

THE STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET NO. 102-72-337

ORDER NO. 133-72

ORDER

This day this cause came on for hearing before the State Oil and Gas Board on the petition of Southland Royalty Company, a Delaware corporation, qualified to do and doing business in the State of Mississippi, Dave Gammill, Harold Baker, Benton Vernon and R. E. Williams, requesting the Board to amend the Special Field Rules for the Zion Hill Field, Amite County, Mississippi, so as to make permanent the temporary spacing rule adopted by Order No. 258-71 dated October, 1971, and the Board finds that due and legal notice of the hearing of said matter has been given in the manner and form provided by law and by the rules and regulations of this Board and that due and proper proofs of said notice are on file with the Board and the Board has jurisdiction of this cause.

The Board further finds that at its regular October, 1971 meeting, this Board entered its Order No. 258-71 adopting temporary Special Field Rules for the Zion Hill Field, Amite County, Mississippi, so as to provide 80-acre spacing for production of oil from the Lower Tuscaloosa Oil Pool in said field, which order provided for the review and redetermination of appropriate spacing rules on or before the May, 1972 meeting of this Board.

The Board further finds that since the adoption of said temporary Special Field Rules, petitioners have drilled additional wells and have conducted extensive testing procedure on the initial well so as to make a further and more complete determination of the area of the Lower Tuscaloosa Oil Pool occurring in the Zion Hill Field that can be drained by one well. The Board further finds that one well producing from the Lower Tuscaloosa Oil Pool in the Zion Hill Field would drain a minimum of 80 acres.

The Board further finds that the Special Field Rules adopted by this Board at its October, 1971 meeting are reasonable and fair and are in the interest of conservation of the hydrocarbons underlying the Zion Hill Field in the Lower Tuscaloosa Oil Pool and that said Special Field Rules should now be made permanent for the location and spacing of wells for production of oil from the Lower Tuscaloosa Oil Pool.

IT IS, THEREFORE, ORDERED AND ADJUDGED by the State Oil and Gas Board that the Special Field Rules for the Zion Hill Field, Amite County, Mississippi, as adopted by Order No. 258-71 at its October, 1971 meeting, are hereby amended so as to make permanent the temporary spacing rule adopted by said Order No. 258-71 requiring drilling and production of wells producing from the Lower Tuscaloosa Oil Pool on 80-acre units, said Special Field Rules, as amended, being attached hereto as Exhibit "A".

ORDERED AND ADJUDGED this 17th day of May, 1972.

STATE OIL AND GAS BOARD OF MISSISSIPPI

By Dean Paul Meador  
CHAIRMAN

SPECIAL FIELD RULES  
FOR THE ZION HILL FIELD  
AMITE COUNTY, MISSISSIPPI

The Zion Hill Field, as used herein, is that area consisting of Sections 7, 17, 18, 19 and 20, Township 4 North, Range 5 East, and Sections 12, 13 and 24, Township 4 North, Range 4 East, Amite County, Mississippi, underlain by the Lower Tuscaloosa Oil Pool, as hereinafter defined, and all productive extensions thereof.

I. The Lower Tuscaloosa Oil Pool in the Zion Hill Field shall be construed to mean those strata of the Tuscaloosa Formation productive of oil in the interval between the sub-sea depths of 10,634 feet to 10,693 feet in the H.D. Baker-Dave Gammill-Mitchell & Mithcell Properties, Inc. - Fenn 17-12 Well No. 1, as indicated on the electric log of said well, and all sands correlative of these strata productive of oil, said well being located 663 feet from the West line and 500 feet from the North line of the NW $\frac{1}{2}$  of SW $\frac{1}{2}$  of Section 17, Township 4 North, Range 5 East, Amite County, Mississippi.

II. The characteristics of said Lower Tuscaloosa Oil Pool in said field are such that a well located as hereinafter prescribed and drilled upon a drilling unit containing approximately 80 contiguous surface acres conforming to the requirements of the rules herein contained will efficiently drain and produce the recoverable oil from such units in said pool without avoidable waste.

RULE 1 - SPACING OF OIL WELLS:

Every well drilled as an oil well:

- (1) shall be located on a drilling unit consisting of eighty (80) contiguous surface acres, or two governmental quarter-quarter sections containing not less than seventy-two (72) acres or more than eighty-eight (88) acres, upon which no other drilling or producible well is located;

- (b) any drilling unit not composed of two governmental quarter-quarter sections must be completely encompassed by the perimeter of a rectangle 1600 feet by 2725 feet. Provided, however, no unit shall be permitted which will create island acreage;
- (c) the well shall be located at least 660 feet from every other drilling or producible well located in conformity with this rule; and
- (d) the well shall be located at least 330 feet from every exterior boundary of the drilling unit.

**RULE 2 - APPLICABILITY OF STATEWIDE RULES:**

- A. All rules and regulations contained in Statewide Order No. 201-51, and any amendments thereto, not specifically covered by the foregoing Special Field Rules are hereby adopted and shall apply to said field.
- B. The Board expressly reserves the right, after notice and hearing, to alter, amend or repeal any and all of the foregoing rules and regulations.