

MAY 9 1978

STATE OIL AND GAS BOARD
Clyde R. Davis, State Oil & Gas Supervisor

THE STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET NO. 114-78-379

ORDER NO. 167-78ORDER

This day this cause came on to be heard by the State Oil and Gas Board of Mississippi on the petition of Florida Gas Exploration Company requesting the Board to amend the Special Field Rules for the Tylertown Field, Walthall County, Mississippi, so as to define the 12,530-Foot Paluxy Gas Pool in said field.

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 said matter has been given in the manner and way 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.

The Board further finds that petitioner is the owner of operating rights under Section 25, Township 2 North, Range 11 East, Walthall County, Mississippi, and is the operator of the Florida Gas Exploration Company - W. H. Mitchell No. 1 Well located thereon. That said well was drilled pursuant to Permit No. 117 issued by this Board and was completed for production from the 12,700-Foot Paluxy Gas Pool and the 12,810-Foot Paluxy Gas Pool, both of which have heretofore been defined by the Special Field Rules for the Tylertown Field. The Board further finds that the above mentioned gas pools have been depleted and petitioner has recently completed a workover of said well and same has been tested in the 12,530-Foot Paluxy Gas Pool which is capable of producing gas.

The Board further finds that it is now necessary to amend the Special Field Rules for the Tylertown Field in order to identify and define the 12,530-Foot Paluxy Gas Pool as encountered in said well.

The Board further finds that said gas pool is separate and distinct from all other producing gas pools in the Tylertown Field and that the characteristics of said gas pool are such that wells drilled in conformance with the Statewide Rules and Regulations and the Special Field Rules will efficiently drain and produce the recoverable gas from said pool without avoidable waste.

The Board further finds that it is necessary to amend the Special Field Rules for the Tylertown Field for the protection of the co-equal and correlative rights of the owners in the field and for the prevention of waste.

IT IS, THEREFORE, ORDERED AND ADJUDGED that the Special Field Rules for the Tylertown Field, Walthall County, Mississippi, should be and the same are hereby amended so as to identify and define the 12,530-Foot Paluxy Gas Pool of the Paluxy Formation, and said Special Field Rules, as amended, shall read as follows:

SPECIAL FIELD RULES
FOR THE TYLERTOWN FIELD
WALTHALL COUNTY, MISSISSIPPI

1. The Tylertown Field of Walthall County, Mississippi, as used herein, consists of those parts of the following described lands underlain by the Paluxy Gas Pools as hereinafter defined, the lands being:

TOWNSHIP 2 NORTH, RANGE 11 EAST

Section 23: The Entire Section
Section 24: The Entire Section
Section 25: The Entire Section
Section 26: The Entire Section
Section 35: The Entire Section
Section 36: The Entire Section

TOWNSHIP 1 NORTH, RANGE 11 EAST

Section 1: The Entire Section
Section 2: The Entire Section,

and all productive extensions thereof.

2. The known gas pools within the said Tylertown Field are defined as follows:

(a) The 12,530-Foot Paluxy Gas Pool, as used herein, shall be construed to mean those strata of the Paluxy Formation productive of gas in the interval between the depths of 12,534 feet and 12,650 feet in the Florida Gas Exploration Company - W. H. Mitchell No. 1 Well as shown on the electric log of said well, and all sands correlative of these strata productive of gas, said well being located 1500 feet from the West line and 1500 feet from the South line of Section 25, Township 2 North, Range 11 East, Walthall County, Mississippi.

(b) The 12,700-Foot Paluxy Gas Pool which is found on the electric log of the W. H. Mitchell No. 1 Well as above described between 12,700 feet and 12,730 feet.

(c) The 12,810-Foot Paluxy Gas Pool which is found on the electric log of the said W. H. Mitchell No. 1 Well between 12,810 feet and 12,840 feet.

(d) The 12,860-Foot Paluxy Gas Pool which is found on the electric log for the Laird-Owens No. 1 Well between 12,855 feet and 12,870 feet.

3. Special Field Rules pertaining to the development and operation of the said field shall be as follows:

RULE 1 - SPACING

a. Every gas well shall be located on a drilling unit consisting of 640 surface contiguous acres, or a single governmental section, consisting of not less than 600 nor more than 680 acres, upon which no other drilling or producible well is located.

b. Any drilling unit not composed of a regular governmental section must be completely encompassed by a perimeter of a rectangle 5,580 feet by 6,245 feet. Provided, however, no unit shall be permitted which will create island acreage.

c. Every well shall be located at least 3,000 feet from every other drilling or producible well located in conformity with these rules.

d. Each well shall be located at least 1,500 feet from every exterior boundary of the drilling unit.

RULE 2 - RATABLE TAKE

a. Each person now or hereafter engaged in the business of purchasing oil or gas from owners, operators, or producers in this field, shall purchase the same without discrimination in favor of one owner, operator, or producer, as against another in the same common source of supply in proportion to the allowable specified by this Board; and

b. No owners, operator, or producer of oil or gas shall abuse correlative rights of any other owner, operator, or producer in the common source of supply herein defined by causing ratable withdrawal therefrom or by causing undue drainage between tracts or units, resulting in one or more owners, operator, or producers producing or withdrawing more than his or its just and equitable share from the common source, with allowances to be made for deficient wells.

RULE 3 - APPLICABILITY OF STATEWIDE RULES

a. All Rules and Regulations contained in the Statewide Rules as now existing, or as they may from time to time be amended, and which are not specifically in conflict with these Special Field Rules for the Tylertown Field, are hereby adopted and shall apply to said field.

b. The Board expressly reserves the right, after notice and hearing, to alter these rules.

ORDERED AND ADJUDGED this ^{20th} ~~15th~~ day of April, 1978.

STATE OIL AND GAS BOARD OF MISSISSIPPI

By

Joe R. Sanchez, Jr.
CHAIRMAN