

THE STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET NO. 137-64-186

ORDER NO. 198-64

ORDER

This day this cause coming on to be heard by the Mississippi State Oil and Gas Board on the matter of the adoption and promulgation by the Board of Special Field Rules for the Dry Creek Field in Franklin County, Mississippi, on the application of LaRue-Smith Production Company and Charles F. Hayes; and

The Board finding and hereby adjudicating that due, proper and legal notice of the meeting of the Board for the purpose of considering and taking action with respect to said matter has been given in the manner and way as provided by law and the rules and regulations of the Board and that due, legal and sufficient proofs of publication are on file with the Board and that the Board has full jurisdiction of the subject matter to hear and determine same.

The Board having fully considered the matter of the adoption and promulgation by the Board of Special Field Rules for the Dry Creek Field, in Franklin County, Mississippi, and the evidence and recommendations made with reference to said matter, is of the opinion that the following Special Field Rules should be adopted for the prevention of waste and the protection of the correlative rights of all owners in said field.

IT IS, THEREFORE, HEREBY ORDERED by the State Oil and Gas Board that the following Special Field Rules be and the same are hereby adopted by the State Oil and Gas Board for the Dry Creek Field located in Franklin County, Mississippi, to-wit:

SPECIAL FIELD RULES
FOR THE DRY CREEK FIELD
FRANKLIN COUNTY, MISSISSIPPI

The Dry Creek Field, as used herein, is that area consisting of Sections 20 and 21, Township 5 North, Range 1 East, and Sections 7 and 18, Township 5 North, Range 2 East, Franklin County, Mississippi, underlain by the Armstrong "A" Sand Oil Pool, the McKittrick Sand Oil Pool, the Armstrong "B" Sand Oil Pool, the Benbrook Sand Oil Pool, the Baker Sand Oil Pool, the Parker Sand Oil Pool, the Wilson Sand Oil Pool, the Ogden Sand Oil Pool, the Ball Sand Oil Pool, the Barksdale Sand Oil Pool, the McShane Sand Oil Pool, the Walker Sand Oil Pool and the Minter Sand Oil Pool, as hereinafter defined, and all productive extensions thereof.

I. The Armstrong "A" Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 6242 feet to 6254 feet in the LaRue-Smith Production Company - U. S. A. 20-16 No. A-1 Well, located in the center of the $SE\frac{1}{4}$ of $SE\frac{1}{4}$ of $SE\frac{1}{4}$ of Section 20, Township 5 North, Range 1 East, Franklin County, Mississippi, and including those strata productive of oil which are correlated therewith.

II. The McKittrick Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 6248 feet to 6262 feet in the Charles F. Hayes - U. S. A. 21-3 Well, located in the $NE\frac{1}{4}$ of $NE\frac{1}{4}$ of Section 21, Township 5 North, Range 1 East, Franklin County, Mississippi, and including those strata productive of oil which are correlated therewith.

III. The Armstrong "B" Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of

hydrocarbons from the Schlumberger Induction-Electrical Log depth of 6257 feet to 6272 feet in the LaRue-Smith Production Company - U. S. A. 20-16 No. A-1 Well, located in the center of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 20, Township 5 North, Range 1 East, Franklin County, Mississippi, and including those strata productive of oil which are correlated therewith.

IV. The Benbrook Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 6274 feet to 6287 feet in the LaRue-Smith Production Company - U. S. A. 20-16 No. A-1 Well, located in the center of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 20, Township 5 North, Range 1 East, Franklin County, Mississippi, and including those strata productive of oil which are correlated therewith.

V. The Baker Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 6294 feet to 6316 feet in the LaRue-Smith Production Company - U. S. A. 20-16 No. A-1 Well, located in the center of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 20, Township 5 North, Range 1 East, Franklin County, Mississippi, and including those strata productive of oil which are correlated therewith.

VI. The Parker Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of hydrocarbons from the Schlumberger Induction-Electrical log depth of 6318 feet to 6327 feet in the LaRue-Smith Production Company - U. S. A. 20-16 No. A-1 Well, located in the center of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 20, Township 5 North, Range 1 East, Franklin County, Mississippi, and including those strata productive of oil which are correlated therewith.

VII. The Wilson Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of hydrocarbons

from the Schlumberger Induction-Electrical Log depth of 6334 feet to 6344 feet in the LaRue-Smith Production Company - U. S. A. 20-16 No. A-1 Well, located in the center of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 20, Township 5 North, Range 1 East, Franklin County, Mississippi, and including those strata productive of oil which are correlated therewith.

VIII. The Ogden Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 6348 feet to 6352 feet in the LaRue-Smith Production Company - U. S. A. 20-16 No. A-1 Well, located in the center of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 20, Township 5 North, Range 1 East, Franklin County, Mississippi, and including those strata productive of oil which are correlated therewith.

IX. The Ball Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 6360 feet to 6374 feet in the LaRue-Smith Production Company - U. S. A. 20-16 No. A-1 Well, located in the center of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 20, Township 5 North, Range 1 East, Franklin County, Mississippi, and including those strata productive of oil which are correlated therewith.

