

RESULTS  
STATE OIL AND GAS BOARD OF ALABAMA  
SPECIAL BOARD MEETING  
MARCH 22, 2007

1. DOCKET NO. 1-31-07-5

Continued petition by VENTEX OPERATING CORP., a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order amending Rule 1 of the Special Field Rules for the North Smiths Church Field, Escambia County, Alabama, to add the Southeast Quarter of the Southeast Quarter and the South Half of the Northeast Quarter of the Southeast Quarter of Section 23, Township 3 North, Range 7 East to the field limits of said Field.

This petition is filed as a companion to a petition bearing Docket No. 1-31-07-6 requesting reformation of the 160-acre unit for the Odom 24-14 No. 1 Well, Permit No. 14201-B, to a 220-acre unit.

**BOARD ACTION:** Granted 4-2-07

ORDER NO. 2007-60

2. DOCKET NO. 1-31-07-6

Continued petition by VENTEX OPERATING CORP., a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order reforming a 160-acre unit for the Odom 24-14 No. 1 Well, Permit No. 14201-B, consisting of the Southwest Quarter of Section 24, Township 3 North, Range 7 East, Escambia County, Alabama, in the North Smiths Church Field, to a 220-acre unit consisting of the Southwest Quarter of said Section 24 and the Southeast Quarter of the Southeast Quarter and the South Half of the Northeast Quarter of the Southeast Quarter of Section 23, all in Township 3 North, Range 7 East, Escambia County, Alabama, in accordance with the 50% tolerance allowed by Section 9-17-12 (b) of the Code of Alabama 1975, as amended.

Section 9-17-12(b) of the Code of Alabama 1975, as amended, authorizes the Board to grant units in excess of 160 acres when it is demonstrated that one well can efficiently and economically drain the proposed area and that a larger unit is justified because of technical, economic, environmental or safety considerations, or other reasons deemed valid by the Board. Said 220-acre unit would be an exception to Rule 3(a) of the Special Field Rules for the North Smiths Church Field, which provides for 160-acre governmental units.

This petition is filed as a companion to petition bearing Docket No. 1-31-07-5 requesting an amendment to Rule 1 of the Special Field Rules for the North Smiths Church Field to add parcels to the field limits of said Field.

**BOARD ACTION:** Granted 4-2-07

ORDER NO. 2007-61

3. DOCKET NO. 2-28-07-31

Continued petition by ESCAMBIA OPERATING CO., LLC, a foreign limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order approving an exceptional surface location and proposed bottom hole location for the Manning 4-9 No. 1 Well to be drilled on a 640-acre unit consisting of Section 4, Township 1 North, Range 7 East, Escambia County, Alabama, in the Big Escambia Creek Field, as an exception to Rule 3(b) of the Special Field Rules for said Field, which requires that wells be located at least 1,320 feet from every exterior boundary of the drilling unit. The surface location for the referenced well will be 1,502 feet from the South line and 404 feet from the East line and the proposed bottom hole location will be no closer than 330 feet from the East line and 1,502 feet from the South line of said Section 4 and, as such, will be an exception to said Rule 3(b).

**BOARD ACTION:** Granted on 3-22-07 with the stipulation that a directional survey be run to verify the bottom hole location of the well and that the bottom hole location of the well be no closer than 330 feet from the east line of the unit.

ORDER NO. 2007-58

4. DOCKET NO. 3-22-07-1

Petition by ESCAMBIA OPERATING CO., LLC, a foreign limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order force pooling, without the imposition of a risk compensation penalty, all tracts and interests in hydrocarbons produced in the proposed Manning 4-9 No. 1 Well to be drilled on a 640-acre unit consisting of Section 4, Township 1 North, Range 7 East, Escambia County, Alabama, in the Big Escambia Creek Field.

This Petition is in accordance with Section 9-17-13, Code of Alabama (1975), as amended, and Rule 400-7-2-.01 of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Granted 3-22-07

ORDER NO. 2007-59