

IN THE STATE OIL AND GAS BOARD OF MISSISSIPPI

MAY 29 2002

PETITION OF SKLAR EXPLORATION)
COMPANY, L.L.C., TO AMEND THE)
SPECIAL FIELD RULES FOR KINGS)
DOME FIELD, WARREN COUNTY,)
MISSISSIPPI, SO AS TO DELETE)
SECTIONS 39 AND 40, TOWNSHIP)
17 NORTH, RANGE 4 EAST, WARREN)
COUNTY, MISSISSIPPI, FROM THE FIELD)

STATE OIL AND GAS BOARD
WALTER BOONE, SUPERVISOR

DOCKET NO. 115-2002-833
ORDER No. 179-2002

ORDER

THIS DAY, there came on for hearing before the State Oil and Gas Board of Mississippi a Petition to Amend the Special Filed Rules for Kings Dome Field To Delete Sections 39 and 40, Township 17 North, Range 4 East From the Field filed by SKLAR EXPLORATION COMPANY, L.L.C., (hereinafter referred to as SKLAR), and the Board, having carefully considered various pleadings and documents submitted in support thereof, does hereby find, adjudge and order as follows:

1.

The Kings Dome Field is presently defined in the Special Field Rules as follows:

The Kings Dome Field, as used herein, is comprised of the following lands in Warren County, Mississippi, and all productive extensions...:

Township 17 North, Range 4 East
Sections, 26, 27, 28, 39 and 40

2.

Petitioner filed a Petition under a separate Docket No. 116-2002-879 requesting that Sections 39 and 40, Township 17 North, Range 4 East, Warren County, Mississippi, be included in a new and separate field to be named SOUTH KINGS DOME FIELD and that there be adopted Special Field Rules for the said South Kings Dome Field, which Petition this Board granted in a separate Order at the regular May, 2002 meeting of the Board.

3.

As in the Petition in Docket 116-2002-879 to establish a new and separate field named South Kings Dome Field comprising Sections 39 and 40, Township 17 North, Range 4 East, Warren County, Mississippi, has been granted, it is necessary that said sections may be deleted from the Kings Dome Field.

4.

The Kings Dome and South Kings Dome Fields are separate and distinct fields and are not in communication.

5.

There are no other operators in the Kings Dome Field or the proposed South Kings Dome Field other than Petitioner and therefore no personal notice is required.

6.

The granting of this exclusion will prohibit waste, protect and enforce the co-equal and correlative rights of the owners in the common reservoir so that all parties may obtain their just and equitable share of production and encourage full development.

IT IS THEREFORE ORDERED AND ADJUDGED that Sections 39 and 40, Township 17 North, Range 4 East, Warren County, Mississippi, are hereby deleted from the lands included in Kings Dome Field and as a result the Special Field Rules for Kings Dome Field are hereby amended to read and provide as set forth in the Amended Special Field Rules for Kings Dome Field attached hereto as Exhibit "A" and made a part hereof.

ORDERED AND ADJUDGED this the 23rd day of May, 2002.

STATE OIL AND GAS BOARD
OF MISSISSIPPI

By: Joseph J. Guasco
Chairman

SUBMITTED BY:

W. Eric West
MS Bar No. 7116
McDAVID, NOBLIN & WEST, PLLC
840 Trustmark Building
248 East Capitol Street
Jackson, Mississippi 39201-2505
(601) 948-3305

984/SK8241-001 Exclude Order

EXHIBIT "A"

AMENDED SPECIAL FIELD RULES FOR KINGS DOME FIELD, WARREN COUNTY, MISSISSIPPI

A. The Kings Dome Field, as used herein, is comprised of the following lands in Warren County, Mississippi, and all productive extensions containing the below defined oil pools:

Township 17 North, Range 4 East
Sections 26, 27 and 28

B. The Paluxy Oil Pool of the Northeast Segment is defined as the interval encountered in the Pride 26-12 No. 1 Well, located in the N 1/2 of the SW 1/4 of Section 26, T17N-R4E, Warren County, Mississippi, as indicated on the electric log of said well to be at a depth between 8,750 - 9,200 feet, and all strata correlative to and in communication therewith.

C. The Rodessa Oil Pool of the Northeast Segment is defined as the interval encountered in the Pride 26-12 No. 1 Well, located in the N 1/2 of the SE 1/4 of Section 26, T17N-R4E, Warren County, Mississippi, as indicated on the electric log of said well to be at a depth of between 10,800 - 11,200 feet, and all strata correlative to and in communication therewith.

D. The Mooringsport Oil Pool is defined as the interval encountered in the Pride No. 2 Well, located in the S 1/2 of the NW 1/4 Section 26, T17N-R4E, Warren County, Mississippi, as indicated on the electric log of said well to be at a depth between 11,089 - 11,095 feet and all strata correlative to and in communication therewith.

RULE 1: SPACING OF WELLS

Every well drilled to develop the above defined oil pools in Kings Dome Field shall be drilled and/or produced on 80-acre drilling units consistent with Statewide Rule 7.1.

RULE 2: APPLICABILITY OF STATEWIDE RULES

- A. All rules and regulations contained in Statewide Order No. 201-51, and all 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.

- END SPECIAL FIELD RULES -