

JUN 07 2017

STATE OIL AND GAS BOARD
LISA IVSHIN, SUPERVISOR

BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI

RE: PETITION OF ROVER OPERATING, LLC
TO AMEND SPECIAL FIELD RULES FOR
EAST FORK FIELD, AMITE COUNTY, MISSISSIPPI

DOCKET NO. 78-2017-DORDER NO. 223-2017ORDER

This matter came on for hearing before the State Oil and Gas Board of Mississippi (hereinafter the "Board") on the 17th day of May, 2017 on the Petition of Rover Operating, LLC (hereinafter "Petitioner") seeking to Amend Special Field Rules for East Fork Field, Amite County, Mississippi, and for related relief; and

WHEREAS, the Board finds that due, proper and legal notice of the meeting of the Mississippi State Oil and Gas Board for the purpose of considering and taking action with respect to such matter was given in the manner and way provided by law and the Rules and Regulations of this Board; that due, legal and sufficient Proofs of Publication are on file with the Board in said matter; and that the Board has full jurisdiction of the subject-matter to hear and determine same; and

WHEREAS, pursuant to said notice a public hearing was held by the said Board in the Hearing Room of the Mississippi State Oil and Gas Board located at 500 Greymont Avenue, Suite E, Jackson, Mississippi, commencing at 10:00 o'clock, A. M. on May 17, 2017, at which hearing all persons present who desired to be heard in said matter were heard and all testimony and documentary evidence duly considered by those present at said meeting; and

WHEREAS, the Board having considered the Petition and the evidence, and being fully advised in the premises, is of the opinion and finds that the relief requested by the Petitioner should be and the same is hereby granted. The Board further finds and determines as follows:

1.

By Order of the State Oil and Gas Board of Mississippi (hereinafter the "Board") dated January 17, 1962, Order No. 11-1962, Docket No. 299-61-158, the Board adopted Special Field Rules for East Fork Field, Amite County, Mississippi for production from the Lower Tuscaloosa Oil Pool. The geographical area designated by the January 17, 1962, Order was the following:

Amite County, MS
Township 3 North, Range 5 East
Section 26, Entire Section
Section 27, Entire Section

The Lower Tuscaloosa Oil Pool was designated by Order dated January 17, 1962 as those strata of the Tuscaloosa formation productive of hydrocarbons from the electric log depths of 11,200 feet to 11,270 feet in the Barnwell Drilling Company Inc., et al, No. 1 Campbell Well located in NW 1/4 of SW 1/4 of Section 27, Township 3 North, Range 5 East, Amite County, Mississippi, and including those strata productive of oil which can be correlated therewith.

2.

Subsequent to the formation of Special Field Rules for the East Fork Field, the Middle East Fork Field was also formed and the Southwest East Fork Field was formed, all productive from the Lower Tuscaloosa Oil Pool. At present there are no producing Oil or Gas Wells in the Middle East Fork Field area or the Southwest East Fork Field area. Rover Operating, LLC, has filed a Petition with the Board requesting that Special Field Rules for Middle East Fork Field and Southwest East Fork Field be dissolved. The Board finds that it would be to the best interest of all parties and owners of mineral interests in the above lands that the Special Field Rules for East Fork Field be amended and revised. There has been additional production from extensions of the East Fork Field which have not been reflected by an increase in the defined area of the East Fork Field. The Board finds that in order to properly and efficiently develop the East Fork Field the Special Field Rules should be amended and revised.

Petitioner pleads unto the Board that the East Fork Field area should be amended and revised to include the following geographical area:

Amite County, Mississippi

Township 3 North, Range 5 East

Sec. 26: All that part of S ½ of NW 1/4 lying south of East Fork Amite River, being all that part of S ½ of NW 1/4 of Section 26 owned by Betty Lou Wilkinson at the time of her death.

SW 1/4
W ½ of SE 1/4
S ½ of SE 1/4 of SE 1/4

Sec. 27: N ½
S ½

Sec. 28: E ½

Sec. 32: SE 1/4

SE/4 SW/4 and all NE/4 SW/4 lying south of HWY 24, Section 32, T3N-R5E, less a tract of land containing 2 acres described as beginning at a point on Miss. Hwy 24, run S 55 deg., 34 min., 56 sec., East for 374.71 Feet to 2 1/2 inch iron fence corner post, thence N 67 Deg. 33 Min 10 Sec East for 134.81 feet to 2 1/2 inch iron fence corner post, thence N 01 Deg. 19 min, 37 sec West for 356.87 feet to 8 inch fence corner post on southern ROW of Miss Hwy 24 thence southerly on HWY ROW to Point of Beginning, all as per survey plat of Hunter Newman, Surveyor, Dated October 24, 2014.

