

NOV 28 1988

STATE OIL AND GAS BOARD
A. H. HARRIS, Chairman, Gulf Shores

RE: PETITION OF EP OPERATING COMPANY)
 TO AMEND THE SPECIAL FIELD RULES)
 FOR THE WEST RAYMOND FIELD, SECOND)
 JUDICIAL DISTRICT, HINDS COUNTY,)
 MISSISSIPPI, TO ENLARGE THE GEO-)
 GRAPHICAL LIMITS AND TO PROVIDE)
 RULES FOR THE OPERATION OF THE)
 RODESSA CONSOLIDATED OIL UNIT,)
 WESTERN FAULT BLOCK)

DOCKET NO. 373-88-634

ORDER NO. 529-88ORDER

THIS DAY this cause came on to be heard by the State Oil and Gas Board of Mississippi on the Petition of EP Operating Company requesting an amendment to the Special Field Rules for the West Raymond Field, Second Judicial District, Hinds County, Mississippi, to enlarge the geographical limits, to provide for rules for the operation of the Rodessa Consolidated Oil Unit and to correct a clerical error for the spacing of oil wells in the Rodessa "C" Oil Pool and the Board being of the opinion that the relief sought should be granted finds as follows, to-wit:

1.

That proper, due and legal notice for the meeting of the Board to consider this matter has been given as required by law and the Rules and Regulations of the Board and that due, legal and sufficient Proofs of Publication are on file with this Board. That this Board has full and complete jurisdiction of the subject matter to hear and determine this Petition at the time and place as hereinafter set forth.

2.

The geographical limits of the West Raymond Field are presently defined as follows:

Township 5 North, Range 3 West

Section 28:	All
Section 33:	N1/2
Section 34:	NW1/4
Section 27:	W1/2 of SW1/4

The limits of said Field should be enlarged to include the Southwest Quarter of the Southeast Quarter of the Southwest

Quarter of Section 27, Township 5 North, Range 3 West, Hinds County, Mississippi.

3.

A unitized pool known as the Rodessa Consolidated Oil Unit, Western Fault Block, West Raymond Field, was created by Order No. 468-88, dated October 20, 1988, in Docket No. 321-88-634.

4.

As a result of said Order and the creation of said Oil Unit, it is necessary with respect to the Rodessa Consolidated Oil Unit, Western Fault Block, West Raymond Field, to amend the Special Field Rules:

- A. To incorporate the definition of the geographical limits into the Special Field Rules;
- B. To incorporate the definition of the unitized pool into the Special Field Rules;
- C. To redefine the Rodessa Consolidated Oil Pool, as previously defined, so as to restrict said Pool to that part of the West Raymond Field outside of the Western Fault Block;
- D. To provide for the spacing of wells;
- E. To establish an allowable for production for the said Oil Unit;
- F. To provide for a pressure maintenance and secondary recovery program; and,
- G. To provide for automatic custody transfer systems.

5.

The Special Field Rules should be further amended to correct a clerical error in the rule providing for the spacing of oil wells for the Lower Rodessa "C" Oil Pool.

6.

The Amendments as stated above and as set forth expressly in Exhibit "A" attached hereto, are necessary as a result of the establishment of the Rodessa Consolidated Oil Unit and the proposed amendments will prevent waste and will protect the coequal and correlative rights of all interested parties.

IT IS, THEREFORE, ORDERED AND ADJUDGED by the State Oil and Gas Board of Mississippi that to promote conservation of oil and gas, safeguard, protect and enforce the co-equal and correlative rights of owners in the field, to prevent avoidable waste and to prevent the drilling of unnecessary wells, the Special Field Rules for West Raymond Field, Hinds County, Mississippi, should be and are hereby amended so as to enlarge the geographical limits, to provide rules for the operation of the Rodessa Consolidated Oil Unit and to correct a clerical error in the spacing of oil wells for the Rodessa "C" Oil Pool as set forth above and in the Special Field Rules attached hereto as Exhibit "A" and made a part hereof, which said Special Field Rules should be and are hereby adopted as the Special Field Rules for the West Raymond Field from and after the date hereof.

ORDERED AND ADJUDGED, this the 16th day of November, 1988.

