

JUN 30 1993

STATE OIL AND GAS BOARD  
A. BENTLEY, Chairman

BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI

RE: PETITION OF DUER WAGNER & CO.  
TO AMEND SPECIAL FIELD RULES  
BAY SPRINGS FIELD  
JASPER COUNTY, MISSISSIPPI

DOCKET NO. 157-93-208

ORDER NO. 205 -93

ORDER

THIS MATTER came on for hearing this day upon the Amended Petition of Duer Wagner & Co., requesting that the Special Field Rules for the Bay Springs Field, Jasper County, Mississippi be amended by expanding the definition of the Buckner Oil Pool. The Board being fully advised in the premises, does find as follows:

1.

Proper, due and legal notice for the meeting of this Board to consider this Amended Petition has been given as required by law and the rules of this Board. Due, legal and sufficient proofs of publication of notice are on file with this Board. The Board does further adjudicate that it has full and complete jurisdiction to hear and determine this Amended Petition at this time and place.

2.

On May 19, 1993, by Order No. 169-93 in Docket No. 124-93-208, this Board entered an Order establishing the Special Field Rules for the Bay Springs Field as they currently exist.

3.

Said Order provided for a definition of the Buckner Oil Pool as being those strata of the Buckner Formation productive of oil in the interval between 15,018 feet and 15,070 feet in the Esenjay Petroleum Corp. - I.B. Alexander No. 2 Well and all sands correlative to said strata. Further study of the wells in the Bay Springs Field which have penetrated the Buckner Oil Pool, has indicated that the definition of the Buckner Oil Pool should be amended to describe that pool as meaning those strata of the Buckner Formation productive of oil in the interval between 14,970 feet and 15,070 feet in the Esenjay Petroleum Corp. - I.B.

Alexander No. 2 Well. The amended definition will describe all of the productive intervals in the Buckner Oil Pool. In all other regards the proposed amended Special Field Rules will be unchanged. A copy of the proposed Special Field Rules are attached hereto as Exhibit "A".

4.

If the proposed change in the Special Field Rules is made, waste will be prevented, recovery from the Buckner Oil Pool will be maximized, the drilling of unnecessary wells will be prevented, and the coequal and correlative rights of all parties will be protected.

IT IS, THEREFORE, ORDERED AND ADJUDGED that the Special Field Rules for the Bay Springs Field, Jasper County, Mississippi be and are hereby amended by expanding the definition of the Buckner Oil Pool as above described and that the proposed amended Special Field Rules attached as Exhibit "A" hereto, be and are hereby adopted and established as the amended Special Field Rules for the Bay Springs Field.

SO ORDERED AND ADJUDGED this the 16<sup>th</sup> day of June, 1993.

MISSISSIPPI STATE OIL AND GAS BOARD

BY: Joseph S. Zuccaro  
CHAIRMAN

**SPECIAL FIELD RULES FOR  
BAY SPRINGS FIELD**

**FIELD LIMITS:**

The Bay Springs Field as used herein is that area in the SE 1/4, Section 21; S 1/2, Section 22; S 1/2, Section 23; Section 26; Section 27; Section 28; NE 1/4, Section 33; Section 34; and Section 35, Township 2 North, Range 10 East, Second District, Jasper County, Mississippi, underlain by the Upper Cotton Valley Oil Pool, the Lower Cotton Valley Oil Pool and the Buckner Oil Pool, as hereinafter defined, and all productive extensions thereof.

**UPPER COTTON VALLEY OIL POOL DEFINED:**

The Upper Cotton Valley Oil Pool in the Bay Springs Field shall be construed to mean those strata of the Cotton Valley formation productive of oil in the interval between 13,262 feet and 13,280 feet in the Skelly-Gallman No. 1 Well located 330 feet North and 330 feet East of the Southeast corner of the NW 1/4 of Section 27, Township 2 North, Range 10 East, Second District, Jasper County, Mississippi, as indicated on the electric log of said well and all sands correlative of said strata productive of hydrocarbons.

**LOWER COTTON VALLEY OIL POOL DEFINED:**

The Lower Cotton Valley Oil Pool in the Bay Springs Field shall be construed to mean those strata of the Cotton Valley formation productive of oil in the interval between 14,508 feet and 14,640 feet in the Shell-Pan Am-Pruett- C. E. Brown No. 1 Well located 990 feet North and 330 feet West of the Southeast corner of Section 27, Township 2 North, Range 10 East, Second District, Jasper County, Mississippi, as indicated on the electric log of said well and all sands correlative of said strata productive of hydrocarbons.

**BUCKNER OIL POOL DEFINED:**

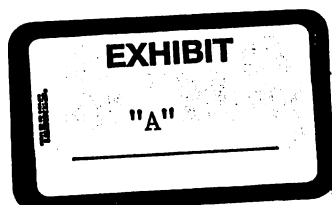
The Buckner Oil Pool in Bay Springs Field shall be construed to mean those strata of the Buckner formation productive of oil in the interval between 14,970 feet and 15,070 feet in the Esenjay Petroleum Corp.- I. B. Alexander No. 2 Well located 1,491 feet from the East line and 175 feet from the South line of Section 27, Township 2 North, Range 10 East, Jasper County, Mississippi, as indicated on the electric log of said well and all sands correlative in said strata productive of hydrocarbons.

The characteristics of the Upper Cotton Valley Oil Pool, the Lower Cotton Valley Oil Pool and the Buckner Oil Pool as now known indicate that a well located as hereinafter prescribed and drilled upon the drilling unit containing approximately 80 contiguous surface acres, conforming to the requirements of the rules herein contained, will efficiently drain and produce the recoverable oil from such unit in said pool without avoidable waste.

**RULE 1 - SPACING OF OIL WELLS:**

Every well drilling to or producing from the Upper or Lower Cotton Valley Pools or the Buckner Oil Pool:

(a) shall be drilled on a drilling unit consisting of 2 contiguous governmental quarter-quarter sections containing not less than 72 acres or more than 88 acres or on a drilling unit consisting of 80 contiguous acres upon which no other drilling or producible well is located;



(b) shall be located at least 990 feet from every other drilling or producible well located in the Bay Springs Field;

(c) shall be located at least 330 feet from every exterior boundary of the drilling unit; and

(d) the distance between any two points farthest apart on the drilling unit upon which the well is located shall not exceed 3,190 feet.

**RULE 2 - OIL ALLOWABLES FOR PRODUCTION FROM THE BUCKNER OIL POOL:**

(A) The maximum efficient rate of flow of the Buckner Oil Pool is such that any well completed in and producing therefrom shall be granted an allowable of 500 barrels of oil per day subject to adjustments pursuant to Statewide Rules 34-A.

(B) Every operator of a well completed in the Buckner Oil Pool of Bay Springs Field shall comply with the following reporting requirements:

1. The bottom hole pressure will be measured in at least one of the Buckner Oil Pool wells operated by it on an annual basis and reported to the staff of the State Oil and Gas Board;
2. The flowing wellhead pressures of each well completed in this pool will be monitored and, at such time, as such pressures indicate possible significant change in the bottom hole pressure, a bottom hole pressure survey will be run in that well and furnished to the Board; and
3. If any of the above required bottom hole pressure tests reveal that the measured bottom hole pressure is less than 5,365 psia, then the operator furnishing said pressure information shall petition the Board to redetermine the MER of the Buckner Oil Pool and allowables for all wells completed therein.

**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 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 appeal any and all of the foregoing rules and regulations.