

RE: DOCKET NO. 27-51-41

ORDER NO. 158-51

SPECIAL FIELD RULES FOR
KINGSTON OIL FIELD, ADAMS
COUNTY, MISSISSIPPI

This day this cause came on for hearing before the State Oil and Gas Board, and the Board finding that due and legal notice of the meeting of the Board for the purpose of adopting special field rules for the Kingston Oil Field had been given in the manner and the way provided by law and the rules and regulations of the Board and that the Board has full jurisdiction to hear and decide this cause, and pursuant to the provisions of Chapter 256 of the Laws of 1946 and other laws of the State of Mississippi there was held in the City of Jackson, Mississippi, on March 21, 1951, a meeting of the State Oil and Gas Board for the purpose of receiving proposals for and adoption of special field rules for the Kingston Oil Field located in Adams County, Mississippi, and the Board having received said proposals, proposed amendments thereto, and having heard evidence of witnesses and the argument of counsel, both for and against the adoption of said rules, and the Board being of the opinion the special field rules for the Kingston Oil Field located in Adams County, Mississippi, should be adopted for the purpose of preventing waste and the protection of the co-equal and correlative rights of the owners in said ^{field} ~~area~~

IT IS, THEREFORE, hereby ordered by the Mississippi State Oil and Gas Board that the following special field rules for the Kingston Oil Field, Adams County, Mississippi be and the same are hereby adopted.

RULE 1 - THE KINGSTON OIL FIELD is that area of Section 11, Township 5 North, Range 2 West, centering around that certain tract of land owned by W. C. Walker, and those certain tracts of land owned by Cora Tyre and Clarence Aways and the Eastern portion of the Magnolia Plantation and shall include all of said tracts and all of said section which are underlain by presently known Wilson Sand Pools and including all productive extensions thereof.

RULE II - THE BAKER POOL as used herein, shall be construed to mean those strata underlying said field productive of oil and which can be correlated with that strata found productive in the Stanolind Oil and Gas Company-G. W. Armstrong No. 1 Well at a sub-surface depth from approximately 6488 to 6520 feet, which well is located at a point reached by commencing at the Southwest corner of Section 12 and running thence South 23 degrees 35 minutes West 1691 feet; thence West 1467 feet to said location in Section 11, all in Township 5 North, Range 2 West, Adams County, Mississippi. The following wells are now producing from this pool.

1. The Magnolia Petroleum Company-Tyre-Swayze No. 1 Unit 2, in Section 11, Township 5 North, Range 2 West, at an approximate sub-surface depth from 6473 to 6510 feet;
2. The Plains Production Company-W. C. Walker No. 2 Well in Section 11, Township 5 North, Range 2 West, at an approximate sub-surface depth from 6511 to 6537 feet;
3. Although not producing from this pool it is further identified as that series of sand, shale and sandy shale strata found at an approximate sub-surface depth from 6489 to 6520 feet in the Plains Production Company-W. C. Walker No. 1.

RULE III - THE HARMAN POOL as used herein, shall be construed to mean those strata underlying said field productive of oil and which can be correlated with that strata found productive in the Plains Production Company-W. C. Walker No. 2 Well at an approximate sub-surface depth of from 6614 to 6636 feet, which well is located in Section 11, Township 5 North, Range 2 West, said Adams County, Mississippi. This pool is further identified as that series of sand, shale and sandy shale strata found at an approximate sub-surface depth of from 6587 to 6625 feet in the Plains Production Company-W. C. Walker No. 1 Well.

The Magnolia, Tyre-Swayze No. 1, Unit B in Section 11, Township 5 North, Range 2 West, is producing from this pool at an approximate sub-surface depth of from 6596 to 6628 feet.

RULE IV - THE WALKER POOL as used herein, shall be construed to mean those strata underlying said field productive of oil and which can be correlated with that strata found productive in the Plains Production Company-W. C. Walker No. 1 Well at an approximate sub-surface depth of from 6653 to 6676 feet, which well is located in Section 11, Township 5 North, Range 2 West, at a point South 20 degrees 53 minutes West 1800 feet from the Southwest corner of Section 12, said township and range. The Magnolia-Tyre-Swayze No. 1 Unit 1 in Section 11, Township 5 North, Range 2 West is producing from this pool at an approximate sub-surface depth from 6637 to 6655 feet. This pool is further identified as that series of sand, shale and sandy shale strata found at an approximate sub-surface depth of from 6653 to 6676 feet in the Plains Production Company-W. C. Walker No. 1 Well in Section 11, Township 5 North, Range 2 West.

