

APR 15 2019

BEFORE THE STATE OIL AND GAS BOARD OF MISSISSIPPI  
STATE OIL AND GAS BOARD  
JESSE NEW, SUPERVISOR

**RE: AMENDED PETITION OF ROUNDTREE & ASSOCIATES, INC. TO AMEND  
THE SPECIAL FIELD RULES FOR STRINGER FIELD IN JASPER COUNTY,  
MISSISSIPPI**

**DOCKET NO. 55-2019-D  
ORDER NO. 93-2019**

**ORDER**

**THIS MATTER** came on for hearing before the State Oil and Gas Board at its regular, March 20, 2019 hearing on the Petition of ROUNDTREE & ASSOCIATES, INC. (“Roundtree” or “Petitioner”) to amend the Special Field Rules for Stringer Field in Jasper County, Mississippi.

**WHEREAS**, a public hearing was held by said Board in the hearing room, 500 Greymont Avenue, Suite E, Jackson, Mississippi, commencing on March 20, 2019, at which time all persons present who desired to be heard on said matter were heard and all testimony and evidence were duly considered at said meeting; and

**WHEREAS**, the Board finds that due, proper and legal notice of the meeting of this Board for the purpose of considering and taking action with respect to such matter was given in the manner provided by law and the rules and regulations of this Board; that due, legal and sufficient proofs of publication are on file with the Board; and that the Board has full jurisdiction of the parties and subject matter to hear and determine this docket; and

**WHEREAS**, the Board has fully considered said matter and the evidence and recommendations made in said hearing and finds as follows:

1. That Petitioner is the Operator of the Viersen 29-13 No. 1 Well and the Davis 29-12 No. 1 Well located in Stringer Field, both of which produce from the Cotton Valley Oil Pool on 160 acre spacing as oil wells.
2. That the Viersen 29-13 No. 1 Well and the Davis 29-12 No. 1 Well are both located on productive extensions of Stringer Field, primarily in the W1/2 of Section 29, T1N, R11E.
3. That Petitioner proposed to amend the Special Field Rules of Stringer Field to re-define the “Description of Field” as follows:

TOWNSHIP 1 NORTH, RANGE 11 EAST

Section 19: The S 1/2

Section 20: The S1/2

Section 29: Entire

Section 30: Entire

Section 31: The N 3/4

Section 32: The N 3/4

TOWNSHIP 1 NORTH, RANGE 10 EAST

Section 24: The E1/2 of the SE1/4

Section 25: The E1/2 of the E1/2

and all productive extensions of any hydrocarbon pool that may underlie any of the above described lands.

4. That under the current version of the Special Field Rules of Stringer Field, the Mosbacher Energy - Graham 29-3 No. 1 Well was drilled in 2007 and produced first from the Cotton Valley Oil Pool but then was recompleted and began producing from the Hosston Oil Pool in November 2009. The Graham 29-3 was also a productive extension of Stringer Field, but the Special Field Rules were not amended when the well was drilled. The unit for the Graham 29-3 was located partly in Section 29 and partly in Section 20, T1N, R11E.

5. That Petitioner further proposed to amend the Special Field Rules of Stringer Field to define and re-define the producing intervals, or pools, as follows:

(1) The Cotton Valley Oil Pool, as used herein, shall be construed to mean those strata of the Cotton Valley Formation productive of oil between the electric log depths of 14,150 feet and 15,500 feet in the Alpine Gas Operator – Stringer Unit 30-16 No. 1 situated in the S1/2 of the SE1/4 of Section 30, Township 1 North, Range 11 East, Jasper County, Mississippi, and such strata as are correlative therewith in Stringer Field.

(2) The Upper Hosston Oil Pool, as used herein, shall be construed to mean those strata of the Hosston Formation productive of oil between the measured depths of 12,500 feet and 13,380 feet as shown on the Array Induction Log run by Schlumberger on December 4, 2006, in the Mosbacher Energy - Graham 29-3 No. 1 Well located 489 feet from the North line and 1,983 feet from the West line of Section 29, Township 1 North, Range 11 East, Jasper County, Mississippi, and such strata as are correlative therewith in Stringer Field.

(3) The Middle Hosston Oil Pool, as used herein, shall be construed to mean those strata of the Hosston Formation productive of oil between the measured depths of 13,380 feet and 13,740 feet as shown on the Array Induction Log run by Schlumberger on December 4, 2006, in the Mosbacher Energy – Graham 29-3 No. 1 Well located 489 feet from the North line and 1,983 feet from the West

line of Section 29, Township 1 North, Range 11 East, Jasper County, Mississippi, and such strata as are correlative therewith in Stringer Field.

