

BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI

RE: PETITION OF VENTURE OIL & GAS, INC. TO
AMEND THE SPECIAL FIELD RULES FOR
NORTH WAUSAU FIELD, AND OBTAIN
RELATED RELIEF

FILED FOR RECORD

JUL 15 2009

STATE OIL AND GAS BOARD
LISA IVSHIN, SUPERVISOR

DOCKET NO. 237-2009-552

ORDER NO. 343-2009

EMERGENCY ORDER

THIS MATTER came on to be heard at the regular June 2009 meeting of the State Oil and Gas Board as a request for emergency consideration on the Petition of **VENTURE OIL & GAS, INC.**, Petitioner, requesting the Board to amend Special Field Rules for North Wausau Field, and grant related relief. Having considered the Petition, the evidence in support thereof, and being fully advised in the premises, the Board finds that the Petition is well-taken and should be granted on an emergency basis. The Board also finds as follows:

1.

The Board has jurisdiction over the parties and the subject matter of the Petition.

2.

The Board has previously adopted Special Field Rules for North Wausau Field in Wayne County, Mississippi. The last amendment to those Special Field Rules is reflected in Order No. 197-99 filed June 24, 1999 in Docket No. 117-99-552. The said Special Field Rules should now be further amended as set forth herein.

3.

Petitioner is the operator of the Morrison 17-15 Well No. 1 (the "Well") which is located at a surface location that is 305 feet North of the South line and 1672 feet West of the East line of Section 17, Township 8 North, Range 9 West, Wayne County, Mississippi, in North Wausau Field. The Well was drilled and completed during 2008 as a gas well that produces from intervals in what is presently defined in the Special Field Rules for the field as "The 14,950' Cotton Valley Gas Pool" (the "Pool"). The Well is the only well in North Wausau that produces from the Pool.

4.

Based on Petitioner's analysis of the pertinent geology and well data, there is an additional interval or zone that should properly be defined to be a part of the Pool. The Petitioner herein that the Board amend the definition of the Pool to read as follows:

The 14,950' Cotton Valley Gas Pool of the North Wausau Field is defined to mean those strata of the Cotton Valley Formation productive of gas and condensate in the interval between the measured depths of 14,958 feet and 15,600 feet on the array induction BHC Sonic Log of the TexStar Petroleum-Board of

Education 16-12 Well No. 1, which well is located at a surface location that is 305 feet North of the South line and 1672 feet West of the East line of Section 17, Township 8 North, Range 9 West, Wayne County, Mississippi, and all strata productive of gas and condensate which can be correlated therewith and are in communication therewith.

5.

The said request to amend the definition of the Pool is well-taken and should be granted. The amended definition of the Pool is intended to expand the definition of the Pool to include as part thereof all other intervals or zones that are part of the general structure that comprises the Pool. As amended, the definition of the Pool will encompass an underground reservoir that contains a common accumulation of gas and other hydrocarbons, and which is completely separated from any other zone in the structure.

6.

The proposed amendment will not result in any change to the spacing rules for producing from the Pool.

7.

The proposed amendment to the Special Field Rules will allow for the continued orderly development of the Pool and field, will prevent waste, will protect the coequal and correlative rights of the owners in the Field, will avoid the drilling of unnecessary well(s), and will allow the owners in the Pool the opportunity to recover their fair and equitable share of production from the Pool.

IT IS, THEREFORE, ORDERED AND ADJUDGED, that the Petition filed herein is granted on an emergency basis; and the Board will set this matter down for hearing at the regular July 15, 2009 meeting of the Board.

Permittee shall acquire all other permits, if any, required by any other permitting authority.

SO ORDERED AND ADJUDGED, this the 15th day of July, 2009.

STATE OIL AND GAS BOARD OF MISSISSIPPI

By: _____

[Signature]
VICE CHAIRMAN

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