RULE V - SPACING -

(a) With respect to each pool, a basic drilling unit shall consist of 40 contiguous surface acres, provided that the distance between any two points therein does not exceed 2100 feet. No portion of the drilling unit upon which the well is located shall be attributed in whole or in part to any other drilling or producible well in the pool and the rights of all owners in the drilling unit upon which the well is located shall first be pooled or consolidated. All drilling units, heretofore drilled or permitted in said field, whether or not in conformity with the shape or designation of the drilling unit here now established for future wells, are hereby confirmed.

(b) The location of the well shall not be closer than 330 feet to the exterior boundaries of the unit.

(c) The well must be located at least 660 feet from every other drilling or producible well in the same pool which was drilled and completed in conformity with Section (b) of this rule. Where special exceptions have been granted by the Board, after notice and hearing, to drill and complete a well at a point less than 330 feet from the exterior boundaries of the forty (40) acres, offset wells which are drilled and completed in conformity to Section (b) of this rule are herewith permitted without securing special permits.

(d) No well shall be drilled less than 100 feet from any other producing well regardless of the pool from which it is producing.

RULE VI - The Board may grant exception to Rule No. V in accordance with the provisions of Chapter 256, Mississippi Laws 1948, and other applicable laws, rules and regulations of the Board of statewide application applicable hereto.

RULE VII - DRILLING AND COMPLETION - The minimum amount of surface casing to be set shall be 500 feet and cement shall be circulated to the surface. Cement shall be allowed to stand a minimum of twelve hours under pressure before initiating test or drilling plug. "Under Pressure" is complied with if one float valve is used or if pressure is held otherwise. The producing string of casing shall be cemented with the calculated amount of cement necessary to fill the annular space to a point 500 feet above the shallowest producible Wilcox pool penetrated by the well.

RULE VIII - MULTIPLE COMPLETIONS - No well shall be permitted to produce from more than one pool through the same string of casing or tubing unless a permit is first given by the Board after ten days notice and a hearing, and the facts shall clearly support a finding by the Board in support of the permit and that such method of completion and the production of the well from both pools at the same time will not cause waste. The permit may be revoked by the Board after notice and hearing. In the event of such multiple completion, such well and the unit upon which it is situated shall not be allowed to produce in excess of the highest allowable set for any of the pools from which said well may be producing, and for all purposes said well and the unit upon which it is situated shall be considered as constituting one drilling and producing unit only. All multiple completed wells now producing in said field are hereby confirmed.

RULE IX - ALLOCATION OF PRODUCTION - Allowables for each drilling and/or producing unit shall be fixed by the Board. Each drilling unit of approximately forty acres shall constitute a proration unit and each drilling unit of less than forty acres shall be a fractional proration unit. The production from each well shall be based on the number of acres in the drilling unit, whether fractional or not. A tolerance of four acres on

producing tracts of more than forty acres shall be allowed for proration purposes when the size and shape of the tract warrants and after the tract has been drilled to its final density.

RULE X - All rules and regulations contained in the Statewide Order No. 18-48 and amendments thereto not specifically covered in the foregoing rules are hereby adopted and will apply by inference.

IT IS FURTHER HEREBY ADJUDGED AND ORDERED that for the purpose of allocating an allowable production in the field and prorating such allocated production among wells therein, each separate reservoir shall be considered separately. Oil produced from the various separate reservoirs in the field shall either be conducted to and measured in separate storage tanks assigned to each of such separate reservoirs and located on each lease or unitized tract or shall be conducted to meters and separately metered by reservoir into a common storage system. The Board hereby expressly reserves the right at its October, 1951, meeting to incorporate the provisions of this paragraph and any other provisions necessary to carry the same into effect into these field rules as Rule XI.

The Board expressly reserves the right, after notice and hearing, to alter, amend, or repeal any and all of the above rules and regulations.

ORDERED AND ADJUDGED this the 20th day of September, 1951.

STATE OIL AND GAS BOARD

By W^m J. Hayward
Vice-Chairman