(4) The Lower Hosston Oil Pool, as used herein, shall be construed to mean those strata of the Hosston Formation productive of oil between the measured depths of 13,740 feet and 14,195 feet as shown on the Array Induction Log run by Schlumberger on December 4, 2006, in the Mosbacher Energy – Graham 29-3 No. 1 Well located 489 feet from the North line and 1,983 feet from the West line of Section 29, Township 1 North, Range 11 East, Jasper County, Mississippi, and such strata as are correlative therewith in Stringer Field.

6. That Petitioner further proposed to amend the Special Field Rules to authorize any well completed in the Cotton Valley Oil Pool, the Upper Hosston Oil Pool, the Middle Hosston Oil Pool, or the Lower Hosston Oil Pool to be produced simultaneously from a single well bore without further notice and hearing from the Oil and Gas Board, provided that the ownership of the commingled pools is the same. Any multiple completions would be identified, by completion interval, on a completion report submitted to the Oil and Gas Board. Production from any multiple completed well would be identified to the Board as the “(First Pool)/(Second Pool)/(Third Pool) – Commingled.”

7. That the existing Special Field Rules for Stringer Field authorize only one well in the Cotton Valley Oil Pool to be drilled within a unit of either four contiguous quarter-quarter sections or 160 acres, with the well bore being no less than 500 feet from exterior unit lines and 1,000 feet between wells producing from the same pool.

8. That Petitioner further proposed to amend the Special Field Rules to authorize up to two producing wells per 160 acre unit in the Cotton Valley Oil Pool, the Upper Hosston Oil Pool, the Middle Hosston Oil Pool, and the Lower Hosston Oil Pool provided that said wells shall be located at least 330 feet from every well drilling to or producing from the same pool and not less than 330 feet from every exterior boundary of the drilling unit. The proposed amendments will not cause drainage that is not offset by counter drainage and will protect the equal and correlative rights of all parties in interest.

9. That Petitioner further proposed that all increased density wells authorized in Stringer Field may have drilling permits issued administratively, without notice or hearing, provided that the proposed well complies in all respects with the Special Field Rules and has been previously force integrated pursuant to Section 53-3-7(1) Miss. Code Ann., as amended, “simple integration”. The ownership in each proration unit will be the same for that unit in both the initial well and the increased density well. Therefore, the effort to force pool each increased

density well is duplicative after the first integration of the unit and wasteful of the assets of both the operator and the Board. The proposed rule will only affect the "simple integration" of non-consenting owners. Should the operator of the unit desire to pursue the application of alternate risk charges against non-consenting owners, the operator may not rely on the Special Field Rules but will be required to follow the requirements of Miss. Code Ann. §53-3-7(2), as amended, and the established Statewide Rules to qualify for alternate risk charges against non-consenting owners.

10. That the proposed Amended Special Field Rules of Stringer Field, which are set forth in Exhibit "A", attached hereto, will prevent waste, will avoid the drilling of unnecessary wells, will protect the co-equal and correlative rights of the owners in the Field, allow all of the owners in the Field the right and opportunity to recover their fair and equitable share of the recoverable hydrocarbons therein, will foster and encourage the full development of the Field, will promote the conservation of hydrocarbons from the Field by preventing waste, and will enable hydrocarbons to be produced which could not otherwise be produced, thereby increasing the ultimate recovery of hydrocarbons.

11. That Petitioner did provide personal notice of the filing of this Petition as required by Procedural Rule 4 to the other two operators in Stringer Field.

**IT IS, THEREFORE, ORDERED AND ADJUDGED** that the Petitioner's request for the Board to amend the Special Field Rules for the Stringer Field attached hereto as Exhibit "A" is hereby granted; and

**IT IS FURTHER ORDERED AND ADJUDGED** that Petitioner shall acquire all other permits, if any, from any other permitting authority.

**IT IS FURTHER ORDERED AND ADJUDGED** that this order shall be in force and effect from and after March 20, 2019.

**SO ORDERED AND ADJUDGED** this the ~~15th~~ day of April, 2019.

STATE OIL AND GAS BOARD OF MISSISSIPPI

By: 

DAVID A. SCOTT, Chairman

OF COUNSEL:

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***ATTORNEY FOR PETITIONER,  
ROUNDTREE & ASSOCIATES, INC.***

**EXHIBIT "A"**

**AMENDED SPECIAL FIELD RULES  
STRINGER FIELD  
JASPER COUNTY, MISSISSIPPI**

DESCRIPTION OF FIELD

A. The Stringer Field, as used herein, is those lands in Jasper County, Mississippi described as follows:

TOWNSHIP 1 NORTH. RANGE 11 EAST

Section 19: The S 1/2

Section 20: The S1/2

Section 29: Entire

Section 30: Entire

Section 31: The N 3/4

Section 32: The N 3/4

TOWNSHIP 1 NORTH. RANGE 10 EAST

Section 24: The E 1/2 of the SE 1/4

Section 25: The E 1/2 of the E 1/2

and all productive extensions of any hydrocarbon pool that may underlie any of the above described lands.

