

THE STATE OIL AND GAS BOARD OF MISSISSIPPI

IN RE: DOCKET NO. 198-66-240

Panther Creek Field
Franklin County
Mississippi

ORDER NO. 666

This day this cause came on for hearing at the regular October, 1966 meeting of the State Oil and Gas Board of Mississippi upon the petition and application of Victor P. Smith, Independent Operator of Jackson, Mississippi requesting this Board to adopt Special Field Rules for the Panther Creek Field located in Franklin County, Mississippi.

The State Oil and Gas Board finds that proper and legal notice of the hearing of said docket by the Board has been given in the manner and form provided by law and by the rules and regulations of this Board and that due and proper proofs of all legal and required notices are on file with this Board in this cause, and that said Board has full jurisdiction of this cause and of the parties and the right to hear said cause and determine the same at this meeting of the Board, and the Board having heard the evidence of witnesses both oral and documentary, and the argument of counsel and being fully advised in the premises, finds that the Panther Creek Field, as referred to herein, is comprised of that area in Section 19, Township 5 North, Range 2 East, Franklin County, Mississippi, including all productive extensions thereof, which is underlain by the First Wilcox Oil Pool of the Wilcox group, as hereinafter defined.

The Board further finds that it should authorize the installation of a positive volume type meter to be used for commingling production in common storage for delivery of oil to the pipeline company transporting oil from the said field in the manner and form set forth herein

The Board further finds that the installation of positive volume type meters for the measurement of lease production as recommended by petitioner is the same type of installation now used by other operators and oil companies in Mississippi and other oil producing states and has proven to be accurate and dependable.

The Board further finds that the use of such system will prevent waste, both economic and of the natural resources of the State of Mississippi, and will protect the co-equal and correlative rights of all of the interested parties in the Panther Creek Field, and the Board is of the opinion that the request of petitioner should be granted and that the following Special Field Rules should be adopted.

IT IS, THEREFORE, HEREBY ORDERED by the State Oil and Gas Board of Mississippi that Special Field Rules for the Panther Creek Field located in Franklin County, Mississippi, be and the same are hereby adopted by the State Oil and Gas Board of Mississippi for the Panther Creek Field in Franklin County, Mississippi, as set out below, said Special Field Rules to take effect on and after November 1, 1966, to-wit:

SPECIAL FIELD RULES
FOR THE PANTHER CREEK FIELD,
FRANKLIN COUNTY, MISSISSIPPI

A. The Panther Creek Field, as used herein, is the area in Section 19, Township 5 North, Range 2 East, Franklin County, Mississippi, including all productive extensions thereof underlain by the following described pool, to-wit:

The First Wilcox Oil Pool, as used herein, shall be construed and defined to mean those strata of the Wilcox group underlying said field productive of oil from the depth of 4599 feet to 4610 feet in the Victor P. Smith, Homer Best, Jr. and Harry Hurt, Inc. - U.S.A. Well 19-3 located 1028 feet from the North line and 1860 feet from the West line of Section 19, Township 5 North, Range 2 East, Franklin County, Mississippi, and including those strata productive of oil which can be correlated therewith.

B. The characteristics of the producing pool in the Panther Creek Field are such that one well drilled on a regularly formed 40 acre drilling unit will efficiently drain and produce the recoverable oil from such unit in said pool without avoidable waste.

C. RULES

RULE 1 - MEASUREMENT OF PRODUCTION

The operator of each producing lease shall maintain proper separation equipment and stock tanks and/or metering devices and such connections thereto as are necessary to measure the total production from such lease. Where metering devices are used, the production may be commingled in a common storage system with production from other leases and/or fields in the vicinity. And if, upon a sale therefrom, a variance exists between the measurement from the common storage system and the total measurement of the production of all the leases commingled in such common storage system, then such variance shall be allocated back to each of the leases producing into such common storage system proportionately to the production measured from each lease.

RULE 2 - EQUIPMENT FOR TESTS

The operator of each producing lease on which there are two or more producing wells shall maintain proper separation equipment and stock tanks and/or metering devices and such connections thereto as will permit the adequate testing of each individual well under usual operating conditions without the necessity of closing in any other well. Such separation equipment, stock tanks and/or metering devices and connections thereto shall be subject to approval by the Supervisor.

RULE 3 - USE OF METERS

A. The use of meters for testing and for measurement of lease production shall be subject to and in accordance with the following provisions:

1. Metering devices shall be of the positive displacement or positive volume type which register the volume of oil passed through it in barrels or multiples thereof.
2. All meters shall be downstream of the necessary separating or treating vessels. All meters shall be designed and installed in conformance with recognized metering practices and acceptable to the Oil and Gas Board.
3. No meter used for oil production measurement shall be directly or indirectly by-passed in such manner as to permit oil from separate leases to pass into common storage without first being measured by said meter including wells on test.
4. All meters and equipment affecting meter accuracy shall be kept in good working order. Each meter shall be calibrated periodically by means of a calibrated tank, a calibrated meter prover or a master meter. Any deviations found shall be corrected by use of a proper meter factor.

D. All rules and regulations contained in Statewide Order No. 201-51, and amendments thereto, not specifically covered in the foregoing rules are hereby adopted and shall apply to said field.

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 19th day of October, A. D., 1966.

STATE OIL AND GAS BOARD OF MISSISSIPPI

BY Robert W. Farnsworth
Chairman