

Re: Docket No. 150-59-121  
Order No. 229-59

SPECIAL FIELD RULES  
STEWART FIELD  
PEARL RIVER COUNTY

This day this cause came on for hearing before the Mississippi State Oil and Gas Board pursuant to and in accordance with the order of continuance entered in this cause on September 16, 1959, and the Board finding that due, legal and sufficient notice of this meeting and hearing of this docket has been given within the time and manner and form prescribed by statute and the rules and regulations of this Board, and the Board further finding that due, legal and sufficient proofs of publication are on file with the Board and that the State Oil and Gas Board has full jurisdiction to hear and to try this cause for the purpose of considering the adoption of special field rules for the Stewart Pool in the Stewart Field, Pearl River County, Mississippi, and the Board having received and considered all the evidence offered, and the Board being of the opinion that it is necessary for it to issue an order adopting special field rules and fixing a spacing pattern and establishing drilling and production units for the purpose of preventing waste, the conservation of the gas and gas condensate in said <sup>in</sup> field, the obtaining of the greatest ultimate recovery of gas and gas condensate therefrom and to protect the coequal and correlative rights of all owners in the orderly development of the Stewart Pool in the Stewart Field, Pearl River County, Mississippi.

The Board further finding that it should provide for the allocation of gas production therefrom.

NOW, THEREFORE, the State Oil and Gas Board hereby adopts the following special field rules for the Stewart Field, Pearl River County, Mississippi.

STEWART FIELD

PEARL RIVER CO., MISS.

- A. The Stewart Field as used herein is that area in Sections 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 33, 34 and 35, Township 1 South, Range 17 West, and Sections 2, 3, 10 and 11, Township 2 South, Range 17 West, Pearl River County, Mississippi, and including all productive extensions thereof; which area is underlain by the Stewart Sand Pool.
- B. The Stewart Sand as used herein shall be construed to mean those strata of the Lower Tuscaloosa Formation productive of gas in the interval 8896 feet to 9250 feet in the Cities Service Production Company et al, Crosby B-1, located 568 feet from the West line and 660 feet from the South line of the SE- 1/4 of SE- 1/4 of Section 27, Township 1 South, Range 17 West, Pearl River County, Mississippi.
- C. That with respect to the Stewart Sand Pool, the characteristics of said pool are such and the evidence shows that a gas well located in conformity with Rule 8 in Statewide Order No. 201-51 on a tract of land consisting of approximately 320 contiguous surface acres will adequately drain, efficiently produce and economically recover the production therefrom without avoidable waste and will protect the coequal and correlative rights of the owners in said pools.

RULE 1.

High reservoir pressure exist in said pool and adequate controls and equipment to prevent blowouts are to be used.

RULE 2.

- (a) The Board shall determine the pipeline capacity of each gas purchasing company to take gas from the Stewart Sand Pool, in the Stewart Field, and no nominations in excess of a gas purchasing company's capacity to take gas shall be considered by the Board.
- (b) The Board shall determine the amount of the acreage assigned to each gas well in the field to which a gas purchasing company is connected.
- (c) On or before the 20th day of each calendar month each gas purchasing company shall file with the Board nominations in the form of affidavits, stating the volume of gas which will be purchased by it from the field during the next succeeding calendar month. These nominations must conform to the actual volumes of gas which the gas purchasing company in good faith anticipates it will actually withdraw during the succeeding month.
- (d) In setting allowables, the Board may take into consideration any and all facts which it may deem pertinent for the purpose of preventing waste and protecting correlative rights of owners in each pool and of carrying out the provisions of Chapter 256 of Laws of 1948. In determining the allowable for each pool, the Board shall also take into consideration the difference between the second previous month's allowable and actual production.
- (e) Allowables for each gas drainage area or gas producing unit shall be fixed by the Board on a monthly basis by determining a pool allowable production of gas which shall be divided and allocated to each gas well connected to a pipeline and its producing unit in the amount that the acreage allocated to said well, same being 320 acres with a tolerance not to exceed two (2%) percent therefrom, bears to the total acreage distributed and allocated to all such wells and their producing units, but due adjustments shall be made by the Board for deficient wells so that the total pool allowable may be produced from both the deficient and non-deficient wells in the pool. In assigning allowables to particular wells the Board shall not assign to any well an allowable in excess of the amount shown on the latest deliverability test filed with the Board for said well, but in the event such allowable should cause waste to be committed, or be detrimental to the pool as a whole, such allowable shall be subject to adjustment by the Board.

