

**BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI**

**FILED FOR RECORD**

**RE: PETITION OF SOUTHEAST GAS STORAGE, LLC  
TO AMEND THE SPECIAL FIELD RULES FOR  
MAPLE BRANCH FIELD, MONROE AND  
LOWNDES COUNTIES, MISSISSIPPI**

**FEB 26 2009**

**STATE OIL AND GAS BOARD  
LISA IVSHIN, SUPERVISOR**

**DOCKET NO. 74-2009-413**

**ORDER NO. 120-2009**

**ORDER**

This day this matter came on for hearing before the State Oil and Gas Board at its regular February 18, 2009, hearing on the Petition of Southeast Gas Storage, LLC, a Delaware limited liability company, by and through its contract operator, Tennessee Gas Pipeline Company, a Delaware corporation, (collectively "Petitioner"), and petitions the Board to amend the Special Field Rules for Maple Branch Field and to grant related relief.

WHEREAS, the Board finds 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; that due, legal and sufficient proofs of publication are on file with the Board; and that the Board has full jurisdiction of the parties and subject matter to hear and determine same; and

WHEREAS, pursuant to said notice given, public hearing was held by the Board at the hearing room of the Board, Suite E, 500 Greymont Avenue, Jackson, Mississippi, commencing on February 18, 2009, 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 parties at said meeting; and

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

1. That in companion Docket No. 72-2009-437 Petitioner has requested the Board to establish the "Buttahatchie River Gas Storage Field" as an "Underground Storage Facility" (Statewide Rule 67.1.F.). The proposed Buttahatchie River Gas Storage Field in part overlaps the existing Maple Branch Field with respect to the following described lands, located in Monroe County, Mississippi:

TOWNSHIP 15 SOUTH, RANGE 17 WEST

Section 31: South 1/2

TOWNSHIP 15 SOUTH, RANGE 18 WEST

Section 26: SW1/4

Section 35: NE1/4

Section 36: Entire

2. That the lands described above constitute a part of the buffer zone necessary to insure the integrity of the "Reservoir" and are part of the "Storage Area" for the proposed Buttahatchie River Gas Storage Field.

3. That Petitioner proposes that the existing Special Field Rules for Maple Branch Field be amended to remove the lands above described from the description of the Field Extent of Maple Branch Field.

4. That there are currently two wells on the lands above described which are producing from the Lewis Sand Oil Pool, as follows:

Sam J. Creekmore, Jr. No. 2, API No. 23095202100000

Creekmore Unit 36-9 No. 1, API No. 23095202800000

Petitioner has proposed that the Special Field Rules of Maple Branch Field will remain in effect for these two wells, notwithstanding that said wells will be located in the Storage Area for the proposed Buttahatchie River Gas Storage Field.

5. That the Amended Special Field Rules are attached hereto as Exhibit "A".

6. That the Special Field Rules for Maple Branch Field will prevent waste, protect the coequal and correlative rights of all owners in the field and area, and will afford Petitioner the opportunity to utilize the Reservoir for the Buttahatchie River Gas Storage Field, as proposed by companion Docket 72-2009-437, for those purposes allowed by the applicable statutes and rules, thereby serving the public interest.

**IT IS, THEREFORE, ORDERED AND ADJUDGED** that the petition to amend the Special Field Rules for Maple Branch Field and to grant related relief is granted. The Amended Special Field Rules are attached hereto as Exhibit "A."

**IT IS FURTHER ORDERED AND ADJUDGED** that Petitioner shall acquire all other permits, if any, from any other permitting authority.

SO ORDERED AND ADJUDGED this the 26th day of February, 2009,  
and effective February 18, 2009.

MISSISSIPPI STATE OIL AND GAS BOARD

By: 

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DAVID A. SCOTT, Chairman

Submitted by:

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ATTORNEY FOR PETITIONER

**EXHIBIT "A"**

**AMENDED SPECIAL FIELD RULES  
FOR THE MAPLE BRANCH FIELD  
MONROE AND LOWNDES COUNTIES, MISSISSIPPI**

I.

**FIELD EXTENT**

Maple Branch Field, as that term is used herein, shall encompass those lands in Monroe and Lowndes Counties, Mississippi described as:

**TOWNSHIP 15 SOUTH, RANGE 18 WEST**  
Section 22: Southeast Quarter – For Lewis Sand Oil Pool only  
Section 27: East Half – For Lewis Sand Oil Pool only  
Section 35: Northwest Quarter and South Half

**TOWNSHIP 16 SOUTH, RANGE 17 WEST**  
Section 5: West Half  
Section 6: Entire  
Section 7: Entire  
Section 8: Entire  
Section 17: Entire  
Section 18: Entire  
Section 19: Entire  
Section 20: Entire  
Section 29: Entire

**TOWNSHIP 16 SOUTH, RANGE 18 WEST**  
Section 1: Entire  
Section 2: Entire  
Section 12: Entire  
Section 13: Entire

II.

**POOL DEFINITIONS**

- (1) The Carter Sand Gas Pool, as used herein, shall be construed to mean those strata of the Mississippian System productive of gas from the depth of 4,796 feet to 4,844 feet in the Pruet & Hughes Company-Aquitaine Oil Corporation No. 1 Crump Unit 1-6 Well, as shown by the electrical log thereof, located 2,310 feet from the north line and 2,140 feet from the east line of Section 1, Township 16 South, Range 18 West, Monroe County, Mississippi, and including the strata previously defined as the "South Carter Sand Gas Pool", plus other strata productive of gas which can be correlated therewith.
- (2) The Lewis Sand Oil Pool, as used herein, shall be construed to mean those strata of the Mississippian System productive of oil from the depth of 5,287 feet to 5,328

feet in the Pruet & Hughes Company-Aquitaine Oil Corporation and Kerr-McGee Corporation – Pounders Unit No. 6-11 Well No. 1, as shown by the electrical log thereof, located 2,400 feet from the south line and 1,500 feet from the west line of Section 6, Township 16 South, Range 17 West, Monroe County, Mississippi, and including those strata productive of oil which can be correlated therewith.