Sec. 33: S ½

Sec. 34: N ½
S ½

Sec. 35: N ½
N ½ of SW 1/4
SW 1/4 of SW 1/4
N ½ of SE 1/4

Sec. 36: W ½ of NW 1/4
W ½ of NE 1/4 of NW 1/4
SE 1/4 of NW 1/4
SW 1/4
S ½ of NE 1/4
SE 1/4

Township 2 North, Range 5 East

- Sec. 1: N ½ of NE 1/4
NE 1/4 of NW 1/4
- Sec. 3: N ½ of NW 1/4
NW 1/4 of NE 1/4
- Sec. 4: N ½
- Sec. 5: NE 1/4
NE 1/4 of NW 1/4

Township 3 North, Range 6 East

- Sec. 31: W ½ of SW 1/4 of NW 1/4
W ½ of SW 1/4

Township 2 North, Range 6 East

- Sec. 6: All W ½ of NW 1/4 of NW 1/4
of Section 6, Township 2 North,
Range 6 East, lying North of the
Magnolia and Liberty Public Road

Containing 4370.42 acres, more or less.

4.

The East Fork Field was discovered in 1961 and 71 of wells have been drilled in the area to the Lower Tuscaloosa Oil Pool. Separate Oil Pool definitions in the Lower Tuscaloosa were defined for the East Fork Field, Middle East Fork Field and Southwest East Fork Field although the Lower Tuscaloosa Oil Pool is correlative over the entire area. The Board finds that the Lower Tuscaloosa Oil Pool as defined herein is correlative to all areas of the proposed geographical area described above for the East Fork Field.

5.

The Board finds that by amending the Special Field Rules for East Fork Field, Amite County, Mississippi, the Lower Tuscaloosa Oil Pool can be fully developed over the entire area as feasible or desirable, necessary or useful, for the purpose of enhanced recovery operations, pressure maintenance or any other method generally recognized and approved by the industry.

6.

The Board finds that it is necessary to amend the Special Field Rules for East Fork Field to include portions of the area formally included in Middle East Fork Field and Southwest East Fork Field to fully develop all hydrocarbons underlying the amended and enlarged East Fork Field area. Under the reformed and enlarged area for the East Fork Field, the pool definition for the Lower Tuscaloosa Oil Pool should be revised to the following:

The Lower Tuscaloosa Oil Pool in the East Fork Field, Amite County, Mississippi, shall be construed to mean those strata of the Lower Tuscaloosa Formation productive of oil in the interval between the electric log depths of 11,290 feet and 11,438 feet in the Beaucoup and Gas Corp., & Robert Jacobs No. 1 Whittington Well located in the NW 1/4 of SW 1/4 of SW 1/4 of Section 33, Township 3 North, Range 5 East, Amite County, Mississippi, and all sands correlative of those strata productive of oil.

The purpose for amending and enlarging the East Fork Field is to allow for enhanced oil recovery. The Amended Special Field Rules for East Fork Field, Amite County, Mississippi are set forth on Exhibit "A" attached hereto.

7.

The Board finds that the amendment of the Special Field Rules for East Fork Field as set forth herein will facilitate the more efficient and economical operation of a portion of the Lower Tuscaloosa Formation and will ultimately result in the recovery of more oil and/or other hydrocarbon reserves from the East Fork Field. The Board finds that the amendment of the Special Field Rules for East Fork Field as set forth below will promote the conservation of oil and gas of East Fork Field and the State of Mississippi by preventing waste, avoiding the drilling of unnecessary wells, safeguarding, protecting and enforcing the co-equal and correlative rights of all owners of hydrocarbons in the field to the extent that each such owner may recover his fair and equitable share of recoverable hydrocarbons without unnecessary expense. The amendment of the Special Field Rules for East Fork Field as set forth below will foster, encourage and promote the full development of the field.

8.

The Board finds that the granting of this Petition is necessary in order to prevent waste, to avoid the drilling of unnecessary wells and to protect the co-equal and correlative rights of all owners and interests in the lands to be developed and to allow production from low volume oil wells, which operations and production would not otherwise be possible.

IT IS, THEREFORE, ORDERED AND ADJUDGED by the State Oil and Gas Board of Mississippi the following:

- (1) The Special Field Rules for East Fork Field, Amite County, Mississippi, are hereby amended and revised to be those rules set forth on Exhibit "A" attached hereto and made part hereof.

IT IS FURTHER ORDERED AND ADJUDGED that Rover Operating, LLC shall acquire all other permits, if any, required by any other permitting authority.

IT IS FURTHER ORDERED AND ADJUDGED that this Order shall be in force and effect from and after May 17, 2017.

ORDERED AND ADJUDGED this the 9th day of June, 2017.