STATE OIL AND GAS BOARD
OF MISSISSIPPI

BY:

B. Hayes McLeod
CHAIRMAN

PW1/ORDER.EP

AMENDED SPECIAL FIELD RULES
FOR THE WEST RAYMOND FIELD
HINDS COUNTY, MISSISSIPPI

A. FIELD AND UNITIZED AREAS:

- (1) The West Raymond Field is that geographical area described as:

SECOND JUDICIAL DISTRICT
HINDS COUNTY, MISSISSIPPI
TOWNSHIP FIVE NORTH, RANGE THREE WEST

Section 28: All
Section 33: N 1/2
Section 34: NW 1/4
Section 27: W 1/2 of SW 1/4
and
SW 1/4 of SE 1/4 of SW 1/4

underlain in the Western Fault Block by the Unitized Interval, underlain outside the Western Fault Block by the Rodessa Consolidated Oil Pool, and further underlain by the Lower Rodessa "A" Oil Pool, the Lower Rodessa "B" Oil Pool and the Lower Rodessa "C" Oil Pool, all as defined herein, and all productive extensions thereof.

- (2) The Western Fault Block of West Raymond Field is that geographical area described as:

SECOND JUDICIAL DISTRICT
HINDS COUNTY, MISSISSIPPI
TOWNSHIP FIVE NORTH, RANGE THREE WEST

SECTION TWENTY-SEVEN: Southwest Quarter of the Southwest Quarter (SW/4 SW/4); and, Southwest Quarter of the Southeast Quarter of the Southwest Quarter (SW/4 SE/4 SW/4); and

SECTION TWENTY-EIGHT: South One-Half (S/2); Northwest Quarter (NW/4); and Southwest Quarter of the Northeast Quarter (SW/4 NE/4); and

SECTION THIRTY-THREE: North One-Half of the North One-Half of the Northeast Quarter of the Northeast Quarter (N/2 N/2 NE/4 NE/4); Northwest Quarter of the Northeast Quarter (NW/4 NE/4); East One-Half of the Northeast Quarter of the Northwest Quarter (E/2 NE/4 NW/4); and North One-Half of the Northwest Quarter of the Northeast Quarter of the Northwest Quarter (N/2 NW/4 NE/4 NW/4).

- (3) The Rodessa Consolidated Oil Unit is the Western Fault Block as underlain by the Unitized Interval, which interval is

defined herein and in the Unit Agreement approved by the Board in Order No. 468-88 on October 20, 1988.

B. POOL DEFINITIONS:

1.1 Unitized Interval in the Western Fault Block of the West Raymond Field shall be construed to mean those strata of the Rodessa Formation productive of oil in the interval between 11,590 feet and 11,895 feet in the EP Operating Company - Prassel Trust 28-15 Well No. 1 located in the Southwest Quarter of the Southeast Quarter of Section 28, Township 5 North, Range 3 West, Hinds County, Mississippi, as indicated on the electric log of said well. The Unitized Interval in the Western Fault Block is identical to the Rodessa Consolidated Oil Pool defined by this Board in Order No. 230-86 entered on May 21, 1986.

The characteristics of the said Unitized Interval in said Western Fault Block is such that wells located in conformance with the hereinafter prescribed spacing rules will efficiently drain and produce recoverable oil from said pool without avoidable waste.

1.2 The Rodessa Consolidated Oil Pool in the West Raymond Field shall be construed to mean those strata of the Rodessa Formation outside of the Western Fault Block productive of oil in the interval between 11,590 feet and 11,895 feet in the EP Operating Company - Prassel Trust 28-15 Well No. 1 located in the Southwest Quarter of the Southeast Quarter of Section 28, Township 5 North, Range 3 West, Hinds County, Mississippi, as indicated on the electric log of said well and all intervals correlative of said strata productive of hydrocarbons which can be correlated therewith and are in communication therewith.

The characteristics of the said Rodessa Consolidated Oil Pool in said field outside the Western Fault Block is such that wells located in conformance with the hereinafter prescribed spacing rules will efficiently drain and produce recoverable oil from said pool without avoidable waste.

1.3 The Lower Rodessa "A" Oil Pool in the West Raymond Field shall be construed to mean those strata of the Rodessa Formation productive of oil in the interval between 11,952 feet to 11,968 feet in the EP Operating Company - Prassel Trust 28-16, Well No. 1 located in the Southeast Quarter of the Southeast Quarter of Section 28, Township 5 North, Range 3 West, Hinds County, Mississippi, as indicated on the electric log (DIFL/GR) of said well and all intervals correlative of said strata productive of hydrocarbons which can be correlated therewith and are in communication therewith.

The characteristics of the said Lower Rodessa "A" Oil Pool in said field is such that wells located in conformance with the hereinafter prescribed spacing rules will efficiently drain and produce recoverable oil from said pool without avoidable waste.

1.4 The Lower Rodessa "B" Oil Pool in the West Raymond Field shall be construed to mean those strata of the Rodessa Formation productive of oil in the interval between 11,989 feet to 12,015 feet in the EP Operating Company - Prassel Trust 28-16, Well No. 1 located in the Southeast Quarter of the Southeast Quarter of Section 28, Township 5 North, Range 3 West, Hinds County, Mississippi, as indicated on the electric log (DIFL/GR) of said well and all intervals correlative therewith and are in communication therewith.