X. The Barksdale Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 6376 feet to 6396 feet in the LaRue-Smith Production Company - U. S. A. 20-16 No. A-1 Well, located in the center of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 20, Township 5 North, Range 1 East, Franklin County, Mississippi, and including those strata productive of oil which are correlated therewith.

XI. The McShane Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 6414 feet

to 6428 feet in the LaRue-Smith Production Company - U.S.A. 20-16 No. A-1 Well, located in the center of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 20, Township 5 North, Range 1 East, Franklin County, Mississippi, and including those strata productive of oil which are correlated therewith.

XII. The Walker Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 6472 feet to 6494 feet in the Charles F. Hayes - U.S.A. No. 21-1A Well, located in the NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 21, Township 5 North, Range 1 East, Franklin County, Mississippi, and including those strata productive of oil which are correlated therewith.

XIII. The Minter Sand Oil Pool, as used herein, shall be construed to mean those strata of the Wilcox Formation productive of hydrocarbons from the Schlumberger Induction-Electrical Log depth of 6486 feet to 6502 feet in the LaRue-Smith Production Company - U.S.A. 20-16 No. A-1 Well, located in the center of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 20, Township 5 North, Range 1 East, Franklin County, Mississippi, and including those strata productive of oil which are correlated therewith.

The characteristics of said Parker Sand Oil Pool, Ball Sand Oil Pool, Armstrong "A" Sand Oil Pool, McShane Sand Oil Pool, Baker Sand Oil Pool, Barksdale Sand Oil Pool and Walker Sand Oil Pool in said field are such that a well located as hereinafter prescribed and drilled upon a 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 pools without avoidable waste.

RULE 1 - SPACING OF OIL WELLS

Every well drilled as an oil well for production from the

Parker Sand Oil Pool, the Ball Sand Oil Pool, the Barksdale Sand Oil Pool, the Armstrong "A" Sand Oil Pool, the McShane Sand Oil Pool, the Baker Sand Oil Pool and the Walker Sand Oil Pool:

- (a) shall be located on a drilling unit consisting of two contiguous regular governmental quarter-quarter sections containing not less than 72 acres, upon which no other drilling or producible well is located for production from said Parker Sand Oil Pool, Ball Sand Oil Pool, Barksdale Sand Oil Pool, Armstrong "A" Sand Oil Pool, McShane Sand Oil Pool, Baker Sand Oil Pool and Walker Sand Oil Pool;
- (b) shall be located at least 200 feet from every other drilling or producible well located in the Dry Creek Field completed in or producing from the same oil pool;
- (c) shall be located at least 100 feet from every exterior boundary of the drilling unit.

RULE 2 - RATABLE TAKE

Each person now or hereafter engaged in the business of purchasing oil or gas from owners, operators, or producers in this field shall purchase the same without discrimination in favor of one owner, operator or producer as against another in the same common source of supply.

RULE 3 - MEASUREMENT OF PRODUCTION

The operator of each producing lease shall maintain proper separation equipment and stock tanks and/or

metering devices and such connections thereto as are necessary to measure the total production from such lease. Where metering devices are used, the production may be commingled in a common storage system with production from other leases. And if, upon a sale therefrom, a variance exists between the measurement from the common storage system and the total measurement of the production of all leases commingled in such common storage system, then such variance shall be allocated back to each of the leases producing into such common storage system proportionately to the production measured from each lease.

RULE 4 - EQUIPMENT FOR TESTS

The operator of each producing lease on which there are two or more producing wells shall maintain proper separation equipment and stock tanks and/or metering devices and such connections thereto as will permit the adequate testing of each individual well under usual operating conditions without the necessity of closing in any other well. Such separation equipment, stock tanks and/or metering devices and connections thereto shall be subject to approval by the Supervisor.

RULE 5 - USE OF METERS

- A. The use of meters for testing and for measurement of lease production shall be subject to and in accordance with the following provisions:
1. Metering devices shall be of the positive displacement or positive volume type which register the volume of oil passed through it in barrels or multiples thereof.

2. All meters shall be downstream of the necessary separating or treating vessels. All meters shall be designed and installed in conformance with recognized metering practices and acceptable to the Oil and Gas Board.
3. No meter used for oil production measurement shall be directly or indirectly by-passed in such manner as to permit oil from separate leases to pass into common storage without first being measured by said meter including wells on test.
4. All meters and equipment affecting meter accuracy shall be kept in good working order. Each meter shall be calibrated monthly by means of a calibrated tank, a calibrated meter prover or a master meter. Any deviations found shall be corrected by use of a proper meter factor.

RULE 6 - APPLICABILITY OF STATE-WIDE RULES

- (a) All rules and regulations contained in State-wide 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; and
- (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.

SO ORDERED AND ADJUDGED this ²⁶19th day of August, 1964.

STATE OIL AND GAS BOARD OF MISSISSIPPI
By Robert H. Ford
CHAIRMAN