

BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI

Docket No. 176-61-160

Order No. 239-61

SPECIAL FIELD RULES FOR THE POOL CREEK FIELD,
JONES COUNTY, MISSISSIPPI

This day this cause came on for hearing upon the Petition of PLACID OIL COMPANY, a Delaware corporation, authorized to do and doing business in the State of Mississippi, on the matter of the adoption and promulgation by this Board of special field rules for the Pool Creek Field of Jones County, Mississippi, and the definition of the Pine Island Oil Pool, the Rodessa Oil Pool and the Sligo Oil Pool, in the said Field; 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 form and for the time provided by law and the rules and regulations of this 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

Pursuant to said notice given, a public hearing was held by said Board in the Second Floor Auditorium in the Woolfolk State Office Building, Jackson, Mississippi, on AUGUST 16, 1961, at which time and place all persons present who desired to be heard on said matter were heard and all proposed special field rules were fully discussed and duly considered by all those present at said meeting; and

The Board having fully considered said matter and the evidence and recommendations made in said hearing 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, HEREBY ORDERED by the State Oil and Gas Board of Mississippi, that the following special field rules be, and the same are hereby

adopted by the State Oil and Gas Board for the Pool Creek Field, located in Jones County, Mississippi, to take effect on and after SEPTEMBER 1, 1961, to-wit:

SPECIAL FIELD RULES FOR
POOL CREEK FIELD,
JONES COUNTY, MISSISSIPPI

A. The Pool Creek Field, as used herein, is that area in Sections 13, 14, 15, 22, 23, 24, 25, 26 and 27, of Township 9 North, Range 10 West, Jones County, Mississippi, and including all productive extensions thereof, which area is underlain in whole or in part by the Pine Island Oil Pool, the Rodessa Oil Pool and the Sligo Oil Pool.

B. The Pine Island Oil Pool, as used herein, shall be construed to mean those strata productive of oil and/or gas in the Pine Island formation at the subsurface depth interval of 10,853 feet to 11,080 feet, as indicated by the electrical log in the Placid Oil Company - J. N. McGill Well No. 1, located 660 feet from the East line and 660 feet from the South line of the Northwest Quarter of the Northwest Quarter ($NW\frac{1}{4}$ $NW\frac{1}{4}$) of Section 23, Township 9 North, Range 10 West, Jones County, Mississippi, or sands correlative to this strata found in other wells.

C. The Rodessa Oil Pool, as used herein, shall be construed to mean those strata productive of oil and/or gas in the Rodessa formation at a subsurface depth interval of 10,472 feet to 10,853 feet, as indicated by the electrical log of the said Placid Oil Company - J. N. McGill Well No. 1, or sands correlative to this strata found in other wells.

D. The Sligo Oil Pool, as used herein, shall be construed to mean those strata productive of oil and/or gas in the Sligo formation at a subsurface depth interval of 11,080 feet to 11,370 feet as indicated by the electrical log of the said Placid Oil Company - J. N. McGill Well No. 1, or sands correlative to this strata found in other wells.

RULE NO. 1: STATEWIDE RULES ADOPTED

All rules and regulations contained in the Statewide Order No. 201-51, as amended, are hereby adopted and will apply

to the said Pool Creek Field.

RULE NO. 2: MEASUREMENT OF PRODUCTION

The operator of each producing lease shall maintain proper separators and stock tanks or metering devices and such connections thereto as are necessary to continuously measure the total production from such lease. Where metering devices are used, as herein provided, the production may be commingled in a common storage system. 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 common storage system proportionately to the production measured from each lease.

RULE NO. 3: EQUIPMENT FOR TESTS

A. Each producing well shall be so equipped that gas/oil ratio tests and bottom hole or other pressure tests may be made.

B. The operator of each producing lease on which there are two or more producing wells shall maintain proper separators and stock tanks 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 separators, stock tanks or metering devices and connections thereto shall be subject to approval by the Supervisor.

RULE NO. 4: 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. Only a volume displacement type metering device or vessel which registers the volume of oil passed through it in barrels or multiples thereof may be used.

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 shall be subject to the approval of the Supervisor of 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 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 at least once a month by means of a calibrated tank, a calibrated meter prover or a master meter. When a meter is found to deviate in its recording by more than two per cent, it must be adjusted to conform to the said tolerance limitation of two per cent or the meter calibration factor corrected.

5. The corrected 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 wells being measured by such meter.

The adoption of the foregoing special field rules by the Board will be in the best interests of all owners of interest in the said Pool Creek Field, including owners of working interests, royalty interests and mineral interests; that the adoption thereof will promote the coequal and correlative rights of all owners of interests in said field; that the adoption of said special field rules will promote the conservation of oil and gas; that the adoption of said field rules will prevent waste and will be in keeping with the public policy of the State of Mississippi as declared by the Legislature of the State of Mississippi.

The Board expressly reserves the right, after notice and hearing,
to alter, amend or repeal any and all of the foregoing rules and regulations.

SO ORDERED, this the 17th day of August, 1961.

STATE OIL AND GAS BOARD OF MISSISSIPPI

By: W. E. Boyd
VICE ~~James McGinnis~~, Chairman