MISSISSIPPI STATE OIL AND GAS BOARD

By: 

CHAIRMAN

OF COUNSEL:

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EXHIBIT "A"

**REVISED AMENDED SPECIAL FIELD RULES OF
EAST FORK FIELD
AMITE COUNTY, MS**

(1) **Field Area:** The East Fork Field as used herein, is described as follows:

Amite County, Mississippi

Township 3 North, Range 5 East

Sec. 26: All that part of S ½ of NW 1/4 lying south of East Fork Amite River, being all that part of S ½ of NW 1/4 of Section 26 owned by Betty Lou Wilkinson at the time of her death.

SW 1/4
W ½ of SE 1/4
S ½ of SE 1/4 of SE 1/4

Sec. 27: NE 1/4
NW 1/4
SE 1/4
SW 1/4

Sec. 28: NE 1/4
SE 1/4

Sec. 32: SE 1/4

SE/4 SW/4 and all NE/4 SW/4 lying south of HWY 24, Section 32, T3N-R5E, less a tract of land containing 2 acres described as beginning at a point on Miss. Hwy 24, run S 55 deg., 34 min., 56 sec., East for 374.71 Feet to 2 1/2 inch iron fence corner post, thence N 67 Deg. 33 Min 10 Sec East for 134.81 feet to 2 1/2 inch iron fence corner post, thence N 01 Deg. 19 min, 37 sec West for 356.87 feet to 8 inch fence corner post on southern ROW of Miss Hwy 24 thence southerly on HWY ROW to Point of Beginning, all as per survey plat of Hunter Newman, Surveyor, Dated October 24, 2014.

Sec. 33: SE 1/4
SW 1/4

Sec. 34: NE 1/4
NW 1/4
SE 1/4
SW 1/4

Sec. 35: NE 1/4
NW 1/4
N 1/2 of SW 1/4
SW 1/4 of SW 1/4
N 1/2 of SE 1/4

Sec. 36: W 1/2 of NW 1/4
W 1/2 of NE 1/4 of NW 1/4
SE 1/4 of NW 1/4
SW 1/4
S 1/2 of NE 1/4
SE 1/4

Township 2 North, Range 5 East

Sec. 1: N 1/2 of NE 1/4
NE 1/4 of NW 1/4

Sec. 3: N 1/2 of NW 1/4
NW 1/4 of NE 1/4

Sec. 4: NE 1/4
NW 1/4

Sec. 5: NE 1/4
NE 1/4 of NW 1/4

Township 3 North, Range 6 East

Sec. 31: W 1/2 of SW 1/4 of NW 1/4
W 1/2 of SW 1/4

Township 2 North, Range 6 East

Sec. 6: All W 1/2 of NW 1/4 of NW 1/4
of Section 6, Township 2 North,
Range 6 East, lying North of the
Magnolia and Liberty Public Road

Containing 4370.42 acres, more or less.

(2) **Pool Definition:** The Lower Tuscaloosa Oil Pool in the East Fork Field, Amite County, Mississippi, shall be construed to mean those strata of the Lower Tuscaloosa Formation productive of oil in the interval between the electric log depths of 11,290 feet and 11,438 feet in the Beaucoup and Gas Corp., & Robert Jacobs No. 1 Whittington Well located in the SW 1/4 of SW 1/4 of Section 33, Township 3 North, Range 5 East, Amite County, Mississippi, and all sands correlative of those strata productive of oil.

(3) **Spacing of Wells:** Lower Tuscaloosa Oil Pool:

The characteristics of the Lower Tuscaloosa Oil Pool in East Fork Field are such that a well located as hereinafter prescribed and drilled upon a drilling unit containing approximately eighty (80) contiguous surface acres

conforming to the requirements of the rules herein contained will adequately and efficiently drain and produce the recoverable oil from such unit in said pool without avoidable waste. Every well drilled as an oil well in the Lower Tuscaloosa Oil Pool as defined herein shall comply with the following spacing rules:

1. Each such well shall be located on a drilling unit consisting of eighty (80) contiguous surface acres, or two (2) contiguous governmental quarter-quarter sections containing not less than seventy-two (72) acres or more than eighty-eight (88) acres, upon which no other drilling or producible well is located. The word "contiguous" as used herein shall mean bordering each other at more than one point;
2. Any drilling unit not composed of two (2) governmental quarter-quarter sections must be completely encompassed by the perimeter of a rectangle 1600 feet by 2725 feet; provided, however, no unit shall be permitted which will create island acreage;
3. The well shall be located at least 660 feet from every other drilling well or wells completed in or producing from the same pool located in conformity with this rule; and
4. The well shall be located at least 330 feet from every exterior boundary of the drilling unit.

D. Applicability of Statewide Rules and Regulations:

1. All rules and regulations contained in Statewide Order No. 201-51 as amended by Order No. 95-98, and any amendments thereto, not specifically covered by the foregoing Special Field Rules are hereby adopted and shall apply to said field.
2. The Board expressly reserves the right, after notice and hearing, to alter, amend or repeal any and all of the foregoing rules and regulations.

- End of Special Field Rules -