POOLS

- B. (1) The Cotton Valley Oil Pool, as used herein, shall be construed to mean those strata of the Cotton Valley Formation productive of oil between the electric log depths of 14,150 feet and 15,500 feet in the Alpine Gas Operator – Stringer Unit 30-16 No. 1 situated in the S1/2 of the SE1/4 of Section 30, Township 1 North, Range 11 East, Jasper County, Mississippi, and such strata as are correlative therewith in Stringer Field.
- (2) The Upper Hosston Oil Pool, as used herein, shall be construed to mean those strata of the Hosston Formation productive of oil between the measured depths of 12,500 feet and 13,380 feet as shown on the Array Induction Log run by Schlumberger on December 4, 2006, in the Mosbacher Energy - Graham 29-3 No. 1 Well located 489 feet from the North line and 1,983 feet

from the West line of Section 29, Township 1 North, Range 11 East, Jasper County, Mississippi, and such strata as are correlative therewith in Stringer Field.

(3) The Middle Hosston Oil Pool, as used herein, shall be construed to mean those strata of the Hosston Formation productive of oil between the measured depths of 13,380 feet and 13,740 feet as shown on the Array Induction Log run by Schlumberger on December 4, 2006, in the Mosbacher Energy – Graham 29-3 No. 1 Well located 489 feet from the North line and 1,983 feet from the West line of Section 29, Township 1 North, Range 11 East, Jasper County, Mississippi, and such strata as are correlative therewith in Stringer Field.

(4) The Lower Hosston Oil Pool, as used herein, shall be construed to mean those strata of the Hosston Formation productive of oil between the measured depths of 13,740 feet and 14,195 feet as shown on the Array Induction Log run by Schlumberger on December 4, 2006, in the Mosbacher Energy – Graham 29-3 No. 1 Well located 489 feet from the North line and 1,983 feet from the West line of Section 29, Township 1 North, Range 11 East, Jasper County, Mississippi, and such strata as are correlative therewith in Stringer Field.

RULE 1: SPACING OF OIL WELLS

(a) Each oil well completed in the Cotton Valley Oil Pool, the Upper Hosston Oil Pool, the Middle Hosston Oil Pool, or the Lower Hosston Oil Pool, must be located on a drilling unit composed of either: (i) four contiguous quarter-quarter sections containing not less than 144 acres and not more than 176 acres upon which no other well drilling to or producing from the same pool is located; or (ii) any drilling unit not composed of four contiguous quarter-quarter sections must contain 160 surface acres which must be completely encompassed by a perimeter of a rectangle 2,650 feet by 3,500 feet provided, however, no unit shall be permitted which will create island acreage.

(b) Every well on a unit established in the Cotton Valley Oil Pool, the Upper Hosston Oil Pool, the Middle Hosston Oil Pool, or the Lower Hosston Oil Pool shall be located at least 330 feet from every well drilling to or producing from the same pool and not less than 330 feet from every exterior boundary of the drilling unit.

(c) These Rules shall not affect or be applicable to the Unit for the Alpine Gas Operator - Stringer Unit 30-16 No. 1 Well which shall continue to be located on a unit composed of the S1/2 of the SE1/4 of Section 30, Township 1 North, Range 11 East, Jasper County, Mississippi. These Special Field Rules shall not cause the Stringer Unit 30-16 to be considered as a "special unit" under Miss. Code Ann. § 53-3-5 or reduce its allowable.

(d) Each drilling unit established pursuant to Rule 1(b) may have up to two (2) producing wells on each unit.

#### RULE 2: MULTIPLE COMPLETION OF OIL WELLS

Any well completed in the Cotton Valley Oil Pool, the Upper Hosston Oil Pool, the Middle Hosston Oil Pool, or the Lower Hosston Oil Pool may be produced simultaneously from a single well bore without further notice and hearing from the Oil and Gas Board, provided that the ownership of the commingled pools is the same. Any multiple completions pursuant to this rule shall be identified, by completion interval, on a completion report submitted to the Oil and Gas Board. Production from any multiple completed well shall be identified to the Board as the "(First Pool)/(Second Pool)/(Third Pool) – Commingled."

#### RULE 3: FORCE INTEGRATION

A well which is to be drilled as an increased density well under Rule 1(d) of these Special Field Rules on an established unit, may have the drilling permit issued administratively, without notice or hearing provided that the proposed well complies in all respects with these Special Field Rules and provided that the established unit has previously been force integrated pursuant to Section 53-3-7(1) Miss. Code Ann., as amended, "simple integration".

#### RULE 4: APPLICABILITY OF STATEWIDE RULE

(a) The Board expressly reserves the right, after notice and hearing, to alter, amend, or repeal any or all of the foregoing Rules and Regulations.



(b) All Rules and Regulations contained in the Statewide Rules, as amended, which are not specifically covered or amended by the foregoing rules, are hereby adopted and shall apply to the Stringer Field.

**\*\*\*End of Special Field Rules\*\*\***