

MAY 3 1977

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

IN THE STATE OIL AND GAS BOARD OF MISSISSIPPI

RE: PETITION OF FIRST MISSISSIPPI
CORPORATION FOR THE ADOPTION OF
SPECIAL FIELD RULES FOR HOLIDAY
CREEK FIELD, JEFFERSON DAVIS
AND MARION COUNTIES, MISSISSIPPI.

DOCKET NO. 63-77-420

ORDER NO. 104-77O R D E R

THIS DAY this cause came on for hearing before the State Oil and Gas Board on the Amended Petition of First Mississippi Corporation to adopt Special Field Rules for the Holiday Creek Field, Jefferson Davis and Marion Counties, Mississippi, such hearing being called for such purpose; and

The Board finding that due, proper and legal notice of the meeting of the 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 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; and

WHEREAS, pursuant to said notice given public hearing was held by said Board in the Second Floor Auditorium of the Woolfolk State Office Building, North West Street, Jackson, Mississippi, commencing on April 20, 1977, at which hearing all persons present who desired to be heard on said matter were heard and all testimony and evidence were duly considered by those present at said meeting; and

WHEREAS, the Board has fully considered said matter and the evidence and recommendations made in said hearing and finds as follows:

1. First Mississippi Corporation has drilled its No. 1 Jessie P. Diffrient Well on a drilling unit composed of the N 1/2 NW 1/4, Section 26, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi. Said well encountered three possibly productive zones in the Hosston Formation. Two zones have been tested with one being a gas pool and one indicating it is an oil pool. In order to further develop the area proposed to be called the Holiday Creek Field, Jefferson Davis and Marion Counties, Mississippi, it is necessary that the Board adopt Special Field Rules defining the two tested Hosston pools, designated the Diffrient Sand Oil Pool and the Booth Sand Gas Pool, and prescribing 640-acre spacing for the development and production of said/^{gas}pool. The oil pool should be developed on present spacing requirements pending further testing and subject to subsequent orders after further information is obtained.

2. The adoption of said Special Field Rules will aid the orderly development of said field, protect the co-equal and correlative rights of all owners and prevent waste.

IT IS, THEREFORE, ORDERED AND ADJUDGED that the following rules be hereby adopted, to wit:

SPECIAL FIELD RULES
FOR THE HOLIDAY CREEK FIELD,
JEFFERSON DAVIS AND MARION COUNTIES, MISSISSIPPI

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

Sections 1 and 2, Township 5 North, Range 18 West; Section 6, Township 5 North, Range 17 West; Marion County, Mississippi; Sections 19, 30 and 31, Township 6 North, Range 17 West; and Sections 23, 24, 25, 26, 35 and 36, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi, underlain by the gas pools hereinafter defined, and all productive extensions thereof.

- B. (1) The Diffrient Sand Oil Pool in the Holiday Creek Field shall be construed to mean those strata productive of oil in the interval between the depths of 15,936 feet and 15,988 feet as indicated on the electric log of the First Mississippi Corporation, et al. - No. 1 Jessie P. Diffrient Well located in Section 36, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi, and all correlative intervals in communication therewith.
- (2) The Booth Sand Gas Pool in the Holiday Creek Field shall be construed to mean those strata productive of gas in the interval between the depths of 16,308 feet and 16,424 feet as indicated on the electric log of the First Mississippi Corporation, et al. - No. 1 Jessie P. Diffrient Well located in Section 36, Township 6 North, Range 18 West, Jefferson Davis County, Mississippi, and all correlative intervals in communication therewith.
- C. (1) The characteristics of the gas pool 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 herein prescribed will efficiently drain and produce the recoverable gas in said pool without avoidable waste.
- (2) The characteristics of the oil pool herein defined in said field are such that oil wells located and drilled upon drilling units containing approximately 80 acres each conforming to the requirements of the spacing rules herein prescribed will efficiently drain and produce the recoverable oil in said pool without avoidable waste.

RULE 1 - SPACING OF OIL WELLS

A. With respect to the Diffrient Sand Oil Pool, every oil well:

(1) Shall be located on a drilling unit consisting of eighty (80) surface contiguous acres, or two 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;

(2) 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;

(3) The well shall be located at least 1,000 feet from every other drilling or producible well located in conformity with this rule; and

(4) The well shall be located at least 500 feet from every exterior boundary of the drilling unit.

RULE 2 - SPACING OF GAS WELLS

A. With respect to the Booth Sand Gas Pool, every gas well:

(1) Shall be located on a drilling unit consisting of 640 contiguous surface acres, or a governmental section containing not less than 600 acres or more than 680 acres, upon which no other drilling or producible well is located;

(2) Any gas drilling unit not a governmental section must be completely encompassed by the perimeter of a rectangle 5580 feet by 6245 feet. Provided, however, no unit shall be permitted which will create island acreage;

(3) The well shall be located at least 3000 feet from every other drilling or producible well located in conformity with this rule; and

(4) The well shall be located not less than 1,500 feet from every exterior boundary of the unit.

ORDERED AND ADJUDGED, this the ^{21st}~~20th~~ day of April,

1977.

MISSISSIPPI STATE OIL AND GAS BOARD

BY: Joe R. Louch, Jr.
CHAIRMAN