(3) The Sanders “A” Sand Oil Pool, as used herein, shall be constructed to mean those strata of the Mississippian System productive of oil from the depth of 4,772 feet to 4,838 feet in the Pruet & Hughes Company-Aquitaine Oil Corporation and Kerr-McGee Corporation – No. 1 Lawrence Unit 7-7 Well, as shown by the electrical log thereof, said well being located 1,500 feet from the north line and 1,500 feet from the east line of Section 7, Township 16 South, Range 7 West, Monroe County, Mississippi, and including those strata productive of oil which can be correlated therewith.

(4) The Sanders “B” Sand Oil Pool, as used herein, shall be constructed to mean those strata of the Mississippian System productive of oil from the depth of 4,966 feet and 5,007 feet in the Bow Valley Petroleum, Inc. – Holliman 12-16 Well No. 1 located 660 feet from the east line and 660 feet from the south line in the SE/4 of Section 12, Township 16 South, Range 18 West, Lowndes County, Mississippi, as indicated on the electric log for said well, and including those strata productive of hydrocarbons which can be correlated therewith.

(5) The Walker Sand Oil Pool, as used herein, shall be constructed to mean those strata of the Mississippian System productive of oil from the depth of 4,370 feet to 4,389 feet in the Pruet & Hughes Company-Aquitaine Oil Corporation No. 1 Crump Unit 1-6 Well, as shown by the electrical log thereof, said well being located 2,310 feet from the north line and 2,140 feet from the west line of Section 1, Township 16 South, Range 18 West, Monroe County, Mississippi, and including those strata productive of oil which can be correlated therewith.

(6) The Millerella Sand Oil Pool, as used herein, shall be construed to mean those strata of the Mississippian System productive of oil from the depth of 4,596 feet to 4,604 feet in the Pruet Production Co. – No. 1 Whitley 5-13 Well, as shown by the electrical log thereof, said well being located 1,000 feet from the south line and 1,000 feet from the west line of Section 5, Township 16 South, Range 17 West, Lowndes County,

Mississippi, and including those strata productive of oil which can be correlated therewith.

(7) The Lewis Sand Gas Pool, as used herein, shall be construed to mean those strata of the Mississippian System productive of gas from the depth of 5,344 feet to 5,366 feet in the Pruet Production Co. – Egger 18-1 Well No. 1, as shown by the electrical log thereof, said well being located 785 feet from the north line and 1,000 feet from the east line of Section 18, Township 16 South, Range 17 West, Lowndes County, Mississippi, and including those strata productive of gas which can be correlated therewith.

(8) The Sanders “A” Sand Gas Pool, as used herein, shall be construed to mean those strata of the Mississippian System productive of gas from the depth of 4,855 feet to 4,924 feet in the Michigan Oil Company – Holliman 18-3 No. 2 Well, as shown by the dual induction log thereof, located 800 feet from the north line and 1,980 feet from the west line of Section 18, Township 16 South, Range 7 West, Lowndes County, Mississippi, and including those strata productive of gas which can be correlated therewith.

### III.

#### PRODUCING CHARACTERISTICS

The characteristics of the above-mentioned gas pools are such that one well drilled on a regularly formed drilling unit conforming to the requirements of the rules herein contained will efficiently drain and produce the recoverable gas from such unit in said pool without avoidable waste.

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IV.  
RULES

RULE 1 – SPACING OF ALL GAS WELLS

Every well drilled as a gas well to the Carter Sand, Lewis Sand, and Sanders “A” Sand gas pools:

(a) Shall be located on a drilling unit consisting of 320 contiguous surface acres, or eight governmental quarter-quarter sections containing not less than 300 acres or more than 340 acres, up on which no other drilling or producible gas well is located.

(b) Any gas drilling unit consisting of eight governmental quarter-quarter sections must be completely encompassed by the perimeter of a rectangle 3,735 feet by 5,380 feet. Provided, however, no unit shall be permitted which will create island acreage.

(c) The well shall be located at least 1,320 feet from every other drilling or producible gas well located in conformity with this rule; and

(d) The well shall be located not less than 660 feet from every exterior boundary of the unit.

RULE 2 – SPACING OF OIL WELLS

Every well drilled as an oil well to the Lewis Sand Oil Pool, the Sanders “A” Sand Oil Pool, the Sanders “B” Sand Oil Pool, the Walker Sand Oil Pool, and the Millerella Sand Oil Pool:

(a) Shall be located on a drilling unit consisting of governmental quarter sections containing not less than 144 acres or more than 176 acres, upon which no other drilling or producible oil well for the same oil pool is located.

(b) The well shall be located at least 1320 feet from every other drilling or producible oil well for the same oil pool located in conformity with this rule; and

(c) The well shall be located not less than 660 feet from every exterior boundary of the unit.

RULE 3 – TWO WELL EXCEPTION TO RULES

All rules set out herein shall apply to two wells located outside of the Field Extent of Maple Branch Field and within the Storage Area of the adjoining Buttahatchie River Gas Storage Field, said wells are as follows:

Sam J. Creekmore, Jr. No. 2, API No. 23095202100000  
Creekmore Unit 36-9 No. 1, API No. 23095202800000

**RULE 4 – APPLICABILITY OF STATEWIDE RULES**

A. All rules and regulations contained in Statewide Order No. 201-51, and any amendments thereto, not specifically covered in 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 OF SPECIAL FIELD RULES -**