

THE STATE OIL AND GAS BOARD OF MISSISSIPPI

FILED FOR RECORD

RE: EMERGENCY PETITION OF FOREST OIL CORPORATION TO AMEND THE SPECIAL FIELD RULES FOR VINTAGE FIELD IN JEFFERSON DAVIS COUNTY, MISSISSIPPI

JUN 24 1999

STATE OIL AND GAS BOARD  
WALTER BOONE, SUPERVISOR

DOCKET NO. 102-99-525

ORDER NO. 170-99

FINAL ORDER

THIS CAUSE, came on for hearing June 16, 1999, upon the Petition of Forest Oil Corporation to amend the Special Field Rules for Vintage Field in Jefferson Davis County, Mississippi. Based upon the evidence presented, the Board finds as follows:

I.

All notices required by the statute and rules and regulations of this Board have been timely and properly given, and the Board has jurisdiction of the parties and subject matter.

II.

By Order No. 150-82 entered March 18, 1982, in Docket No. 111-82-525, Special Field Rules were adopted for the Vintage Field in Jefferson Davis County, Mississippi, and were amended August 21, 1996, by Order 280-96 in Docket No. 157-56-525.

III.

Subsequent to the adoption of the Special Field Rules for Vintage Field as amended, the Petitioner reworked its Bordeaux No. 1 Well on a drilling unit comprised of Section 16, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi, comprising 640 acres, more or less. The well was located 1754 feet from the South line and 2434 feet from the East line of Section 16.

IV.

The Board authorized a workover under Permit No. 96WOP121 issued March 26, 1996, in an attempt to establish production from the Upper Booth Sand, which was successful. Subsequently, the Board authorized additional workover operations under Permit No. 97WOP062 issued November 6, 1996. The additional workover was also successful and the Well was tested February 4, 1997, and completed and ready to produce on February 26, 1997. The additional workover resulted in perforations in the First Sligo Gas Sand, the Third Sligo Gas Sand and the Lower Harper Gas Sand. The Third Sligo Gas Sand has been defined by the Special Field Rules as

Amended for the Vintage Field. The First Sligo Gas Sand, the Lower Harper Gas Sand and the Upper Booth Gas Sand have not been defined.

V.

The Petitioner proposes to define the First Sligo Gas Sand, the Lower Harper Gas Sand and the Upper Booth Gas Sand as set forth in the Amended Special Field Rules attached to this Order as Exhibit "A." There have been no other wells drilled in Vintage Field to test these gas sands, which are undefined by the Special Field Rules.

VI.

The First Sligo Gas Sand, the Lower Harper Gas Sand and the Upper Booth Gas Sand, as defined by the Amended Special Field Rules, are separate and distinct pools which are not in communication with any other producing zone in the Vintage Field, and are not being currently produced, nor have they been produced by any other well in the Vintage Field. From all available information the spacing pattern authorized by the Amended Special Field Rules is appropriate for the efficient draining of the First Sligo Gas Sand, Lower Harper Gas Sand and Upper Booth Gas Sand as defined in the Amended Special Field Rules, and will protect the coequal and correlative rights of the owners in these sands.

IT IS, THEREFORE, ORDERED, that the Special Field Rules for Vintage Field in Jefferson Davis County, Mississippi, are hereby amended in accordance with the rules attached hereto as Exhibit "A."

SO ORDERED, this the 16<sup>th</sup> day of June, 1999.

STATE OIL AND GAS BOARD OF  
MISSISSIPPI

BY:   
CHAIRMAN

PREPARED BY:  
LUTHER M. THOMPSON  
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**AMENDED SPECIAL FIELD RULES  
FOR THE VINTAGE FIELD  
JEFFERSON DAVIS COUNTY, MISSISSIPPI**

The Vintage Field, as used herein, is that area consisting of the following described land,

to-wit:

All of Sections 7, 8, 9, 16, 17, 18, the E 1/2 of Section 19, all of Sections 20 and 21, and the W 1/2 of Section 22, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi.

underlain by the Second Sligo Gas Sand, the Third Sligo Gas Sand of the Sligo Formation, and the Harper Gas Sand and the Booth Gas Sand of the Hosston Formation and the Stray Oil Sand, the First Sligo Gas Sand, the Lower Harper Gas Sand and the Upper Booth Gas Sand, as hereinafter defined, and all productive extensions thereof.

I. The Second Sligo Gas Sand in the Vintage Field shall be construed to mean those strata of the Sligo Formation productive of gas in the interval between the depth of 15,704 feet and 15,728 feet in the Forest Oil Corporation - Champagne No. 1 Well, as indicated on the electric log of said well, and all sands correlative of these strata productive of gas, said well being located in Section 17, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi.