The characteristics of the said Lower Rodessa "B" Oil Pool in said field is such that wells located in conformance with the hereinafter prescribed spacing rules will efficiently drain and produce recoverable oil from said pool without avoidable waste.

1.5 The Lower Rodessa "C" Oil Pool in the West Raymond Field shall be construed to mean those strata of the Rodessa Formation productive of oil in the interval between 12,027 feet to 12,078 feet in the EP Operating Company - Prassel Trust 28-16, Well No. 1 located in the Southeast Quarter of the Southeast Quarter of Section 28, Township 5 North, Range 3 West, Hinds County, Mississippi, as indicated on the electric log (DIFL/GR) of said well and all intervals correlative of said strata productive of hydrocar-

bons which can be correlated therewith and are in communication therewith.

The characteristics of the said Lower Rodessa "C" Oil Pool in said field is such that wells located in conformance with the hereinafter prescribed spacing rules will efficiently drain and produce recoverable oil from said pool without avoidable waste.

C. RULES:

RULE 1 - SPACING OF OIL WELLS:

1.1 A unitized drilling and production unit is hereby established for each and all oil wells drilled and completed in the Unitized Interval of the Rodessa Consolidated Oil Unit, Western Fault Block, West Raymond Field, Hinds County, Mississippi, as established by the Unit Agreement for said Oil Unit.

The location of wells in the Unitized Interval of the Rodessa Consolidated Oil Unit, Western Fault Block, shall be governed by the standards of geology and petroleum engineering designed to promote the greatest ultimate recovery of hydrocarbons contained in the pool. Any well, hereafter drilled or produced from within said unitized Oil Unit, shall not have any distance limitations either with respect to the exterior boundaries of said unit or as to distance between wells in the said unitized Oil Unit.

1.2 As to each well drilled to and productive from the Rodessa Consolidated Oil Pool lying outside of the Western Fault Block the spacing shall be in accordance with Statewide Rule 7.2 as declared in Statewide Order No. 201-51, and any amendments thereto.

1.3 As to each well drilled to and productive from the Lower Rodessa "A" Oil Pool, the Lower Rodessa "B" Oil Pool and the Lower Rodessa "C" Oil Pool spacing shall be in accordance with Statewide Rule 7.2 as declared in Statewide Order No. 201-51, and any amendments thereto.

RULE 2 - ALLOCATION OF PRODUCTION

A. The allowable for said Rodessa Consolidated Oil Unit, Western Fault Block, shall be the sum of the number of wells in the Unit, including injection wells but excluding salt water disposal and waste water disposal wells, times the then effective allowable based on depth.

B. The allowable production of the Rodessa Consolidated Oil Unit may be produced by any well or wells on said unit provided, however, that no well shall be operated in such manner as to cause waste as defined by the Laws of Mississippi.

RULE 3 - PRESSURE MAINTENANCE AND SECONDARY RECOVERY PROGRAM

AUTHORIZED

A. EP Operating Company, as operator of the Rodessa Consolidated Oil Unit, Western Fault Block, is hereby authorized to conduct pressure maintenance operations in the Unitized Interval by the injection of gas, carbon dioxide, water or other extraneous substances. Operator may use for injection purposes existing wells located in said fieldwide unit which may be converted to injection wells or wells may be drilled on said unit for such purpose provided, however, that before any additional well or wells may be used for injection purposes, said operator must first file with the Board a plat showing the location of such injection well or wells, the applicable information required by Statewide Rule 63 and obtain the Board's approval thereof, after notice and hearing.

B. The conversion of producing wells to injection wells will not affect the unit allowable as determined by Rule 2.

RULE 4 - AUTOMATIC CUSTODY TRANSFER SYSTEMS AUTHORIZED

Automatic custody transfer systems which automatically test, sample, measure and transfer the production from the operator to the purchaser are hereby authorized for the Rodessa Consolidated Oil Unit, Western Fault Block.

Each such system will be equipped with a sampling device which will take a representative sample of the total production passing through the system in order that the specific gravity and the basic sediment and water content can be determined.

Each such system will be equipped with a volume displacement type metering device which registers the volume of oil passed through it in barrels or multiples thereof; said metering device will be compensated for temperature, will be so equipped as to provide a cumulative total of all oil transferred by such system and will have an accuracy standard equivalent to the accuracy obtained in measurements made in calibrated stock tanks.

RULE 5 - 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. These amended Rules and Regulations to become effective as of the date of the Board's Order adopting and establishing same.

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

* * * END OF RULES * * *

57/SPR.034