FOR SUNNY HILL FIELD
WALTHALL COUNTY, MISSISSIPPI**

FIELD LIMITS:

The Sunny Hill Field is defined as that area consisting of the following described lands, to wit:

The E 1/2 of Section 35, and the W 1/2 of the E 1/2, and the W 1/2 of Section 36, Township 4 North, Range 10 East, and the W 1/2 of the NE 1/4 and the NW 1/4 of Section 1, Township 3 North, Range 10 East, Walthall County, Mississippi

as underlain by the Lower Tuscaloosa Oil Pool of the Lower Tuscaloosa Formation, as hereinafter defined, and all correlative or productive extensions thereof.

I. The Lower Tuscaloosa Oil Pool in the Sunny Hill Field shall be construed to mean those strata of the Lower Tuscaloosa Formation productive of oil in the interval between the depths of 10,400 feet to 10,525 feet, encountered in the Moon-Hines-Tigrett Operating Co., Inc – Fernwood Lumber Company 35-9 Well No. 1, as indicated on the Dual Induction Log of said well, and all sands correlative of these strata productive of oil, said well being located 1980 feet North and 710 feet West of the Southeast Corner of Section 35, Township 4 North, Range 10 East, Walthall County, Mississippi.

II. The characteristics of said Lower Tuscaloosa Oil Pool of the Lower Tuscaloosa Formation in said field are such that a well located as hereinafter prescribed and drilled upon a drilling unit containing approximately forty (40) contiguous surface acres conforming to the requirements of the rules herein contained will adequately and efficiently drain and produce the recoverable oil from such unit in said pool without avoidable waste.

RULE 1 - SPACING OF OIL WELLS:

With respect to the Lower Tuscaloosa Oil Pool, every well drilled as an oil well:

(a) Shall be located on a drilling unit consisting of forty (40) contiguous surface 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. The word "contiguous" as used herein shall mean bordering each other at more than one point.

(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 well or well completed in or producing from the same pool located in conformity with this rule; and

(d) The well shall be located at least 330 feet from every exterior boundary of the unit.

RULE 2 - APPLICABILITY OF STATEWIDE RULES:

A. All rules and regulations contained in Statewide Order No. 201-51, and any amendments thereto, not specifically covered by the foregoing Special Filed 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.

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