- (f). In addition to the allowable assigned each gas well in the field, it shall be permitted to produce that quantity of gas necessary for use as fuel and light in lease operations in the field.
- (g) The gas producing companies shall regulate their production of gas from the gas wells in the field so that each well will produce during each calendar month approximately its proportion of the allowable for said pool, and that all overproduction and underproduction will be kept reasonably in balance among the gas wells in the field.
- (h) Order fixing allowable production of gas shall be issued by the Board on or before the 27th day of the month preceding the month for which orders are to be effective; provided, however, that as to wells drilled and wells to be drilled in said field and before an allowable may be given to any well in which said well has not heretofore been given an allowable, the operator of said well shall file with the Board for approval a plat showing the location of the well, and the acreage assignable to the well, and such data as may be required by the Board to determine that the well so drilled in said field and connected is and will be properly located upon said unit, and that a certificate of compliance for said well has been filed and approved.
- (i) Each operator of each gas well in the Stewart Sand Pool may produce such well in excess of the monthly allowables allocated to such well, and each pipe line purchaser may purchase said gas provided that no waste is occasioned thereby, and no well shall be permitted to produce in excess of the amount shown on the latest deliverability test filed with the Board for said well, subject to the provisions of paragraphs (e) and (g).
- (j) Any gas well in the Stewart Sand Pool whose cumulative production status is below the cumulative monthly allowable for such well on the last day of February of any year, as shown by the Production Status Report issued during the month of April covering production through the month of February of each year, shall have the next ensuing six months beginning April 1 of each year, in which to produce such cumulated underproduction in addition to its regular monthly allowables. At the end of any six months' make-up period, such cumulative underproduction which has not been made up shall be cancelled out with the issuance of monthly gas allowables effective December 1 of each year.
- (k) In making up such underproduction, no well shall be produced at a rate in excess of the amount shown on the latest deliverability test filed with the Board for said well, or produced in such manner that waste is occasioned thereby or that may be detrimental to the well or the field as a whole.
- (l) In like manner any gas well whose cumulative production status is in excess of the cumulative monthly allowables for such well on the last day of February of any year, as shown by the Production Status Report issued during the month of April covering production through the month of February of each year, shall cut its production for the next ensuing six months, beginning April 1 of each year, below the regular monthly allowables so as to bring its production in balance with its allowables at the end of such make-up period. If, however, such overproduction is not made up by the end of such make-up period, effective December 1 of each year, the well shall be closed in until all overproduction is in balance with the allowed production.
- (m) When a well's overproduction or underproduction equals three times its monthly current allowable, the Board may, after notice and hearing, take such action as it deems necessary and proper to protect the coequal and correlative rights of producers and owners in the field.
- (n) On or before the 20th day of each calendar month, the Board shall determine the actual quantity of gas withdrawn from each well in the field during the month immediately prior to the preceding calendar month and shall issue a Production Status Report showing the status of each gas well or unit as to over or underproduction for such month immediately prior to the preceding month, and also showing the cumulative status of each gas well or unit in the field. The amount of over or underproduction shall be determined by calculating the difference between the allowables and the actual production of each well for each unit. The status of each well as shown by such state-

ment shall be controlling in determining overproduction or underproduction of gas therefrom. The deliverability of each gas well in the pool shall be determined by the Board under the procedure set out in Rule 41 of the Statewide Rules and Regulations and any amendment thereto.

RULE 3.

The production from the gas wells in the pool as defined herein requires the necessary separation of liquid hydrocarbons, the storage of same, and other treating operations, and such can be more efficiently and more economically done with central separation and storage facilities.

The construction and operation of central separation and storage facilities to process the gas produced in the Stewart Field will prevent waste and result in substantial benefits to all concerned, and the coequal and correlative rights of all owners and royalty owners will be protected.

Upon written request and submission of appropriate diagrams and description of such central facilities by the producer to the Supervisor of the Board, the Supervisor shall have the authority to approve the construction and operation of such facilities without special notice and hearing before the Board provided said central facilities comply with the following requirements:

- (a) Each well connected to such facility shall be provided with an individual flow line meter of a type generally accepted in the industry.
- (b) Specific gravity and temperature determinations will be made of the gas periodically in order to provide a basis of measurement, and all gas measurements will be corrected for specific gravity, temperature and super compressibility.
- (c) All wells flowing into such facilities shall be connected to the separators in such a manner as to allow periodic testing of each well under average operating conditions.
- (d) The storage facilities provided at these locations shall be arranged and connected to the separators in such manner as to allow periodic testing of each well under average operating conditions.
- (e) The gas from each of the separation units will be measured by an orifice meter which shall be calibrated periodically.
- (f) All liquid hydrocarbons will be measured after production into common storage at each central facility.
- (g) Allocation of liquid hydrocarbons produced into the stock tanks and saleable gas allocation will be made on the basis of the gas-oil ratio of each individual well as determined through periodic testing, made at least once every 3 months.
- (h) All such central facilities shall be operated in an orderly and prudent manner with due respect to authorized allowables, well performance, facility capacity, and other factors pertinent to the allocation to each owner, or deliverance to the purchaser for the account of each owner, of the gas and liquid hydrocarbons produced therefrom.

All rules and regulations contained in the Statewide Order No. 201-51 and amendments thereto not specifically covered in the foregoing rules are hereby adopted and will apply by inference to the Stewart Field.

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

Ordered this 21st day of October, 1959.

State Oil and Gas Board

By

James McClure

James McClure  
Chairman