

OCT 30 1985

STATE OIL AND GAS BOARD
A. Richard Henderson, Supervisor

IN THE STATE OIL AND GAS BOARD OF MISSISSIPPI

RE: PETITION OF CELERON OIL AND GAS
COMPANY FOR AMENDMENT TO SPECIAL
FIELD RULES OF BOWIE CREEK FIELD,
COVINGTON COUNTY, MISSISSIPPI

DOCKET NO. 300-85-404

ORDER NO. 429-85ORDER

This day this cause came on to be heard on the amended petition of Celeron Oil and Gas Company for authority to amend the special field rules for Bowie Creek Field, Covington County, Mississippi, and the Board finds that due, proper and legal notice of the hearing on the amended petition has been given in the manner and the form provided by law and the rules and regulations of this Board, and that proofs of publication are on file with this Board, and that this Board has full jurisdiction of the subject matter to hear and determine same. Pursuant to said notice given, public hearing was held by said Board in Suite 1400, Walter Sillers State Office Building, 550 High Street, Jackson, Mississippi, commencing on October 16, 1985, at which hearing all persons present desiring to be heard on said matter were heard, and all testimony and evidence was duly considered by those present at said meeting, and the Board has fully considered said matter and the evidence and recommendations made in said hearing, and finds as follows:

1.

By prior order of this Board dated June 16, 1976, Order No. 133-76, Docket No. 85-76-404, the State Oil and Gas Board of Mississippi adopted special field rules for the Bowie Creek Field, Covington County, Mississippi. Celeron Oil and Gas Company has drilled and completed its Napier Brothers No. 1 Well at a surface location of 1569 feet north of the south line and 1596 feet east of the west line of Section 35, Township 7 North,

Range 16 West, Covington County, Mississippi, and said well has encountered gas in the Sligo Gas Pool. Field limits for the Bowie Creek Field should be extended to include all of Section 35, Township 7 North, Range 16 West, Covington County, Mississippi.

2.

The drilling and completion of the Napier Brothers No. 1 Well in Section 35, Township 7 North, Range 16 West, has indicated that the prior definition of the Upper Hosston Gas Pool as previously adopted by this Board should be amended to include those strata productive of gas in the interval between the depths of 15,174 feet and 16,330 feet as indicated on the electric log of the South Louisiana Production Company, Inc. (now Celeron Oil and Gas Company) - No. 1 Oscar Aultman Well located in Section 2, Township 6 North, Range 16 West.

3.

The drilling and completion of the Napier Brothers No. 1 Well has encountered the Sligo Gas Pool, and in order to provide for the orderly development of the Bowie Creek Field and for the efficient production of said pool, it is necessary that the Board adopt special field rules defining the Sligo Gas Pool as those strata productive of gas in the interval between the depths of 14,826 feet and 15,152 feet as indicated on the electric log of the Celeron Oil and Gas Company Napier Brothers No. 1 Well with surface location in the NE 1/4 of SW 1/4 of Section 35, Township 7 North, Range 16 West.

IT IS, THEREFORE, ORDERED AND ADJUDGED that the special field rules now existing for the Bowie Creek Field are hereby amended to include the section referred to hereinabove and to re-define the Upper Hosston Gas Pool and to define the Sligo Gas Pool, and that the amended special field rules for Bowie Creek Field, Covington County, Mississippi, are hereby ordered as follows:

SPECIAL FIELD RULES
BOWIE CREEK FIELD,
COVINGTON COUNTY, MISSISSIPPI

A. The Bowie Creek Field, as used herein, is that area consisting of the following described land, to-wit:

Sections 1, 2, 11, 12 and 14, Township 6 North,
Range 16 West, Section 6, Township 6 North,
Range 15 West, Section 31, Township 7 North,
Range 15 West, Sections 35 and 36, Township 7
North, Range 16 West, Covington County,
Mississippi, underlain by the gas pools
hereinafter defined, and all productive
extensions thereof.

B. The Upper Hosston Gas Pool in the Bowie Creek Field shall be construed to mean those strata productive of gas in the interval between the depths of 15,174 feet and 16,330 feet as indicated on the electric log of the South Louisiana Production Company, Inc. (now Celeron Oil and Gas Company) - No. 1 Oscar Aultman Well located in the SW 1/4 of SE 1/4 of Section 2, Township 6 North, Range 16 West, Covington County, Mississippi, and all intervals in communication therewith and correlative of said strata productive of gas.

C. The Sligo Gas Pool in the Bowie Creek Field shall be construed to mean those strata productive of gas in the interval between the depths of 14,826 feet and 15,152 feet as indicated on the electric log of the Celeron Oil and Gas Company Napier Brothers No. 1 Well with surface location in the NE 1/4 of SW 1/4 of Section 35, Township 7 North, Range 16 West, Covington County, Mississippi, and all intervals in communication therewith and correlative of said strata productive of gas.

D. The characteristics of the gas pools herein defined in said field are such that gas wells located and drilled upon drilling units containing approximately 640 acres each conforming to the requirements of the spacing rules prescribed by Statewide Order No. 201-51 as amended will efficiently drain and produce the recoverable gas in said pool without avoidable waste.

RULE 1 - APPLICABILITY OF STATEWIDE RULES:

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

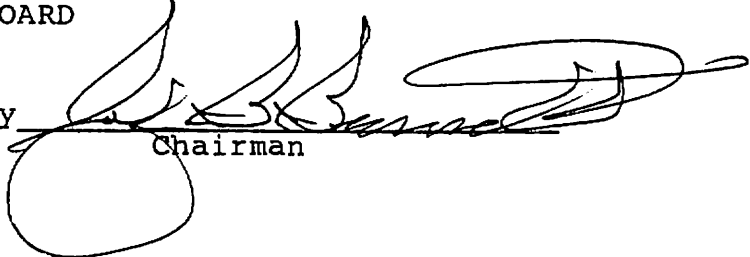
covered in the foregoing Special Field Rules are hereby adopted and shall apply to said field.

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

ORDERED AND ADJUDGED on this the 17th day of October, 1985.

MISSISSIPPI STATE OIL AND GAS
BOARD

By


Chairman