II. The Third Sligo Gas Sand in the Vintage Field shall be construed to mean those strata of the Sligo Formation productive of gas in the interval between the depth of 15,761 feet and 15,779 feet in the Forest Oil Corporation - Champagne No. 1 Well, as indicated on the electric log of said well, and all sands correlative of these strata productive of gas, said well being located in Section 17, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi.

III. The Harper Gas Sand in the Vintage Field shall be construed to mean those strata of the Hosston Formation productive of gas in the interval between the depth of 16,181 feet and 16,208 feet in the Forest Oil Corporation - Champagne No. 1 Well, as indicated on the electric log of said well, and all sands correlative of these strata productive of gas, said well being located in Section 17, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi.

IV. The Booth Gas Sand in the Vintage Field shall be construed to mean those strata of the Hosston Formation productive of gas in the interval between the depth of 16,412 feet and 16,444 feet in the Forest Oil Corporation - Champagne No. 1 Well, as indicated on the electric log of said well, and all sands correlative of these strata productive of gas, said well being located in Section 17, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi.

V. The First Sligo Gas Sand in the Vintage Field shall be construed to mean those strata productive of gas in the interval between the depth of 15,708 feet and 15,734 feet in the Forest Oil Corporation – Bordeaux No. 1 Well, as indicated on the electric log of said well, and all sands correlative of these strata productive of gas, said well being located in Section 16, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi.

VI. The Lower Harper Gas Sand in the Vintage Field shall be construed to mean those strata productive of gas in the interval between the depth of 16,260 feet and 16,300 feet in the Forest Oil Corporation – Bordeaux No. 1 Well, as indicated on the electric log of said well, and all sands correlative of these strata productive of gas, said well being located in Section 16, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi.

VII. The Upper Booth Gas Sand in the Vintage Field shall be construed to mean those strata productive of gas in the interval between the depth of 16,392 feet and 16,438 feet in the Forest Oil Corporation – Bordeaux No. 1 Well, as indicated on the electric log of said well, and all sands correlative of these strata productive of gas, said well being located in Section 16, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi.

VIII. The characteristics of the Second Sligo Gas Sand and the Third Sligo Gas Sand of the Sligo Formation and the Harper Gas Sand and the Booth Gas Sand of the Hosston Formation and the First Sligo Gas Sand, the Lower Harper Gas Sand and the Upper Booth Gas Sand in said field are such that a well located as hereinafter prescribed and drilled upon a drilling unit containing 640 contiguous surface acres conforming to the requirements of the rules herein contained will efficiently drain and produce the recoverable gas from such units in said pool without avoidable waste.

IX. The Stray Oil Sand in the Vintage Field shall be construed to mean those strata productive of oil in the interval between the depth of 16,280 feet and 16,318 feet in the Forest Oil Corporation – Champagne No. 1 Well, located in Section 17, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi, as indicated on the electric log of the well and all sands correlative of these strata productive of oil.

#### RULE 1 – SPACING OF GAS WELLS:

Every well drilled as a gas well:

- (a) Shall be located on a drilling unit consisting of (1) 640 contiguous surface acres; or
- (2) a governmental section containing not less than 600 acres or more than 680 acres; or (3) sixteen

(16) contiguous governmental quarter-quarter sections whose total acreage is not less than 600 acres or more than 680 acres. In any case, no other well producing from the same pool shall be located on any such unit.

(b) Any gas drilling unit formed under Section 1(a) of this rule must be completely encompassed by the perimeter of a rectangle 5580 feet by 6245 feet. Provided, however, no unit shall be permitted which will create island acreage.

(c) The well shall be located at least 3,000 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 not less than 1,500 feet from every exterior boundary of the drilling unit.

#### RULE 2 - SPACING OF OIL WELLS

With respect to the Stray Oil Sand, every well drilled as an oil well to the Stray Oil Sand shall be located on a drilling unit consisting of four (4) contiguous quarter-quarter sections containing not less than 144 and no more than 176 acres. Any drilling unit not composed of four (4) contiguous quarter-quarter sections shall contain 160 surface acres, which must be completely encompassed by the perimeter of a rectangle 2,640 feet by 3,500 feet; however, no unit shall be permitted which will create island acreage. Every well drilled as an oil well to the Stray Oil Sand shall be located at least 1,500 feet from every drilling or producible well from the same pool and not less than 750 feet from every exterior boundary of the drilling unit.

#### RULE 3 - 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 Amended 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.