

IN RE: DOCKET NUMBER 178-56-97

ORDER NUMBER 214-56

SPECIAL FIELD RULES FOR
SHUFF A SAND OIL POOL,
SHUFF B SAND OIL POOL,
SHUFF C SAND OIL POOL,
LIMESTONE CAPROCK OIL POOL,
OAKLEY DOME OIL FIELD
HINDS COUNTY, MISSISSIPPI

This day this cause came on for hearing before the State Oil and Gas Board on the matter of the adoption and promulgation by the Board of Special Field Rules for the Oakley Dome Oil Field, Hinds County, Mississippi, said hearing being called for such purpose by said Board; and

The Board finding that due, proper and legal notice of the meeting of the Board for the purpose of considering and taking action with respect to said matter, has been given in the manner and way as provided by law and the rules and regulations of the Board and that due, legal and sufficient proofs of publication 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 given a public hearing was held by said Board in the Second Floor Auditorium of the Woolfolk Office Building at Jackson, Mississippi on July 18, 1956, at which time and place all persons present who desired to be heard on said matters were heard and all proposed Special Field Rules were fully discussed and 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 is of the opinion that the following Special Field Rules should be adopted for the prevention of waste and the protection of the correlative rights of all owners in said field;

It is therefore ordered by the State Oil and Gas Board that the following Special Field Rules be and the same are hereby adopted by the State Oil and Gas Board of Mississippi for the Oakley Dome Oil Field located in Hinds County, Mississippi, to take effect on and after August 1, 1956, to-wit:

SPECIAL FIELD RULES FOR OAKLEY DOME OIL FIELD,
HINDS COUNTY, MISSISSIPPI

The Oakley Dome Oil Field, as used herein, is that area situated in Sections 26, 27, 34 and 35, Township 5 North, Range 3 West, Hinds County, Mississippi, including all productive extensions thereof, which are underlain by one or more of the following oil pools:

1. The Shuff A Sand Oil Pool of the Wilcox formation, as used herein, shall be construed to mean those strata productive of oil occurring between the depths of 2482 feet and 2500 feet, as indicated by Schlumberger electric log, in Walter E. Sistrunk's #1 H. T. Shuff Unit well, SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 27, Township 5 North, Range 3 West, and those strata which may be correlated therewith.
2. The Shuff B Sand Oil Pool of the Wilcox formation, as used herein, shall be construed to mean those strata productive of oil occurring between the depths of 2535 feet and 2550 feet, as indicated by Schlumberger electric log, in Walter E. Sistrunk's #1 H. T. Shuff Unit well, SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 27, Township 5 North, Range 3 West, and those strata which may be correlated therewith.
3. The Shuff C Sand Oil Pool of the Wilcox formation, as used herein, shall be construed to mean those strata productive of oil occurring between the depths of 2555 feet and 2587 feet, as indicated by Schlumberger electric log, in Walter E. Sistrunk's #1 H. T. Shuff Unit well, SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 27, Township 5 North, Range 3 West, and those strata which may be correlated therewith.

4. The Limestone Caprock Oil Pool, as used herein, shall be construed to mean limestone caprock material productive of oil occurring below the depth of 2597 feet, as indicated by Schlumberger electric log, in Walter E. Sistrunk's #1 H. T. Shuff Unit well, SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 27, Township 5 North, Range 3 West, and such strata as may be correlated therewith.

Unusual formation characteristics and complex structural conditions indicate that oil wells completed in strata above the base of the Wilcox formation, or in limestone caprock formation, will effectively drain only limited areas and that wells located upon drilling units comprising 10 acres are necessary in order to effectively produce and drain the recoverable oil from each separate oil pool.

RULE 1: SPACING OF OIL WELLS

- (1) All oil wells completed in strata above the base of the Wilcox formation, or in limestone caprock formation, shall be located upon 10 acre drilling units.
- (2) Each such 10 acre drilling unit shall be as nearly as practicable in the form of a square and shall comprise one-quarter of a governmental quarter-quarter Section. A tolerance of 10% shall be allowed to compensate for variances in the size of drilling units.
- (3) Each well completed in a separate pool shall be located at least 200 feet from any other producible well completed in, or drilling well projected to, the same pool.
- (4) No well shall be located closer than 100 feet to any exterior boundary line of a drilling unit, except upon special permit granted by the Board after notice and hearing.
- (5) The spacing of oil wells on 10 acre drilling units shall be expressly limited to wells completed in strata above the base of the Wilcox formation, or in limestone caprock formation, and shall not apply to oil wells completed in any other formation.

