

JAN 18 1983

STATE OIL AND GAS BOARD
A. Richard Henderson, Supervisor

THE STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET NO. 379-82

ORDER NO. 567-82ORDER

This day this cause came on for hearing on the petition of X. M. Frascogna, H. D. Baker, XMCO, Inc., Seaxe Oil, Ltd., Euromin Petroleum, Ltd., Petro-Best Resources, Ltd., Brandon Petroleum Properties, Bay City Minerals, Marigold Oil Corporation, Glenn E. Pitts, D. A. Biglane, Delta Royalty Company, Inc., W. D. Mounger, W. M. Mounger, Howard Stover, Neal Clement, Love Petroleum Company, Alvin S. Moody, Jeanne Wood Long Moody, U. S. Energy Search, Inc., Charles F. Hayes, M. E. Trowbridge, Buckhorn Oil Company, The Federal Land Bank of New Orleans, Conner D. Smith, Douglas S. Boone, Sam M. Milton and Home Petroleum Corporation, requesting the Board to adopt Special Field Rules for the Newman Field in Hinds County, Mississippi, and the Board finds that due and legal notice of the meeting of this Board has been given in the manner and time required by law and the rules and regulations of this Board and that due and proper proofs of publication are on file with this Board; that the Board has full jurisdiction of the parties and the subject matter, and having heard the evidence presented and arguments of counsel, this Board is of the opinion that said petition should be granted.

The Board further finds that petitioners are the owners of certain leasehold and operating estates in and under the hereinafter described lands in Warren and Hinds Counties, Mississippi. The Board further finds that Adams Exploration Company has recently drilled its Newman No. 1 Well on a drilling unit described as Section 34, Township 15 North, Range 5 East, Hinds County, Mississippi, which is productive of gas from the Cotton Valley Gas Pool of the Cotton Valley Formation. The pro-area surrounding said well has been designated the Newman Field.

The Board further finds that it is essential that Special Field Rules be adopted for the Newman Field so as to properly define said producing pool and the area underlain by said pool and providing proper rules and regulations for the orderly development of said lands, for the prevention of physical and economic waste and the protection of the co-equal and correlative rights of all owners and parties in interest.

IT IS, THEREFORE, HEREBY ORDERED AND ADJUDGED that the Special Field Rules attached hereto as Exhibit "A" are hereby adopted for the Newman Field in Warren and Hinds Counties, Mississippi.

ORDERED AND ADJUDGED this 18th day of November, 1982.

STATE OIL AND GAS BOARD OF MISSISSIPPI

By Joe R. Lancher, Jr.
CHAIRMAN

SPECIAL FIELD RULES
FOR THE NEWMAN FIELD
HINDS AND WARREN COUNTIES, MISSISSIPPI

The Newman Field, as used herein, is that area consisting of the following described land, to-wit:

Sections 2, 3 and 4, Township 14 North,
Range 5 East, and Sections 26, 27, 33,
34 and 35, Township 15 North, Range 5 East,
all in Hinds County, Mississippi, and Section 28, Township 15 North, Range 5 East,
Hinds and Warren Counties, Mississippi,

underlain by the Cotton Valley Gas Pool of the Cotton Valley Formation, as hereinafter defined, and all productive extensions thereof.

I. The Cotton Valley Gas Pool in the Newman Field shall be construed to mean those strata of the Cotton Valley Formation productive of gas in the interval between the depth of 16,000 feet to 18,000 feet in the Adams Exploration Company - No. 1 Newman Well, as indicated on the dual induction log of said well, and all sands correlative of these strata productive of gas, said well being located 2400 feet from the South line and 1500 feet from the West line of Section 34, Township 15 North, Range 5 East, Hinds County, Mississippi.

II. The characteristics of the Cotton Valley Gas Pool in said field are such that a well located as hereinafter prescribed and drilled upon a drilling unit conforming to the requirements of the rules herein contained will efficiently drain and produce the recoverable gas from such units in said pool without avoidable waste.

RULE 1 - SPACING OF GAS WELLS:

With respect to the Cotton Valley Gas Pool, every gas well:

(a) Shall be located on a drilling unit consisting of a governmental section containing not less than 600 acres or more than 680 acres, except Sections 2, 3 and 4, Township 14 North, Range 5 East, which are regular oversized governmental sections and are to serve as regular drilling unit sections.

(b) The following governmental sections shall be designated as the development units for wells drilled to the Cotton Valley Gas Pool in the Newman Field: Sections 26, 27, 33, 34, 35, Township 15 North, Range 5 East, and Sections 2, 3 and 4, Township 14 North, Range 5 East, all in Hinds County, Mississippi, and Section 28, Township 15 North, Range 5 East, in Hinds and Warren Counties, Mississippi.

(c) Each well shall be located at least 3,000 feet from every other drilling well or well completed in or producing from the same pool located in conformity with this rule; and

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

RULE 2 - 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.