

AUG 16 1979

STATE OIL AND GAS BOARD
Clyde R. Davis, State Oil & Gas Supervisor

THE STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET NO. 149-79-460

ORDER NO. 195-79ORDER

This day this cause came on to be heard on the petition of Smith Production Company, of Jackson, Mississippi, requesting the Board to adopt Special Field Rules for the Fernwood Field in Pike County, Mississippi, and the Board finds that due, proper and legal notice of the meeting of the Board has been given in the manner and form provided by law and the rules and regulations of this Board and that proper proofs of publication are on file with this Board, and the Board has full jurisdiction of the parties and the subject matter and having considered the evidence presented in support of said petition, this Board is of the opinion that same should be granted.

The Board further finds that a wildcat well, known as the Freedom Oil Company and Smith Production Company - McMullin No. 1 Well, has recently been drilled, said well being located 1624 feet from the West line and 2139 feet from the South line of the SW $\frac{1}{4}$ of Section 36, Township 3 North, Range 7 East, Pike County, Mississippi. Said well was drilled pursuant to Permit No. 115 dated November 30, 1978, and encountered oil in commercial quantities from the Lower Tuscaloosa "A" Oil Pool of the Tuscaloosa Formation at the interval from 10,968 feet to 10,975 feet, and from the Lower Tuscaloosa "B" Oil Pool of the Tuscaloosa Formation at the interval from 10,979 feet to 11,001 feet, as indicated on the dual induction electric log of said well.

The Board further finds that the characteristics of said Lower Tuscaloosa "A" Oil Pool and the Lower Tuscaloosa "B" Oil Pool of the Tuscaloosa Formation encountered in said well are such that one well located on a drilling unit comprised of two governmental

quarter-quarter sections of not less than 72 acres or more than 88 acres or on a drilling unit of 80 contiguous surface acres formed in the manner prescribed in Exhibit "A" will adequately drain and produce the hydrocarbons in the Lower Tuscaloosa "A" Oil Pool and the Lower Tuscaloosa "B" Oil Pool of the Tuscaloosa Formation efficiently and without avoidable waste.

The Board further finds that the productive area surrounding said well has now been named Fernwood Field, and that it is essential that Special Field Rules for the Fernwood Field be adopted, properly defining said producing pools and the area of said field, being the E½ of Section 35 and all of Section 36, Township 3 North, Range 7 East; the N½ of Section 1 and the NE¼ of Section 2, Township 2 North, Range 7 East, Pike County, Mississippi, underlain by said pools, and all productive extensions thereof.

IT IS, THEREFORE, ORDERED AND ADJUDGED by the State Oil and Gas Board of Mississippi that Special Field Rules for the Fernwood Field in Pike County, Mississippi, as set forth in Exhibit "A" attached hereto, should be and the same are hereby adopted.

ORDERED AND ADJUDGED this 18th day of July, 1979.

STATE OIL AND GAS BOARD OF MISSISSIPPI

By Dr. R. Sanchez, Jr.
CHAIRMAN

SPECIAL FIELD RULES
FOR THE FERNWOOD FIELD
PIKE COUNTY, MISSISSIPPI

The Fernwood Field, as used herein, is that area consisting of the following described land, to-wit:

The E½ of Section 35 and all of Section 36,
Township 3 North, Range 7 East; the N½ of
Section 1 and the NE¼ of Section 2, Township
2 North, Range 7 East, Pike County, Mississippi,

underlain by the Lower Tuscaloosa "A" Oil Pool and the Lower Tuscaloosa "B" Oil Pool of the Tuscaloosa Formation, as herein-after defined, and all productive extensions thereof.

I. The Lower Tuscaloosa "A" Oil Pool in the Fernwood Field shall be construed to mean those strata of the Tuscaloosa Formation productive of oil in the interval between the depths of 10,968 feet to 10,975 feet, encountered in the Freedom Oil Company and Smith Production Company - McMullin No. 1 Well, as indicated on the dual induction electric log of said well, and all sands correlative of these strata productive of oil, said well being located 1624 feet from the West line and 2139 feet from the South line of the SW¼ of Section 36, Township 3 North, Range 7 East, Pike County, Mississippi.

II. The Lower Tuscaloosa "B" Oil Pool in the Fernwood Field shall be construed to mean those strata of the Tuscaloosa Formation productive of oil in the interval between the depths of 10,979 feet to 11,001 feet, encountered in the Freedom Oil Company and Smith Production Company - McMullin No. 1 Well, as indicated on the dual induction electric log of said well, and all sands correlative of these strata productive of oil, said well being located 1624 feet from the West line and 2139 feet from the South line of the SW¼ of Section 36, Township 3 North, Range 7 East, Pike County, Mississippi.

III. The characteristics of said Lower Tuscaloosa "A" Oil Pool and the Lower Tuscaloosa "B" Oil Pool of the Tuscaloosa Formation in said 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 such pools without avoidable waste.

RULE 1 - SPACING OF OIL WELLS:

Every well drilled as an oil well:

- (a) shall be located on a drilling unit consisting of eighty (80) contiguous surface acres, or two governmental quarter-quarter sections containing not less than seventy-two (72) or more than eighty-eight (88) acres, upon which no other drilling or producible well is located;
- (b) Any drilling unit not composed of two 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.
- (c) The well shall be located at least 660 feet from every other drilling or producible well located in conformity with this rule; and
- (d) The well shall be located at least 330 feet from every exterior boundary of the drilling unit.

RULE 2 - APPLICABILITY OF STATEWIDE RULES:

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

specifically covered by 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.