RULE 2: DRILLING AND COMPLETION

- (1) All oil wells shall be equipped with bradenheads, casing-heads and Christmas tree fittings having a working pressure of not less than one thousand (1,000) pounds per square inch, except wells completed as pumping wells for which this rule shall not apply.
- (2) The production string of casing shall be cemented with a calculated amount of cement necessary to fill the annular space to a point 500 feet above the shallowest producing oil pool penetrated by the well.
- (3) Any well located upon a drilling unit underlain by two (2) or more oil pools may, without further notice and hearing, be dually completed so as to produce oil from two (2) oil pools simultaneously, provided that the following practices are complied with:
 - (a) Application shall be made to the Board and a permit secured to dually complete a well, and the Board may require such applicant to file data determining the procedure to be followed and subsequent data substantiating the results of the dual completion work.
 - (b) No dually completed well shall be allowed to produce from separate oil pools through one (1) flow string.
 - (c) Dual completion may be effected through two (2) strings of tubing, or through one (1) string of tubing and the annular space between tubing and casing.
 - (d) Proper equipment of a design recognized in the industry shall be installed and measures taken to fully prevent oil from one pool from commingling with oil from another pool while being produced prior to metering or prior to entering separate storage tanks.

- (e) Proper equipment of a design recognized in the industry shall be installed so that in event of accident or equipment failure a well may be properly killed to prevent the commingling of oil from separate pools while making necessary repairs.
- (f) After a well has been dually completed, tests shall be made to determine the effective separation of the two (2) pools to be produced and the results of such tests shall be reported to the Board before the well shall be allowed to produce.

RULE 3: ALLOCATION OF PRODUCTION

- (1) The Board may fix daily production allowables for each oil well completed in each separate oil pool, whether such wells shall be individually or dually completed.

RULE 4: MEASUREMENT OF PRODUCTION

- (1) Production allowables for each oil well completed in each separate oil pool shall be considered separately. Oil produced from the separate pools in the field after 7:00 A.M., August 1, 1956, shall either be conducted to and measured in separate storage tanks assigned to each of such separate pools and located on each lease or unitized tract or shall be conducted to meters and separately metered by pool into a common storage system; provided, however, that such metering of oil shall be in accordance with and subject to each of the following provisions:
 - (a) Only positive displacement type meters which register the volume of oil passed through them directly in barrels of 42 U. S. Standard gallons may be used.
 - (b) At least one meter must be used to measure the volume of oil produced from each separate pool on each lease or unitized tract and the mechanical hook-up of all lines leading to meters must be such that the production from any particular well may be measured independently of any other production.

- (c) All meters shall be installed between the oil and gas separator and the dump valve actuated by said separator so that all oil passing said meter passes first through the separator; provided, however, that where oil to be metered requires treatment for the separation of basic sediment and water, or either, it shall be permissible to install the meter used to measure the treated oil between the discharge side of the oil treating tank or such other device as is used to effect the operation and the storage facilities.
- (d) No meter shall be directly or indirectly by-passed in such manner as to permit oil to pass into storage or into transportation facilities without first passing through said meter.
- (e) All meters and dump valves used shall be kept in good working order. Signs shall be posted at each meter identifying each well produced through said meter. Any meter used to measure the oil produced from any well or completion in any well which deviates in its recording by more than plus or minus 2% from the volume of oil recorded by the storage tank gauge must be adjusted to conform to the said tolerance limitation of 2%.
- (f) The meter reading at 7:00 A.M. on the first day of each month for each meter shall be reported on the bottom of the Form 9 reporting the monthly production from the pool being measured by such meter.

RULE 5: APPLICABILITY OF STATEWIDE RULES

- (1) All rules and regulations contained in Statewide Order Number 201-51, and in amendments thereto, not specifically covered in the foregoing Special Field Rules are hereby adopted and shall apply to said field.

(2) 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 this the 18th day of July, 1956.

STATE OIL AND GAS BOARD

By James McClure
CHAIRMAN