

BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI

RE: PETITION OF PETROCORP INCORPORATED TO
AMEND AND CORRECT THE SPECIAL FIELD
RULES OF MAYNOR CREEK FIELD, WAYNE
COUNTY, MISSISSIPPI

FILED FOR RECORD

APR 28 1998

DOCKET NO. 96-98-806 ^{STATE OIL AND GAS BOARD}
~~Walter Boone, Supervisor~~
FINAL
ORDER NO. 13798

FINAL ORDER

THIS MATTER came on for hearing before the State Oil and Gas Board on the Petition of PetroCorp Incorporated for final authority to amend and correct the Special Field Rules of Maynor Creek Field; such hearing being called for such purpose; and

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 and service 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 and service of process, public hearing was held by said Board in the hearing room, 500 Greymont Avenue, Suite E, Jackson, Mississippi, commencing on April 15, 1998, 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. By Petition filed April 4, 1996 in Docket No. 89-96-806, Petitioner sought to establish Special Field Rules for Maynor Creek Field defining, among others, the Cotton Valley 14,153 Foot Oil Pool. In said Petition, Petitioner proposed to define said Pool as follows:

The Cotton Valley 14,153 Foot Oil Pool is defined as the interval in the Cotton Valley Formation encountered in the PetroCorp Incorporated-Scott Paper 1-33 Well, located in the NW 1/4 of Section 33, T8N-R7W, Wayne County, Mississippi, as indicated on the electric log of said well to be at a depth of 14,090 - 14,450 feet and all strata correlative to and in communication therewith.

By Amended Petition dated May 3, 1996, Petitioner proposed to revise definitions of two other Cotton Valley Oil Pools to be defined in the Special Field Rules. No change was proposed for the Cotton Valley 14,153 Foot Oil Pool. However, the "Revised Exhibit A" to the Amended Petition inadvertently mis-described the Cotton Valley 14,153 Foot Oil Pool as being between the electric log depths of 14,150 - 14,170 feet. In support of said Petition as amended, the Affidavit of Petroleum Geologist, David W. Childers, was filed May 6, 1996, with this Board along with three

exhibits, including a cross section. Said cross section portrayed the Cotton Valley 14,153 Foot Oil Pool as defined in the original Petition and indicated existing perforations in the Scott Paper 1-33 Foot Well at 14,155 - 165 feet and 14,397 - 422 feet. This docket was not contested and there was no indication that the staff or anyone else had any objection to the definition of the Cotton Valley 14,153 Foot Oil Pool as proposed in the original Petition.

2. In Order No. 133-96, Docket No. 89-96-806, the Cotton Valley 14,153 Foot Oil Pool was defined only as the Cotton Valley interval between 14,150 - 14,170 feet in the Scott Paper 1-33 Well electric log. This is identical to the erroneous, unsubstantiated definition inadvertently contained in the Revised Exhibit A. However, PetroCorp has continued to produce and report production from the 2 above-described perforated intervals as the Cotton Valley 14,153 Foot Oil Pool, being under the impression that their proposed definition of said pool had been granted by the Board. Petitioner submits that the upper and lower limits for the Cotton Valley 14,153 Foot Oil Pool, as described in the Special Field Rules set forth in the Order, were "scriveners error," and should be 14,090 - 14,450 feet as proposed in the original Petition and supported by the Affidavit.

IT IS, THEREFORE, ORDERED AND ADJUDGED that the Special Field Rules of Maynor Creek Field are hereby amended and corrected to read as follows:

**SPECIAL FIELD RULES FOR
MAYNOR CREEK FIELD IN WAYNE COUNTY, MISSISSIPPI**

A. Maynor Creek Field, as used herein, is comprised of the following lands in Wayne County, Mississippi and all productive extensions thereof:

TOWNSHIP 8 NORTH, RANGE 7 WEST
S 1/2 of Section 28, SE 1/4 of Section 29, NE 1/4
of Section 32 and all of Section 33.

TOWNSHIP 7 NORTH, RANGE 7 WEST
N 1/2 of Section 4

B. **The Hosston 12,170 Foot Oil Pool** is defined as the interval in the Hosston Formation encountered in the PetroCorp Incorporated - Scott Paper 2-33 Well, located in the SE 1/4 of Section 33, T8N-R7W, Wayne County, Mississippi, as indicated on the electric log of said well to be at a depth of 12,170 - 12,190 feet, and all strata correlative to and in communication therewith.

C. **The Cotton Valley 13,385 Foot Oil Pool** is defined as the interval in the Cotton Valley Formation encountered in the PetroCorp Incorporated - Georgia-Pacific 1-28 Well, located in the SW 1/4 of Section 28, T8N-R7W, Wayne County, Mississippi, as indicated

on the electric log of said well to be at a depth of 13,385 - 13,400 feet and all strata correlative to and in communication therewith.

- D. **The Cotton Valley 13,720 Foot Oil Pool** is defined as the interval in the Cotton Valley Formation encountered in the PetroCorp Incorporated - Scott Paper 1-33 Well, located in the NW 1/4 of Section 33, T8N-R7W, Wayne County, Mississippi, as indicated on the electric log of said well to be at a depth of 13,710 - 13,750 feet and all strata correlative to and in communication therewith.
- E. **The Cotton Valley 13,940 Foot Oil Pool** is defined as the interval in the Cotton Valley Formation encountered in the PetroCorp Incorporated - Georgia-Pacific 1-28 Well, located in the SW 1/4 of Section 28, T8N-R7W, Wayne County, Mississippi, as indicated on the electric log of said well to be at a depth of 13,940 - 13,970 feet, and all strata correlative to and in communication therewith.
- F. **The Cotton Valley 14,153 Foot Oil Pool** is defined as the interval in the Cotton Valley Formation encountered in the PetroCorp Incorporated - Scott Paper 1-33 Well, located in the NW 1/4 of Section 33, T8N-R7W, Wayne County, Mississippi, as indicated on the electric log of said well to be at a depth 14,090 - 14,450 feet and all strata correlative to and in communication therewith.

RULE NO. 1: SPACING OF OIL WELLS

Every well drilled to develop the above defined oil pools in Maynor Creek Field and/or productive extensions therein, shall be drilled and/or produced on 160 acre drilling units consistent with Statewide Rule 7.2.

RULE NO. 2: ALLOWABLES

- A. As determined in Order No. 132-96, Docket No. 88-96-806, the maximum efficient rate of flow for oil produced from the Cotton Valley 13,720 Foot Oil Pool in Maynor Creek Field has been established and all wells completed in said pool shall produce at a daily oil allowable not to exceed 750 barrels of oil per day.
- B. The daily oil allowable for all wells completed in any oil pools other than the Cotton Valley 13,720 Foot Oil Pool shall be in accordance with Statewide Rule 35, unless or until changed by order of this Board.

RULE NO. 3: 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.

ORDERED AND ADJUDGED this the 23rd day of April, 1998, effective April 15, 1998.

MISSISSIPPI STATE OIL AND GAS BOARD

By Joseph D. Zuccaro
CHAIRMAN

SUBMITTED BY:

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